

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

FINANCIAL SUMMARY

	FY 2012 EXPENDITURE	FY 2013 APPROPRIATION	FY 2014 REQUEST	GOVERNOR RECOMMENDS FY 2014
Department Administration	\$ 10,073,519	\$ 13,077,413	\$ 13,077,413	\$ 13,142,464
Labor and Industrial Relations Commission	855,887	993,876	994,244	1,002,157
Division of Labor Standards	1,900,072	2,777,102	2,778,505	2,795,925
Division of Workers' Compensation	45,174,816	56,834,236	56,837,518	56,874,318
Division of Employment Security	56,427,805	58,521,614	60,346,130	60,565,475
State Board of Mediation	91,456	119,543	119,632	120,635
Missouri Commission on Human Rights	1,370,215	1,623,614	1,629,747	1,642,724
DEPARTMENTAL TOTAL	\$ 115,893,770	\$ 133,947,398	\$ 135,783,189	\$ 136,143,698
General Revenue Fund	1,764,418	1,744,718	1,745,748	1,761,079
Federal Funds	42,907,705	65,523,016	64,732,337	65,017,126
Martin Luther King, Jr. State Celebration				
Commission Fund	0	0	5,000	5,000
Tort Victims' Compensation Fund	1	104,836	104,836	104,836
Workers' Compensation Fund	9,854,382	12,078,639	12,092,032	12,145,725
Second Injury Fund	37,162,786	47,359,511	47,359,511	47,359,511
War on Terror Unemployment				
Compensation Fund	0	90,000	90,000	90,000
Child Labor Enforcement Fund	11,635	179,450	179,450	179,450
Special Employment Security Bond				
Proceeds Fund	0	1	0	0
Special Employment Security Fund	24,192,843	6,614,179	6,614,599	6,619,315
Unemployment Automation Fund	0	203,048	2,806,676	2,808,238
Mine Inspection Fund	0	50,000	53,000	53,418
Total Full-time Equivalent Employees	944.19	824.06	824.06	824.06
General Revenue Fund	29.03	28.91	28.91	28.91
Federal Funds	756.65	616.61	616.61	616.61
Other Funds	158.51	178.54	178.54	178.54

DEPARTMENT SUMMARY

The Fiscal Year 2014 budget provides \$136.1 million for the Department of Labor and Industrial Relations. The department provides services that promote economic security and safe and healthy workplaces, and protect wage earners and individuals against discrimination.

The core functions provided by the Department of Labor and Industrial Relations include:

- Processing and awarding payment of compensation to those who are unemployed or injured at work.
- Ensuring safe and healthy workplaces for Missouri employees through on-site inspections that identify hazards to be corrected in the workplace.
- Protecting wage earners and individuals against discrimination by improving workplace conditions and enforcing labor and anti-discrimination laws.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DEPARTMENT ADMINISTRATION**

FINANCIAL SUMMARY

	FY 2012 EXPENDITURE	FY 2013 APPROPRIATION	GOVERNOR RECOMMENDS FY 2014
Director and Staff	\$ 1,305,028	\$ 1,764,700	\$ 1,764,700
Administrative Services	8,768,491	11,312,713	11,377,764
TOTAL	\$ 10,073,519	\$ 13,077,413	\$ 13,142,464
EXPENSE AND EQUIPMENT			
Federal Funds	1,305,028	1,764,700	1,764,700
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	381,933	313,718	316,140
Federal Funds	7,180,427	9,046,260	9,098,090
Other Funds	1,206,131	1,952,735	1,963,534
TOTAL			
General Revenue Fund	381,933	313,718	316,140
Federal Funds	8,485,455	10,810,960	10,862,790
Other Funds	1,206,131	1,952,735	1,963,534
Total Full-time Equivalent Employees	47.26	49.90	49.90
Federal Funds	47.26	49.90	49.90

The Director's Office provides leadership and supervision in the areas of policy, operation, and interagency coordination. Functions centralized within the Director's Office include: administrative services, financial management, human resources, legislative and public relations, research and analysis, and legal services. (Although spending authority is appropriated to Department Administration, for purposes of the Executive Budget, certain funds appear in other divisions of the department to more clearly reflect where dollars are spent.)

Fiscal Year 2014 Governor's Recommendations

- \$65,051 for increased transfer to the Department of Labor and Industrial Relations Administrative Fund for pay plan, including \$3,272 general revenue.
- \$850 federal funds reallocated for the realignment of the federal cost allocation plan.
- (\$850) reallocated for the realignment of the federal cost allocation plan.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
LABOR AND INDUSTRIAL RELATIONS COMMISSION**

FINANCIAL SUMMARY

	FY 2012 EXPENDITURE	FY 2013 APPROPRIATION	GOVERNOR RECOMMENDS FY 2014
Labor and Industrial Relations Commission TOTAL	\$ 855,887	\$ 993,876	\$ 1,002,157
PERSONAL SERVICE			
General Revenue Fund	8,268	8,708	9,499
Federal Funds	416,568	488,553	482,524
Other Funds	377,344	365,664	379,183
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,289	1,275	1,427
Federal Funds	24,370	75,487	72,521
Other Funds	28,048	54,189	57,003
TOTAL			
General Revenue Fund	9,557	9,983	10,926
Federal Funds	440,938	564,040	555,045
Other Funds	405,392	419,853	436,186
Total Full-time Equivalent Employees	12.85	14.00	14.00
General Revenue Fund	0.22	0.41	0.41
Federal Funds	6.64	9.24	9.24
Other Funds	5.99	4.35	4.35

The three-member Labor and Industrial Relations Commission reviews appeals at the highest administrative level in workers' compensation, unemployment compensation, victims of crime compensation, tort victims' compensation, and prevailing wage cases. The commission conducts hearings and renders written opinions, which are subject to review by the judiciary. The commission is also charged with the statutory authority to approve or disapprove all rules and regulations promulgated by the divisions within the department.

