

**DEPARTMENT OF LABOR
OVERVIEW**

The Department of Labor (DOL) is charged with three major responsibilities: providing income maintenance to the disabled and the unemployed; training and re-training the State's workforce; and ensuring safety in the workplace. Most of the Department's programs are fully supported with federal or dedicated funds. In fiscal 1997, a State appropriation totalling \$76 million will enable the Department to maintain its current level of service.

A total of \$70 million or 92 percent of DOL's State appropriation is provided by dedicated funds, thus minimizing the impact on State funds. Funding needs in programs such as Planning and Research, Vocational Rehabilitation, and the Board of Mediation are offset by penalties collected within the Unemployment Insurance Auxiliary Fund. Administrative costs associated with several trust and special revenue funds such as Special Compensation, State and Private Disability Insurance and Workers' Compensation are supported entirely with dedicated funding. All of these funds provide income maintenance benefits to individuals. Also, continuation funding from fees and State appropriations are provided for the Workplace Standards program, which regulates and enforces the State laws governing the safety of the workplace.

The Workforce Development Partnership program will enter into its fifth year of operation. Grants are awarded to individuals seeking to enhance existing job skills or retrain for new skills, as well as to private companies under the Customized Training component of the program. Customized Training grants make the companies more competitive and productive, and are a key incentive for attracting new businesses to New Jersey.

The budget recommendation for the Public Employment Relations Commission (PERC) and the PERC Appeal Board is continued at the same level (\$2.5 million). PERC, which is housed within DOL's budget for administrative purposes, was created to resolve disputes in public employment, such as negotiating units, elections, certifications and settlement of public employee and public employer disputes and grievance procedures.

DOL anticipates receiving an estimated \$296 million in federal grants in fiscal 1997. Of this amount, \$118 million is designated for job training and placement programs, including services provided through the federal Job Training Partnership Act (JTPA). Funding for the Disability Determinations and the Vocational Rehabilitation programs are expected to remain level.

SUMMARY OF APPROPRIATIONS BY PROGRAM
(thousands of dollars)

| Year Ending June 30, 1995 | | | | | Year Ending June 30, 1997 | | | |
|---------------------------------|------------------------|------------------------------------|--------------------|----------|---|-----------------------------|-----------|------------------|
| Orig. & (S)Supple- mental | Reapp. & (R)Recpts. | Transfers & (E)Emer- gencies | Total Available | Expended | | 1996 Adjusted Approp. | Requested | Recom- mended |
| 740 | --- | 20 | 760 | 760 | Economic Planning and Development | | | |
| 658 | --- | 84 | 742 | 734 | Planning and Research | 547 | 486 | 486 |
| | | | | | Management and Administrative Services | 598 | 568 | 568 |
| 1,398 | --- | 104 | 1,502 | 1,494 | <i>Subtotal</i> | 1,145 | 1,054 | 1,054 |
| | | | | | Economic Regulation | | | |
| 6,664 | 1,581 | 100 | 8,345 | 8,148 | Workplace Standards | 5,782 | 5,658 | 5,658 |
| 6,664 | 1,581 | 100 | 8,345 | 8,148 | <i>Subtotal</i> | 5,782 | 5,658 | 5,658 |
| | | | | | Economic Assistance and Security | | | |
| 100 | --- | --- | 100 | 71 | Unemployment Insurance | 25 | --- | --- |
| 21,791 | 4,355 | --- | 26,146 | 25,493 | State Disability Insurance Plan | 22,441 | 21,324 | 21,324 |
| 3,234 | 1,011 | --- | 4,245 | 3,919 | Private Disability Insurance Plan | 3,492 | 3,443 | 3,443 |
| 8,876 | 6,012 | 939 | 15,827 | 14,748 | Workers' Compensation | 11,738 | 11,694 | 11,694 |
| 1,509 | 335 | --- | 1,844 | 1,436 | Special Compensation | 1,545 | 1,540 | 1,540 |
| 35,510 | 11,713 | 939 | 48,162 | 45,667 | <i>Subtotal</i> | 39,241 | 38,001 | 38,001 |

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| Year Ending June 30, 1995 | | | | | Year Ending June 30, 1997 | | | |
|---------------------------------|------------------------|------------------------------------|--------------------|---------------|------------------------------------|-----------------------------|---------------|------------------|
| Orig. & (S)Supple- mental | Reapp. & (R)Recpts. | Transfers & (E)Emer- gencies | Total Available | Expended | Manpower and Employment Services | 1996 Adjusted Approp. | Requested | Recom- mended |
| 2,447 | --- | --- | 2,447 | 2,447 | Vocational Rehabilitation Services | 2,447 | 2,447 | 2,447 |
| --- | 1,145 | 1,979 | 3,124 | 2,574 | Employment Services | 6,494 | 6,451 | 6,451 |
| 286 | --- | --- | 286 | 114 | Employment and Training Services | 150 | --- | --- |
| 2,378 | 74 | 122 | 2,574 | 2,403 | Public Sector Labor Relations | 2,505 | 2,500 | 2,500 |
| 619 | --- | --- | 619 | 619 | Private Sector Labor Relations | 535 | 481 | 481 |
| <u>5,730</u> | <u>1,219</u> | <u>2,101</u> | <u>9,050</u> | <u>8,157</u> | <i>Subtotal</i> | <u>12,131</u> | <u>11,879</u> | <u>11,879</u> |
| <u>49,302</u> | <u>14,513</u> | <u>3,244</u> | <u>67,059</u> | <u>63,466</u> | <i>Total Appropriation</i> | <u>58,299</u> | <u>56,592</u> | <u>56,592</u> |

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY
51. ECONOMIC PLANNING AND DEVELOPMENT

OBJECTIVES

1. To compile, analyze and disseminate labor market and economic data for distribution, to facilitate decision-making in the private and public sectors and to provide research and statistical services to aid departmental managers in planning, operating and evaluating programs under their jurisdiction.
2. To provide centralized support services for the Department.
3. To develop policy, evaluate performance and implement and coordinate programs of the Department.

