

**Department of Labor and Human Rights
Budget No. 406
Senate Bill Nos. 2007, 2015, and 2395**

	FTE Positions	General Fund	Other Funds	Total
2023-25 legislative appropriation	13.00	\$2,654,148 ¹	\$503,398	\$3,157,546 ²
2021-23 legislative appropriation	<u>13.00</u>	<u>2,394,186</u>	<u>516,868</u>	<u>2,911,054</u>
2023-25 appropriation increase (decrease) to 2021-23 appropriation	0.00	\$259,962	(\$13,470)	\$246,492

¹This amount includes \$50,000 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$2,604,148.

²The 2023-25 legislative appropriation does not include any transfers of appropriation authority from the Office of Management and Budget funding pools for targeted market equity adjustments, retirement contribution increases, or new and vacant FTE positions.

Item Description

Full-time equivalent changes - The Legislative Assembly approved 13 FTE positions for the Department of Labor and Human Rights for the 2023-25 biennium, the same as the 2021-23 biennium. The Legislative Assembly added \$186,140, of which \$139,510 is from the general fund and \$46,630 is from federal funds, to reclassify a vacant FTE compliance investigator II position to an FTE wage and hour division director position for the 2023-25 biennium.

Targeted market equity - The Legislative Assembly appropriated \$82.5 million, of which \$45.1 million is from the general fund, to the Office of Management and Budget for a targeted market equity pool to be distributed to state agencies.

New and vacant FTE funding pool - The Legislative Assembly reduced the 2023-25 biennium appropriation authority for the department by \$79,165, including \$65,389 from the general fund and \$13,776 from federal funds for the new and vacant FTE funding pool. The reduction is related to estimated vacant position savings.

Paperless case management system - In Senate Bill No. 2007 (2015), the Legislative Assembly appropriated \$56,135 of one-time funding from the general fund to the department for a paperless storage system for the 2015-17 biennium, but due to budget reductions, the funding was removed during the August 2016 special legislative session.

In Senate Bill No. 2007 (2019), the Legislative Assembly appropriated \$69,659 of one-time funding from the general fund to the department for a paperless storage system.

In March 2020, the Emergency Commission authorized the department to accept federal funds of \$49,000 to expand the paperless storage system to include replacement of the department's case management system. The total

Status/Result

Through April 2024, the department has not reclassified any FTE positions and is evaluating the need for FTE position reclassification during the 2023-25 biennium.

The department received \$46,237, including \$40,158 from the general fund and \$6,079 from other funds, for targeted market equity increases. Equity increases were provided to 7 employees.

Through January 2024, the department has not received any funding from the new and vacant FTE funding pool to fill vacant FTE positions and had estimated vacant FTE position savings of \$152,060. The department used \$3,617 of the savings for accrued leave payouts. The number of vacancies in the department has ranged from four to three with an average monthly vacancy rate of 3.28 FTE positions.

Of the \$56,135 appropriated for the paperless system in the 2015-17 biennium, \$53,304 was removed in the August 2016 special legislative session budget reductions; therefore, the department did not implement the system.

During the 2019-21 biennium, the department spent \$152,925 to complete Phase 1 of the project, which was completed in July 2020. Of the total, \$101,439 was from the general fund, of which \$69,659 was appropriated by the 2019 Legislative Assembly for the project and \$31,780 was from general fund savings in the department's 2019-21 biennium budget. Of the total, \$51,486 was from federal funds, of which \$49,000 was from authority provided by the Emergency Commission and \$2,486 was from federal funds savings in the department's 2019-21 biennium budget.

authority for information technology-related projects for the 2019-21 biennium was \$130,190, of which \$81,190 was from the general fund and \$49,000 was from federal funds. Of the general fund amount, \$69,659 was from the 2019-21 biennium one-time funding appropriated for the project and \$11,531 was from savings in the agency's operating expenses line item.

In House Bill No. 1007 (2021), the Legislative Assembly appropriated \$177,717 of one-time funding to upgrade the department's case management system, of which \$147,717 is from the general fund and \$30,000 is from federal funds.

Occupational and professional boards study - In Senate Bill No. 2395, the Legislative Assembly appropriated \$50,000 of one-time funding from the general fund for a study regarding the continuing education requirements and practice of licensing out-of-state practitioners for occupational and professional boards. Pursuant to Senate Bill No. 2249 (2023), the Labor Commissioner is required to analyze the information to develop and update a strategy for more efficient continuing education requirements and more efficient practices for licensing out-of-state practitioners. The Labor Commissioner is required to hold meetings with each occupational board. During the 2023-24 interim, the Labor Commissioner is required to provide periodic reports to the Legislative Management on the status of meetings and progress made with the occupational boards.

During the 2021-23 biennium, the department spent \$89,549 on the project, including \$70,922 from the general fund and \$18,627 from federal funds.

The capital construction carryover committee authorized the department to continue \$88,168, including \$76,795 from the general fund and \$11,373 from federal funds, from the 2021-23 biennium to the 2023-25 biennium to complete the project. Through March 2024, the department has not spent any of the carryover funding. The department has been working with the Information Technology Department on the project and anticipates it will take 2 months to complete. It is unknown if additional improvements to the system will be requested in future bienniums.

As of March 2024, the department has surveyed each occupational and professional board regarding the required information provided for in Senate Bill No. 2249 and has met with 15 of the 42 occupational boards as required by subsection 1 of Section 2 of Senate Bill No. 2249. The remaining meetings have been scheduled and will be completed by July 2024. The agency has hired a temporary research assistant position and contracted with Jade Stone Consulting to assist in the collection of board information. The agency expects to submit the final report to the interim Workforce Committee by October 2024 and anticipates all funding appropriated for the study will be spent during the biennium.