Department of Labor & Workforce Development

1. For each line item reduction in the department’s or unit’s budget, specify the change, if any, in the nature, breadth or level of service or benefit that will be provided and identify and quantify the population that may be affected.

Response:

Vocational Rehabilitation Services ($3,500,000)

We are in the process of evaluating the options available to us as we determine the most appropriate distribution of the funds available to serve our clients with disabilities.

Work First Activities ($3,300,000)

This reduction will be allocated through an across the board reduction to all 18 local Workforce Investment Areas that will equal approximately 5% of their allocation for Work First activities. The Department of Labor and Workforce Development (LWD) will subsequently redistribute any unspent funds to local areas where needs have been identified.

Youth Corps ($415,000)

The Youth Corps sites provide programs combining academic instruction with community service, life skills, personal and career counseling, and transition services to youth who are without a high school diploma, unemployed, and under skilled for the workforce. This reduction in funding still leaves over $4.5 million in funds that are made available to fund the program sites from the Workforce Development Partnership Fund, the Literacy Fund and the Auxiliary Fund. We are currently exploring options that will enable us to further supplement this program with other funds so there is little impact on the grantees.

Council on Gender Parity ($23,000)

The budget has been reduced by $23,000 from its 2010 amount of $95,000 to $72,000. In previous years, the State Employment and Training Commission (SETC) contracted the full funding amount to The Center for Women and Work at Rutgers University through a Memorandum of Understanding. To reduce the
funding by $23,000 without reducing the effectiveness of the Council on Gender Parity, the SETC believes they can sustain the programs if the activities are brought in-house and performed by SETC staff. The SETC also believes they can save money by utilizing the Print Shop housed in the Department of Labor and Workforce Development to reduce some of the direct costs associated with the formalized printing of research reports. The number of hard copies of printed reports and the wide distribution of those reports may also be reduced. Instead, we will encourage people to access the reports via the Internet.

**Mine Safety ($144,000)**

This funding is used to support the inspection of active mining operations in the State twice per year in order to identify and eliminate health and safety hazards for miners, protect the general public from mining activity and protect property.

Currently, there are no operating underground mines in New Jersey; however, there are 190 above ground mines (quarries) that require inspections. In addition, there are over 400 abandoned mines in the State, most of which are underground and have to be inspected to ensure the safety of the general public.

At this time it is LWD’s intention to attempt to identify other resources to continue this activity.

**Affirmative Action/EEO ($33,000)**

The responsibilities and functions will be absorbed within the HR office of the department. Due to consolidation opportunities, there may be a reduction to overall staff.

2. For each line item reduction in the department’s or unit’s budget, please indicate the number of positions (budgeted, funded and filled or unfilled) that will be eliminated and the number of individuals whose employment will be ended. If appropriate distinguish between staffing actions that may occur before and after January 1, 2011.

**Response:** No State funded positions will be eliminated as a result of the proposed reductions although there may be staff reductions by grantees that will see their funding reduced as described above.

3. Please identify any reductions in the department’s or unit’s budget that constitute one-time savings that are not likely to recur in Fiscal Year 2012.

**Response:** None of the proposed reductions are considered one-time savings.

4. Please identify each Fiscal Year 2010 mid-year reduction that is recommended for continuation in Fiscal Year 2011.
**Response:** Of the $4.3 million in the fiscal year 2010 mid-year reduction to the Work First appropriation, $3.3 million is continued in 2011.

5. Are any of the appropriations recommended for Fiscal Year 2011 required to compensate for the effects of Fiscal Year 2010 reductions? If so, please identify and explain.

**Response:** There are no appropriations recommended in the Fiscal Year 2011 budget that are being used to offset Fiscal Year 2010 reductions.

6. Please list any anticipated increase in fees, fares or co-payments that are reflected in the FY 2011 budget recommendation, including the amount of revenue or cost reduction, and the intended effective date.

**Response:** There are no revenue enhancements included in the 2011 budget request.

7. If additional revenues were to become available during the budget process, which one or two reductions proposed for the department or unit should be top candidates for restoration? Please justify your selections.

**Response:** The Governor’s proposed Fiscal year 2011 budget represents the culmination of many tough choices that had to be made in order to balance spending and revenues for next year. The funding proposed for the Department of Labor and Workforce Development, while reduced, will allow it to meet its core missions and provide vital services to residents and businesses in the State.

In the event that additional revenues become available during the budget process, the Department would welcome the opportunity to work closely with the Legislature to restore funding for important programs. The Department believes that any such restorations should be considered in the context of programs and spending needs throughout the State budget, not only those administered by the Department. The Department looks forward to consulting with the Legislature to ensure that only the programs of greatest value are restored.

8. Please identify proposed budget reductions which require Federal approvals, waivers or similar actions, and the timetable for seeking and obtaining approvals in order to achieve the projected savings. Please indicate whether approvals/waivers have been previously sought and not obtained, and explain why approvals should be expected in this case. If federal approval is not received, what alternative actions may have to be taken to achieve savings of comparable value? Please also identify proposed budget reductions that may reduce the receipt of federal funds, and the estimated loss of federal funds that would result from such reductions.

**Response:** No such waivers or approvals are required.
9. Please describe how the department or unit implemented mandatory workforce furloughs in FY 2010, identifying the amount saved and the proportion of the workforce exempt from furloughs, and detailing the impact on individuals or firms served by or regulated by the department.

Response: Furloughs were enforced Department wide with no program areas being exempt. Savings are projected as follows: federal accounts - $4,900,000; trust & dedicated accounts - $975,000 and state accounts - $675,000. Because of the days lost, backlogs were experienced in the federally funded unemployment insurance program and in disability determinations causing the use of overtime which negated the savings noted above.

10. The Budget in Brief references savings to be achieved both through privatization and “insourcing.” Please identify savings in your budget associated with either of these initiatives. Please provide examples of successes or failures of such initiatives in prior years.

Response: There are no such savings included in the 2011 budget request for LWD.