PROGRAM CLASSIFICATIONS

18. **Planning and Research.** Charged with coordinating Departmental planning, evaluating programs, assisting in the formulation of policy and compiling, analyzing and disseminating operational, labor market and demographic data.
99. **Management and Administrative Services**--Comprised of four functional activities: The Office of the Commissioner, Office of the Controller, Office of Internal Audit, and the Division of Administrative Services.

The Office of the Commissioner provides upper level management, strategic planning, and formulates the policies and priorities of the Department.

The Office of the Controller is responsible for all accounting and budgeting functions of the Department, and the evaluation of all programs from a financial management viewpoint. The Office is also charged with fiscal oversight of the collection of Unemployment and Disability Insurance taxes, collection of the Special Compensation Fund assessments and the assessment functions of the Disability Insurance Services.

The Office of Internal Audit is charged with the responsibilities of safeguarding assets, preventing and/or detecting fraud and abuse and assuring that the Department is conforming to established laws, rules, regulations and procedures.

The Division of Administrative Services provides the departmental programs with the following services: personnel; affirmative action and equal employment opportunity; training; program analysis and development; and central support, such as word processing, printing, supplies and mail distribution, purchasing and equipment and building management.

EVALUATION DATA

| | Actual FY 1994 | Actual FY 1995 | Revised FY 1996 | Budget Estimate FY 1997 |
|--|-------------------|-------------------|--------------------|-------------------------------|
| PERSONNEL DATA | | | | |
| Affirmative Action Data | | | | |
| Male Minority | 309 | 290 | 340 | 341 |
| Male Minority % | 8.0 | 7.0 | 8.4 | 8.4 |
| Female Minority | 1,016 | 980 | 1,028 | 1,110 |
| Female Minority % | 25.0 | 24.0 | 24.7 | 24.8 |
| Total Minority | 1,325 | 1,273 | 1,368 | 1,451 |
| Total Minority % | 33.0 | 24.0 | 33.1 | 33.2 |
| Position Data | | | | |
| Filled Positions by Funding Source | | | | |
| State Supported | 48 | 40 | 39 | 39 |
| Federal | 421 | 434 | 433 | 455 |
| Total Positions | 469 | 474 | 472 | 494 |
| Filled Positions by Program Class | | | | |
| Planning and Research | 123 | 130 | 130 | 135 |
| Management and Administrative Services | 346 | 344 | 342 | 359 |
| Total Positions | 469 | 474 | 472 | 494 |

Notes: Actual fiscal years 1994 and 1995 and Revised fiscal year 1996 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1997 reflects the number of positions funded.

APPROPRIATIONS DATA
(thousands of dollars)

| Year Ending June 30, 1995 | | | | | Year Ending June 30, 1997 | | | |
|---------------------------------|------------------------|------------------------------------|--------------------|----------|------------------------------|-----------------------------|----------------------|------------------|
| Orig. & (S)Supple- mental | Reapp. & (R)Recpts. | Transfers & (E)Emer- gencies | Total Available | Expended | Prog. Class. | 1996 Adjusted Approp. | Requested | Recom- mended |
| 740 | --- | 20 | 760 | 760 | 18 | 547 | 486 | 486 |
| 658 | --- | 84 | 742 | 734 | 99 | 598 | 568 | 568 |
| 1,398 | --- | 104 | 1,502 | 1,494 | Total Appropriation | | 1,145 ^(a) | 1,054 |

LABOR

| Year Ending June 30, 1995 | | | | | Year Ending June 30, 1997 | | | |
|-------------------------------|---------------------|----------------------------|-----------------|----------|---------------------------|-----------------------|-----------|-------------|
| Orig. & (S)Supplemental | Reapp. & (R)Recpts. | Transfers & (E)Emergencies | Total Available | Expended | Prog. Class. | 1996 Adjusted Approp. | Requested | Recommended |
| Distribution by Object | | | | | | | | |
| Personal Services: | | | | | | | | |
| 1,067 | --- | 104 | 1,171 | 1,171 | | 821 | 740 | 740 |
| --- | --- | --- | --- | 10 | | --- | --- | --- |
| 1,067 | --- | 104 | 1,171 | 1,181 | | 821 | 740 | 740 |
| 22 | --- | -2 | 20 | 20 | | 22 | 22 | 22 |
| 208 | --- | 8 | 216 | 199 | | 201 | 191 | 191 |
| 35 | --- | -6 | 29 | 28 | | 35 | 35 | 35 |
| Special Purpose: | | | | | | | | |
| 62 | --- | --- | 62 | 62 | 99 | 62 | 62 | 62 |
| 62 | --- | --- | 62 | 62 | | 62 | 62 | 62 |
| 4 | --- | --- | 4 | 4 | | 4 | 4 | 4 |

OTHER RELATED APPROPRIATIONS

| | | | | | Federal Funds | | | |
|------------------|--------------------|-----|--------|--------|------------------------|------------------|-------|-------|
| 7,024 | | | | | | 7,233 | | |
| 143 ^S | 1,938 | --- | 9,105 | 6,569 | 18 | 535 ^S | 6,132 | 6,132 |
| 12,617 | 3,574 | --- | 16,191 | 12,435 | 99 | --- | --- | --- |
| 19,784 | 5,512 | --- | 25,296 | 19,004 | | 7,768 | 6,132 | 6,132 |
| | | | | | All Other Funds | | | |
| --- | 1,024 | --- | 4,774 | 3,890 | 99 | --- | --- | --- |
| --- | 3,750 ^R | --- | 4,774 | 3,890 | | --- | --- | --- |
| 21,182 | 10,286 | 104 | 31,572 | 24,388 | | 8,913 | 7,186 | 7,186 |

Notes: (a) The fiscal year 1996 appropriation has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits Salary and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

Such sums as may be necessary to collect the contributions pursuant to the Health Care Reform Act, P.L.1992, c.160 (C.26B:2H-18.51 et al.), are appropriated from the Health Care Subsidy Fund, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for the Planning and Research program classification is appropriated from the Unemployment Compensation Auxiliary Fund.

The amount necessary to provide administrative costs incurred by the Department of Labor to meet the statutory requirements of the "New Jersey Urban Enterprise Zone Act," P.L. 1983, c.303 (C.52:27H-60 et seq.) is appropriated from the Enterprise Zone Assistance Fund, subject to the approval of the Director of the Division of Budget and Accounting.

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY

52. ECONOMIC REGULATION

OBJECTIVES

1. To prevent employment practices which are injurious to workers or which abrogate workers' rights and to assure equitable wages and working hours.
2. To prevent injuries to persons and damage to property from explosives, liquified petroleum gases, hazardous materials and mining operations; to prevent injuries and fatalities to

the public on carnival-amusement rides, and ski lifts and also from high voltage lines, boilers, machinery, pressure vessels, refrigeration systems, electric power generating plants and nuclear installations.

3. To prevent injuries and illnesses to public employees.
4. To provide on-site consultation service to employers on matters of safety and health of employees.
5. To provide safety and health training to miners.

PROGRAM CLASSIFICATIONS

12. **Workplace Standards.** Enforces statutes and rules by inspections of premises, contents and working conditions. Covered are places of public employment (C39:6A-25 et seq); certain provisions of the Worker and Community Right to Know Act (C39:5A-18 et seq); boilers (including nuclear components), pressure vessels and refrigeration plants (C34:7-14 et seq); mines, pits and quarries (34:6-98.1 et seq); explosives (C21:1A-128 et seq); proximity to high voltage lines (C34:6-47.1 et seq); liquefied petroleum gas (C21:1B-1 et seq); carnival-amusement rides (C5:3-331 et seq); ski lifts (C34:4A-1 et seq); fireworks (C21:2-1 et seq and C21:3-1 et seq); service stations (C34A-1 et seq); and the examination and licensing of stationary engineers and firemen (C34:7-1 et seq).

Develops and interprets rules, issues formal variances and hears appeals. Issues licenses to power plant engineers and

boiler operators and issues approvals for operation of boilers, pressure vessels and nuclear components. Annually registers all mines, pits and quarries and aerial tramways. Annually issues permits for explosives and carnival-amusement rides.

Also covered are minimum wage and overtime (C34:11-56A et seq); wage payment (C34:11-4.1 et seq); child labor (C34:2-21.1 et seq); industrial homework (C34:6-120 et seq); lie detectors (C2A:170.90.1); wage collection (C34:11-57 et seq); prevailing wage (C34:11-56.25 et seq) crew leaders (C34:8A-7 et seq); drinking water and toilet facilities (C34:9A-37 et seq); and contract labor camps subject to the Wagner Peyser Act.

Provides on-site occupational health and safety consultation services to employers by agreement with the Federal Occupational Safety and Health Administration.

Provides safety and health training for miners under a Federal Mine Safety and Health Administration agreement.

EVALUATION DATA

| | Actual FY 1994 | Actual FY 1995 | Revised FY 1996 | Budget Estimate FY 1997 |
|--|-------------------|-------------------|--------------------|-------------------------------|
| PROGRAM DATA | | | | |
| Workplace Standards | | | | |
| Mine, pit and quarry inspections | 1,150 | 1,150 | 1,150 | 1,150 |
| Liquefied petroleum gas inspections | 5,000 | 3,000 | 3,000 | 3,000 |
| Amusement ride inspections | 3,690 | 3,700 | 3,700 | 3,700 |
| Ski lift inspections | 200 | 170 | 170 | 170 |
| High voltage inspections | 150 | 150 | 150 | 150 |
| Gas station inspections | 750 | 1,000 | 1,000 | 1,000 |
| Mechanical Inspection | | | | |
| Boilers inspected by State | 1,200 | 5,000 | 17,000 | 20,000 |
| Boilers inspected by insurance inspectors | 32,000 | 38,000 | 38,000 | 38,000 |
| OSHA On-site Consultant Services | | | | |
| Consultations | 610 | 771 | 800 | 800 |
| Hazards identified | 4,300 | 5,483 | 5,400 | 5,400 |
| Wage and Hour, Child Labor and Public Contracts | | | | |
| Complaints received | 9,624 | 8,956 | 8,956 | 9,404 |
| Formal complaints filed | 3,780 | 4,480 | 4,480 | 4,500 |
| Employees receiving back wages | 14,582 | 13,010 | 13,010 | 13,050 |
| Net back wages paid to employees | \$5,538,371 | \$4,322,489 | \$4,322,489 | \$4,538,577 |
| Public Employees Safety | | | | |
| Inspections | 2,250 | 3,000 | 2,000 | 2,000 |
| Hazards identified | 13,000 | 18,000 | 9,000 | 9,000 |
| Asbestos Control and Licensing | | | | |
| Employer licenses issued | 100 | 130 | 130 | 130 |
| Employee permits issued | 3,900 | 3,700 | 3,700 | 3,700 |
| Apparel Registration | | | | |
| Registrations issued | 1,341 | 1,345 | 1,345 | 1,425 |
| Firms with violations | 348 | 350 | 350 | 350 |

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

| | | | | |
|-----------------------|-----|-----|-----|-----|
| State Supported | 180 | 171 | 161 | 175 |
| Federal | 19 | 18 | 16 | 17 |
| Total Positions | 199 | 189 | 177 | 192 |

Filled Positions by Program Class

| | | | | |
|---------------------------|-----|-----|-----|-----|
| Workplace Standards | 199 | 189 | 177 | 192 |
| Total Positions | 199 | 189 | 177 | 192 |

Notes: Actual fiscal years 1994 and 1995 and Revised fiscal year 1996 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1997 reflects the number of positions funded.

LABOR

APPROPRIATIONS DATA (thousands of dollars)

| Year Ending June 30, 1995 | | | | | Year Ending June 30, 1997 | | | |
|---------------------------|---------------------|----------------------------|-----------------|----------|--------------------------------|-----------------------|-----------|-------------|
| Orig. & (S)Supplemental | Reapp. & (R)Recpts. | Transfers & (E)Emergencies | Total Available | Expended | Prog. Class. | 1996 Adjusted Approp. | Requested | Recommended |
| 6,664 | 1,581 | 100 | 8,345 | 8,148 | | | | |
| 6,664 | 1,581 | 100 | 8,345 | 8,148 | | | | |
| | | | | | Distribution by Program | | | |
| | | | | | 12 | 5,782 | 5,658 | 5,658 |
| | | | | | | 5,782 ^(a) | 5,658 | 5,658 |
| | | | | | Distribution by Object | | | |
| | | | | | Personal Services: | | | |
| 5,601 | 1,576 ^R | -92 | 7,085 | 6,980 | | 5,040 | 4,922 | 4,922 |
| 5,601 | 1,576 | -92 | 7,085 | 6,980 | | 5,040 | 4,922 | 4,922 |
| 37 | --- | --- | 37 | 37 | | 86 | 86 | 86 |
| 441 | --- | 22 | 463 | 463 | | 410 | 424 | 424 |
| 161 | --- | --- | 161 | 161 | | 142 | 122 | 122 |
| | | | | | Special Purpose: | | | |
| 335 | --- | --- | 335 | 243 | 12 | 35 | 35 | 35 |
| 1 | --- | --- | 1 | 1 | 12 | 1 | 1 | 1 |
| 3 | --- | --- | 3 | 3 | 12 | 3 | 3 | 3 |
| 339 | --- | --- | 339 | 247 | | 39 | 39 | 39 |
| 85 | 5 | 170 | 260 | 260 | | 65 | 65 | 65 |

OTHER RELATED APPROPRIATIONS

| | | | | | Federal Funds | | | |
|------------------|-------|-----|--------|-------|------------------------|-------|-------|-------|
| 1,359 | | | | | | | | |
| 316 ^S | 26 | --- | 1,701 | 1,296 | 12 | 1,410 | 1,488 | 1,488 |
| 1,675 | 26 | --- | 1,701 | 1,296 | | 1,410 | 1,488 | 1,488 |
| | | | | | All Other Funds | | | |
| --- | 1 | --- | 1 | --- | 12 | 1,245 | 1,479 | 1,479 |
| --- | 1 | --- | 1 | --- | | 1,245 | 1,479 | 1,479 |
| 8,339 | 1,608 | 100 | 10,047 | 9,444 | | 8,437 | 8,625 | 8,625 |

Notes: (a) The fiscal year 1996 appropriation data has been adjusted for the allocation of salary program and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

Receipts in excess of the amount anticipated for the Workplace Standards program are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

Notwithstanding the provisions of the "Worker and Community Right to Know Act," P.L. 1983, c.315 (C.34:5A-1 et seq.), the amount hereinabove for the Worker and Community Right to Know Act account is payable out of the "Worker and Community Right to Know Trust Fund." If receipts to that fund are less than anticipated, the appropriation shall be reduced proportionately. In addition to the amounts hereinabove, there are appropriated out of the Worker and Community Right to Know Trust Fund such additional sums, not to exceed \$8,400, to administer the Right to Know program, subject to the approval of the Director of the Division of Budget and Accounting.

There are appropriated out of the Wage and Hour Trust Fund and the Prevailing Wage Act Trust Fund such sums as may be necessary for payments.

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY

53. ECONOMIC ASSISTANCE AND SECURITY

OBJECTIVES

1. To accumulate adequate reserves for the payment of benefits to temporarily and involuntarily unemployed and disabled individuals.
2. To provide prompt, efficient payment of benefits to eligible individuals.
3. To insure the integrity of Trust Funds by utilizing modern fraud control techniques in cooperation with other state and federal agencies.
4. To act as agent for the federal government in payment of unemployment insurance to federal employees and recently discharged veterans.
5. To provide prompt and efficient economic assistance to workers disabled by non-occupational sickness or accident.
6. To assure prompt, equitable adjudication of claims by employees for job-related illnesses and injuries and to expedite the return of employees to useful employment.
7. To make prompt and efficient determinations of disability claims under Title II and Title XVI of the Social Security Act.

PROGRAM CLASSIFICATIONS

01. **Unemployment Insurance.** C43:21 et seq. establishes the State-administered, federally-funded programs of unemployment insurance covering virtually all non-agricultural units employing one or more persons. Claims are filed, monetary and eligibility determinations made and benefits paid through communication terminals on line in 35 offices located in population centers throughout the State.

In March 1984, C43:21 et seq. was revised to incorporate the quarterly collection of wage records by the Department of Labor as of September 1984. This activity was formerly performed by the Division of Taxation under C54:1-55 et seq. Effective July 1, 1986 all unemployment benefit claims are based upon the wage information collected by the Department of Labor. In addition, automated cross matches are performed to identify fraudulent collection of unemployment and public assistance benefits.

02. **Disability Determination.** The Federal Government fully funds the Division of Disability Determinations from the Social Security Act for the purpose of adjudicating long term disability claims. Activities include medical, legal and qualitative review of claims.

03. **State Disability Insurance Plan.** Provides temporary cash benefits to nearly all workers covered under the Unemployment Compensation Law to insure against loss of earnings due to non-occupational sickness or accident. Only the expenditure of dedicated revenues is involved since both benefits and administrative costs are financed through employer and worker contributions and specified assessments. Major activities are the processing of claims and payments. The collection of contributions, penalties and interest is performed by the Unemployment Insurance Service and paid for by the Disability Insurance program.

04. **Private Disability Insurance Plan.** Employers may, with the approval of the Director of Unemployment and Temporary Disability Insurance select coverage under a Private Plan; otherwise coverage must be under the State Plan. Activities are comparable to those under the State Plan program, including oversight of the initiation and modification of plans. Benefit costs of this activity are charged to the State Disability Benefits Fund. Administrative costs are charged partly to the State Plan administrative fund and assessed proportionately against the private plans.

05. **Workers' Compensation.** Workers' Compensation benefits are provided through three procedures; voluntary direct settlements, informal hearings and formal hearings. Voluntary payments made by insurance carriers and self insurers are reviewed as to adequacy of payments. If potentially inadequate, an informal hearing is scheduled. If an equitable settlement can not be made at the informal hearing, a formal claim may be filed. Formal claims are heard by judges sitting in 17 different locations statewide. As the result of legislation enacted during 1990, funding for the Workers' Compensation program is derived from the Second Injury Fund created by the Workers' Compensation Law (C34:15-1 et seq.) through an assessment against carriers of workers' compensation insurance and self insurers.

06. **Special Compensation.** This fund, paid for entirely by self-insurers and insurance companies, provides benefits to totally and permanently disabled workers with prior disabilities to encourage employment of the handicapped. Special Compensation also determines special adjustment benefits payable to qualified persons under C34:15-95.4. The purpose of this legislation is to increase benefits to bring victims of pre-1980 occupational injuries in line with current rates.

EVALUATION DATA

| | Actual FY 1994 | Actual FY 1995 | Revised FY 1996 | Budget Estimate FY 1997 |
|--|-------------------|-------------------|--------------------|-------------------------------|
| PROGRAM DATA | | | | |
| Unemployment Insurance | | | | |
| Covered workers | 3,314,200 | 3,398,500 | 3,467,500 | 3,498,600 |
| Net benefits paid (millions) | \$1,199 | \$1,361 | \$1,329 | \$1,548 |
| Average insured unemployed rate | 3.0% | 3.1% | 3.3% | 3.3% |
| Initial claims | 517,700 | 549,500 | 619,700 | 634,500 |
| Average weekly benefit payment | \$235 | \$248 | \$251 | \$261 |
| Disability Determination | | | | |
| Total claims adjudicated | 80,000 | 85,826 | 86,973 | 88,712 |
| Social Security Disability payments (millions) | \$964 | \$952 | \$962 | \$971 |
| Average cost per case | \$423 | \$421 | \$426 | \$430 |

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| | Actual FY 1994 | Actual FY 1995 | Revised FY 1996 | Budget Estimate FY 1997 |
|--|-------------------|-------------------|--------------------|-------------------------------|
| State Disability Insurance Plan | | | | |
| Covered workers | 2,424,300 | 2,492,800 | 2,517,000 | 2,527,300 |
| Claims filed | 166,829 | 165,000 | 167,000 | 169,000 |
| Benefits paid (millions) | \$281 | \$315 | \$337 | \$353 |
| Cost per claim processed | \$103 | \$92 | \$104 | \$96 |
| Average weekly benefit payment | \$255 | \$270 | \$270 | \$282 |
| Private Disability Insurance Plan | | | | |
| Covered workers | 588,300 | 588,300 | 661,641 | 667,583 |
| Plans in force | 3,600 | 3,600 | 3,900 | 3,900 |
| Claims received | 18,000 | 18,000 | 18,000 | 18,000 |
| Benefits paid (millions) | \$27 | \$27 | \$27 | \$27 |
| Cost per claim processed | \$88 | \$88 | \$95 | \$95 |
| Workers' Compensation | | | | |
| First reports of accident received | 225,000 | 225,000 | 225,000 | 225,000 |
| Cases pending July 1 | 105,949 | 104,519 | 115,380 | 115,380 |
| Cases filed, reopened, reassigned | 58,000 | 47,900 | 52,526 | 49,900 |
| Cases closed | 61,000 | 52,000 | 53,526 | 52,000 |
| Cases pending June 30 | 102,949 | 100,419 | 115,380 | 113,280 |
| Special Compensation | | | | |
| Balance July 1 | 2,603 | 2,121 | 2,065 | 1,986 |
| Verified petitions assigned | 1,381 | 1,301 | 1,315 | 1,294 |
| Advisory reports recovered | 1,121 | 1,357 | 1,394 | 1,415 |
| Balance June 30 | 2,863 | 2,065 | 1,986 | 1,865 |
| Beneficiaries | 4,511 | 4,550 | 4,568 | 4,582 |

PERSONNEL DATA

Position Data

Filled Positions by Funding Source

| | | | | |
|-----------------------|-------|-------|-------|-------|
| State Supported | 430 | 445 | 428 | 424 |
| Federal | 1,701 | 1,849 | 1,769 | 1,961 |
| All Other | 6 | 7 | 6 | 7 |
| Total Positions | 2,137 | 2,301 | 2,203 | 2,392 |

Filled Positions by Program Class

| | | | | |
|---|-------|-------|-------|-------|
| Unemployment Insurance | 1,323 | 1,489 | 1,402 | 1,543 |
| Disability Determinations | 378 | 360 | 367 | 418 |
| State Disability Insurance Plan | 188 | 199 | 186 | 170 |
| Private Disability Insurance Plan | 76 | 80 | 77 | 85 |
| Workers' Compensation | 153 | 154 | 152 | 156 |
| Special Compensation Fund | 19 | 19 | 19 | 20 |
| Total Positions | 2,137 | 2,301 | 2,203 | 2,392 |

Notes: Actual fiscal years 1994 and 1995 and Revised fiscal year 1996 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1997 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

| Year Ending June 30, 1995 | | | | | Year Ending June 30, 1997 | | | |
|---------------------------------|------------------------|------------------------------------|--------------------|---------------|------------------------------|-----------------------------|---------------|------------------|
| Orig. & (S)Supple- mental | Reapp. & (R)Recpts. | Transfers & (E)Emer- gencies | Total Available | Expended | Prog. Class. | 1996 Adjusted Approp. | Requested | Recom- mended |
| Distribution by Program | | | | | | | | |
| 100 | --- | --- | 100 | 71 | 01 | 25 | --- | --- |
| 21,791 | 4,355 | --- | 26,146 | 25,493 | 03 | 22,441 | 21,324 | 21,324 |
| 3,234 | 1,011 | --- | 4,245 | 3,919 | 04 | 3,492 | 3,443 | 3,443 |
| 8,876 | 6,012 | 939 | 15,827 | 14,748 | 05 | 11,738 | 11,694 | 11,694 |
| <u>1,509</u> | <u>335</u> | <u>---</u> | <u>1,844</u> | <u>1,436</u> | 06 | <u>1,545</u> | <u>1,540</u> | <u>1,540</u> |
| 35,510 | 11,713 | 939 | 48,162 | 45,667 | | 39,241^(a) | 38,001 | 38,001 |

LABOR

| Year Ending June 30, 1995 | | | | | Year Ending June 30, 1997 | | | |
|-------------------------------|------------------------|-------------------------------|-----------------|----------|------------------------------|-----------------------|-----------|-------------|
| Orig. & (S)Supplemental | Reapp. & (R)Recpts. | Transfers & (E)Emergencies | Total Available | Expended | Prog. Class. | 1996 Adjusted Approp. | Requested | Recommended |
| Distribution by Object | | | | | | | | |
| Personal Services: | | | | | | | | |
| 21,863 | 11,650 ^R | -4,673 | 28,840 | 22,703 | | 24,026 | 23,205 | 23,205 |
| --- | --- | --- | --- | 5,340 | | --- | --- | --- |
| 21,863 | 11,650 | -4,673 | 28,840 | 28,043 | | 24,026 | 23,205 | 23,205 |
| 495 | --- | --- | 495 | 370 | | 426 | 376 | 376 |
| 4,949 | --- | 1,059 | 6,008 | 5,438 | | 4,365 | 4,071 | 4,071 |
| 408 | --- | 2,935 | 3,343 | 2,962 | | 2,665 | 2,665 | 2,665 |
| Special Purpose: | | | | | | | | |
| 100 | --- | --- | 100 | 71 | 01 | 25 | --- | --- |
| --- | --- | 238 | 238 | 176 | 03 | --- | --- | --- |
| 6,600 | --- | 800 | 7,400 | 7,400 | 03 | 6,600 | 6,700 | 6,700 |
| --- | --- | 61 | 61 | 45 | 04 | --- | --- | --- |
| --- | --- | 192 | 192 | 134 | 05 | --- | --- | --- |
| 60 | --- | 27 | 87 | 19 | 06 | --- | --- | --- |
| --- | --- | --- | --- | --- | | 60 | 60 | 60 |
| 6,760 | --- | 1,318 | 8,078 | 7,845 | | 6,685 | 6,760 | 6,760 |
| 1,035 | 63 | 300 | 1,398 | 1,009 | | 1,074 | 924 | 924 |

OTHER RELATED APPROPRIATIONS

| | | | | | | | | |
|------------------------|----------------------|-------|---------|---------|----|---------|---------|---------|
| Federal Funds | | | | | | | | |
| 85,661 | 21,764 | --- | 107,425 | 77,401 | 01 | 97,064 | 90,500 | 90,500 |
| 39,775 | 9,398 | --- | 49,173 | 35,239 | 02 | 39,775 | 39,775 | 39,775 |
| 125,436 | 31,162 | --- | 156,598 | 112,640 | | 136,839 | 130,275 | 130,275 |
| All Other Funds | | | | | | | | |
| --- | --- | --- | --- | --- | 03 | 3,966 | 4,466 | 4,466 |
| --- | --- | --- | --- | --- | 04 | 1,067 | 1,067 | 1,067 |
| --- | 4 | --- | 4 | --- | 05 | 2,641 | 2,641 | 2,641 |
| --- | 22,381 | --- | --- | --- | 06 | 94,146 | 94,146 | 94,146 |
| --- | 126,336 ^R | 440 | 149,157 | 98,957 | | 101,820 | 102,320 | 102,320 |
| --- | 148,721 | 440 | 149,161 | 98,957 | | 101,820 | 102,320 | 102,320 |
| 160,946 | 191,596 | 1,379 | 353,921 | 257,264 | | 277,900 | 270,596 | 270,596 |

Notes: (a) The fiscal year 1996 appropriation has been adjusted for the allocation of salary program, which includes \$215,000 in appropriated receipts, and has been reduced to reflect the transfer of funds to the Employee Benefits and Salary and Other Benefits accounts.

LANGUAGE RECOMMENDATIONS

The amounts hereinabove for the State Disability Insurance Plan and Private Disability Insurance Plan are payable out of the State Disability Benefits Fund and, in addition to the amounts hereinabove, there are appropriated out of the State Disability Benefits Fund an amount not to exceed \$5,533,000 to administer the Disability Insurance Program, including a re-engineering study of program operations, subject to the approval of the Director of Budget and Accounting. In addition, the Department is authorized to charge such sums as may be necessary to pay disability benefits.

Receipts in excess of the amount anticipated for the Workers' Compensation program are appropriated, subject to the approval of the Director of the Division of Budget and Accounting.

The amount hereinabove for Special Compensation is payable out of the Special Compensation Fund and, notwithstanding the \$12,500 limitation set forth in R.S. 34:15-95, in addition to the amounts hereinabove, there are appropriated out of the Special Compensation Fund such additional sums as may be required for costs of administration and beneficiary payments.

The State Treasurer is directed to transfer to the General Fund the sum of \$50,000 from the excess in the Special Compensation Fund over the sum of \$1,250,000 accumulated as of June 30, 1996 pursuant to R.S.34:15-94.

There is appropriated out of the balance in the Second Injury Fund an amount not to exceed \$1,000,000 to be deposited to the credit of the Uninsured Employers Fund for the payment of benefits as determined in accordance with R.S.34:15-120.2. Any amount so transferred shall be included in the next Uninsured Employers Fund surcharge imposed in accordance with R.S.34:15-120.1 and such amount shall be returned to the Second Injury Fund without interest. Furthermore, any amount so transferred shall be included in "net assets" pursuant to R.S.34:15-94c.(4).

Amounts to administer the "Uninsured Employers Fund" are appropriated from the "Uninsured Employers Fund" subject to the approval of the Director of the Division of Budget and Accounting.

50. ECONOMIC PLANNING, DEVELOPMENT AND SECURITY

54. MANPOWER AND EMPLOYMENT SERVICES

OBJECTIVES

1. To develop and maintain employment opportunities.
2. To develop and rehabilitate manpower for employment opportunities.
3. To minimize public employer-employee disputes, to resolve such disputes when they arise and to enforce statutory rights of public employees.
4. To promote permanent harmony and stability in labor relations.

PROGRAM CLASSIFICATIONS

07. **Vocational Rehabilitation Services.** The Vocational Rehabilitation Program (PL 93-112 as amended; PL 97-35) provides services to handicapped individuals who are unable to work. A broad range of medical and training services are provided to assist in preparing for and acquiring employment. Funding is provided primarily on an approximate 80/20, Federal/State matching basis. The Sheltered Workshop Support program (Chapter 272, PL 1971), through 100% State funds, is designed to provide long-term employment and rehabilitation services to severely disabled individuals who cannot be placed in open competitive employment.

09. **Employment Services.** Under the New Jersey Workforce Development Partnership Act, services to train the State's workforce are provided through Individual Training grants for the disadvantaged and displaced unemployed and Customized Training grants for employers.

Labor exchange services are provided that match unemployed workers with job openings. Placement is facilitated through interviewing, classification, and counseling.

Other federally funded programs include Alien Certification, Disabled Veterans Outreach Program and the Trade Act Program. These programs are authorized by Wagner-Peyser as amended by the Jobs Training Partnership Act (P.L.97-300).

10. **Employment and Training Services.** Under the auspices of the Federal Job Training Partnership Act (P.L. 97-300), and related federal and state legislation, contracts with federal, state and local governments and other institutions to provide services to train the workforce which include: Counseling, Recruitment for Job Corps, Intake and Certification for JTPA, Job Search Assistance, Referral and Placement for General Assistance Recipients, and Job Search to enhance Economic Development activities.

The State Employment and Training Commission is an administrative body created by P.L. 1989,c.293, to design and assist in the implementation of a State-based, locally delivered employment, training, and education system. The Commission is responsible for the implementation and evaluation of an employment and training policy for the State.

16. **Public Sector Labor Relations.** Provides services through the Public Employment Relations Commission (C34:13A-1 et seq), which establishes policy, rules and regulations concerning employer-employee relations in the public sector, and resolves disputes involving unit determinations, representation, unfair practices and scope of negotiations, and upon request, provides mediators and fact-finders to assist in the resolution of collective negotiation disputes and designates arbitrators to resolve disputes over rights, pursuant to collective bargaining agreements.

The Public Employment Relations Commission Appeal Board is an administrative body created by P.L. 1979,c.477, and is authorized to review and decide appeals filed by non-member employees as to the appropriateness of representation fees set by their majority representatives.

17. **Private Sector Labor Relations.** Provides services through the State Board of Mediation (C34:13A-4 and C34:1A-23) which monitors labor negotiations throughout the State and conducts separate and joint conferences with labor and management during negotiations of labor contracts; resolves disputes by providing arbitrators at the request of the parties; and conducts consent elections to determine matters of union representation.

EVALUATION DATA

| | Actual FY 1994 | Actual FY 1995 | Revised FY 1996 | Budget Estimate FY 1997 |
|--|-------------------|-------------------|--------------------|-------------------------------|
| PROGRAM DATA | | | | |
| Vocational Rehabilitation Services | | | | |
| Total persons served | 14,217 | 17,868 | 22,605 | 24,865 |
| Total persons rehabilitated | 2,995 | 2,560 | 3,400 | 3,740 |
| Total continuing to be served | 9,950 | 12,000 | 14,500 | 15,826 |
| Average cost per rehabilitation | \$13,651 | \$15,410 | \$13,708 | \$13,816 |
| Earnings (Weekly) | | | | |
| Before rehabilitation | \$50 | \$46 | \$41 | \$40 |
| After rehabilitation | \$235 | \$236 | \$248 | \$250 |
| Sheltered Workshops | | | | |
| Persons served | 2,500 | 2,500 | 2,574 | 2,573 |
| Appropriation per client | \$3,969 | \$3,969 | \$4,595 | \$4,595 |
| Independent Living Rehabilitation | | | | |
| Persons served | 7,911 | 8,206 | 10,000 | 10,500 |
| Cost per person | \$105 | \$104 | \$108 | \$102 |
| Employment Services | | | | |
| Job openings received | 61,000 | 80,000 | 85,600 | 87,000 |
| Individuals placed | 15,200 | 20,400 | 19,400 | 22,000 |
| Individuals counseled | 29,400 | 34,600 | 45,000 | 45,000 |
| Disabled Veterans Outreach Program | | | | |
| Veterans placed | 3,300 | 4,000 | 3,400 | 3,550 |
| Veterans counseled | 4,500 | 4,300 | 6,600 | 6,600 |
| Employment and Training Services | | | | |
| General Assistance Employment Program | | | | |
| Obtained employment | 2,200 | 2,200 | 2,400 | 2,500 |
| Workforce Development Partnership Project | | | | |
| Customized Training Grants | \$18,900,000 | \$18,900,000 | \$22,822,770 | \$24,000,000 ^(a) |
| Individuals Trained | 18,900 | 18,900 | 20,273 | 21,200 |
| Cost per Individual | \$1,000 | \$1,000 | \$1,125 | \$1,302 |
| Companies served | 160 | 160 | 274 | 301 |
| Individual Training Grants-Displaced Workers | \$17,500,000 | \$17,500,000 | \$10,751,500 | \$10,751,500 ^(a) |
| Individuals trained | 6,023 | 6,023 | 3,400 | 3,400 |
| Cost per individual | \$2,906 | \$2,906 | \$3,162 | \$3,162 |
| Jobs Training Partnership Act | | | | |
| Total Enrollments | 20,000 | 25,000 | 27,000 | 27,000 |
| Total Job Placements | 7,300 | 7,500 | 7,500 | 7,000 |
| Early Employment Initiative/Family Development Initiative | | | | |
| Job Search Participants | 1,498 | 1,000 | 750 | 700 |
| Obtained Employment | 500 | 500 | 500 | 525 |
| Public Sector Labor Relations | | | | |
| Dispute Disposition | | | | |
| Balance July 1 | 3,250 | 3,481 | 3,986 | 4,411 |
| Filed | 2,300 | 2,591 | 2,670 | 2,695 |
| Disposed | 2,069 | 2,086 | 2,245 | 2,325 |
| Unfair practices and representation | 771 | 782 | 865 | 895 |
| Mediation, fact-finding and arbitration | 1,031 | 1,054 | 1,165 | 1,165 |
| Scope of negotiation and issue definition | 113 | 98 | 110 | 115 |
| Other Formal Decisions | 154 | 152 | 170 | 150 |
| Balance June 30 | 3,481 | 3,986 | 4,411 | 4,478 |
| Appeal Board | | | | |
| Balance July 1 | 8 | 163 | 158 | 153 |
| Petitions Filed | 165 | 2 | 35 | 40 |
| Disposed | 10 | 7 | 40 | 150 |
| Balance June 30 | 163 | 158 | 153 | 43 |

(a) Fiscal year 1997 allocations are tentative and subject to change.

LABOR

| | Actual FY 1994 | Actual FY 1995 | Revised FY 1996 | Budget Estimate FY 1997 |
|---|-------------------|-------------------|--------------------|-------------------------------|
| PERSONNEL DATA | | | | |
| Position Data | | | | |
| Filled Positions by Funding Source | | | | |
| State Supported | 110 | 100 | 105 | 103 |
| Federal | 901 | 913 | 966 | 1,039 |
| Total Positions | 1,011 | 1,013 | 1,071 | 1,142 |
| Filled Positions by Program Class | | | | |
| Vocational Rehabilitation Services | 329 | 347 | 343 | 351 |
| Employment Services | 630 | 620 | 678 | 747 |
| Public Sector Labor Relations | 41 | 37 | 41 | 37 |
| Private Sector Labor Relations | 11 | 9 | 9 | 7 |
| Total Positions | 1,011 | 1,013 | 1,071 | 1,142 |

Notes: Actual fiscal years 1994 and 1995 and Revised fiscal year 1996 position data reflect actual payroll counts. The Budget Estimate for fiscal year 1997 reflects the number of positions funded.

APPROPRIATIONS DATA (thousands of dollars)

| Year Ending June 30, 1995 | | | | | Year Ending June 30, 1997 | | | |
|---------------------------------|------------------------|------------------------------------|--------------------|----------|------------------------------|-----------------------------|-----------|------------------|
| Orig. & (S)Supple- mental | Reapp. & (R)Recpts. | Transfers & (E)Emer- gencies | Total Available | Expended | Prog. Class. | 1996 Adjusted Approp. | Requested | Recom- mended |
| Distribution by Program | | | | | | | | |
| 2,447 | --- | --- | 2,447 | 2,447 | | | | |
| | 1,145 | 1,979 | 3,124 | 2,574 | 07 | 2,447 | 2,447 | 2,447 |
| 286 | --- | --- | 286 | 114 | 09 | 6,494 | 6,451 | 6,451 |
| | | | | | 10 | 150 | --- | --- |
| 2,378 | 74 | 122 | 2,574 | 2,403 | 16 | 2,505 | 2,500 | 2,500 |
| 619 | --- | --- | 619 | 619 | 17 | 535 | 481 | 481 |
| 5,730 | 1,219 | 2,101 | 9,050 | 8,157 | | 12,131 ^(b) | 11,879 | 11,879 |
| Total Appropriation | | | | | | | | |
| Distribution by Object | | | | | | | | |
| Personal Services: | | | | | | | | |
| 4,851 | --- | 1,390 | 6,241 | 6,158 | | 4,937 | 4,899 | 4,899 |
| 4,851 | --- | 1,390 | 6,241 | 6,158 | | 4,937 | 4,899 | 4,899 |
| 36 | --- | 5 | 41 | 37 | | 37 | 35 | 35 |
| 483 | --- | 71 | 554 | 530 | | 460 | 441 | 441 |
| 33 | --- | --- | 33 | 32 | | 32 | 32 | 32 |
| Special Purpose: | | | | | | | | |
| --- | 674 | -674 | --- | --- | 09 | 4,415 | 4,405 | 4,405 |
| --- | 461 | 1,252 | 1,713 | 1,205 | 09 | 2,079 | 2,046 | 2,046 |
| 286 | --- | --- | 286 | 114 | 10 | 150 | --- | --- |
| 286 | 1,135 | 578 | 1,999 | 1,319 | | 6,644 | 6,451 | 6,451 |
| 41 | 84 | 57 | 182 | 81 | | 21 | 21 | 21 |

OTHER RELATED APPROPRIATIONS

| | | | | | | | | |
|--------|-------|-------|--------|--------|--|--------|--------|--------|
| 14,756 | --- | --- | 14,756 | 14,756 | Total Grants-in-Aid | 17,656 | 17,656 | 17,656 |
| 20,486 | 1,219 | 2,101 | 23,806 | 22,913 | Total General Fund | 29,787 | 29,535 | 29,535 |
| 1,740 | --- | --- | 1,740 | 1,740 | Total Casino Revenue Fund - Grants-in-Aid | 1,740 | 1,740 | 1,740 |
| 1,740 | --- | --- | 1,740 | 1,740 | Total Casino Revenue Fund | 1,740 | 1,740 | 1,740 |
| 22,226 | 1,219 | 2,101 | 25,546 | 24,653 | TOTAL STATE APPROPRIATIONS | 31,527 | 31,275 | 31,275 |