Fiscal Year 2014 Governor's Recommendations

- \$7,913 for pay plan, including \$86 general revenue.
- \$368 for the final pay period of the Fiscal Year 2013 approved pay plan, including \$7 general revenue.
- \$13,631 reallocated for realignment of the federal cost allocation plan, including \$850 general revenue.
- (\$13,631) federal funds reallocated for realignment of the federal cost allocation plan.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF LABOR STANDARDS**

FINANCIAL SUMMARY

	FY 2012 EXPENDITURE	FY 2013 APPROPRIATION	GOVERNOR RECOMMENDS FY 2014
Administration	\$ 942,314	\$ 1,238,547	\$ 1,221,847
On-Site Safety and Health Program	755,567	1,110,443	1,143,487
Mine Safety and Health Training Program	202,191	428,112	430,591
TOTAL	\$ 1,900,072	\$ 2,777,102	\$ 2,795,925
PERSONAL SERVICE			
General Revenue Fund	670,940	700,855	700,264
Federal Funds	630,266	870,868	879,492
Other Funds	259,584	331,576	337,866
EXPENSE AND EQUIPMENT			
General Revenue Fund	65,922	51,122	58,622
Federal Funds	204,494	488,644	488,644
Other Funds	68,866	334,037	331,037
TOTAL			
General Revenue Fund	736,862	751,977	758,886
Federal Funds	834,760	1,359,512	1,368,136
Other Funds	328,450	665,613	668,903
Total Full-time Equivalent Employees			
General Revenue Fund	37.47	41.00	41.00
Federal Funds	15.98	15.50	15.50
Other Funds	15.50	18.27	18.27
Other Funds	5.99	7.23	7.23

The Division of Labor Standards exists to assure the safety and health of Missouri workers. Staff conducts regular and special on-site inspections of businesses, industries, and commercial mines and caves. The division also provides free on-site safety and health consultations at the request of employers. Additionally, the division provides safety and health training classes for mine operators and miners. To ensure compliance with statutory provisions governing wage rates for public works projects, the division surveys prevailing wage rates for laborers, mechanics, and other workers employed in the construction industry. The division also conducts on-site inspections to assure compliance with Missouri's Child Labor Law.

Fiscal Year 2014 Governor's Recommendations

- \$17,420 for pay plan, including \$6,362 general revenue.
- \$1,403 for the final pay period of the Fiscal Year 2013 approved pay plan, including \$547 general revenue.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION**

FINANCIAL SUMMARY

	FY 2012 EXPENDITURE	FY 2013 APPROPRIATION	GOVERNOR RECOMMENDS FY 2014
Administration	\$ 8,012,030	\$ 9,374,725	\$ 9,414,807
Second Injury Fund Benefits	37,162,786	47,359,511	47,359,511
Tort Victims Compensation Payments	0	100,000	100,000
TOTAL	\$ 45,174,816	\$ 56,834,236	\$ 56,874,318
PERSONAL SERVICE			
Other Funds	7,081,886	7,940,035	7,980,117
EXPENSE AND EQUIPMENT			
Other Funds	843,870	1,393,689	1,393,689
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	49,985	1	1
Other Funds	37,199,075	47,500,511	47,500,511
TOTAL			
General Revenue Fund	49,985	1	1
Other Funds	45,124,831	56,834,235	56,874,317
Total Full-time Equivalent Employees	144.03	149.25	149.25
Other Funds	144.03	149.25	149.25

ADMINISTRATION

The Division of Workers' Compensation processes all reports of job-related injuries and formal claims for compensation filed with the division under Missouri Workers' Compensation Law. The division also resolves disputes between an employee and employer/insurer through mediation and/or evidentiary hearings, which are conducted by the division's administrative law judges. The division administers the rehabilitation of seriously injured workers, resolves disputes concerning the reasonableness of medical fees and charges, reviews and approves applications by employers or group trusts for self-insurance authority, and investigates allegations of workers' compensation fraud and noncompliance.

Fiscal Year 2014 Governor's Recommendations

- \$36,800 Workers' Compensation Fund for pay plan.
- \$3,282 Workers' Compensation Fund for the final pay period of the Fiscal Year 2013 approved pay plan.

SECOND INJURY FUND BENEFITS

The Second Injury Fund is designed to compensate an injured employee when a current work-related injury combines with a prior injury to create an increased combined disability. For example, if an employee suffers a 15 percent disability from a current work-related injury and is already considered 15 percent disabled from a prior injury, the fund pays 10 percent for the resulting compound disability for a total of 40 percent impairment. The fund is also responsible for payment of medical bills for injured employees when the employer fails to insure its workers' compensation liability. In addition, if an employee is killed, burial expenses and death benefits in the form of weekly payments to the surviving spouse or dependents are paid from the fund. The fund also provides benefits to injured employees undergoing physical rehabilitation. For injuries taking place after August 28, 1998, the fund provides second job lost wage benefits.

Fiscal Year 2014 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION**

TORT VICTIMS' COMPENSATION PAYMENTS

The Tort Victims' Compensation Fund provides benefits to individuals who have received a final monetary judgment in a civil case but who have been unable to collect all, or part of, the judgment entered against the defendant. The fund's exclusive revenue source is 50 percent of all punitive damage awards entered in civil cases in Missouri. Of this amount, 74 percent is used to pay victims, and the remaining 26 percent is transferred to the Basic Civil Legal Services Fund.

Fiscal Year 2014 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF EMPLOYMENT SECURITY**

FINANCIAL SUMMARY

	FY 2012 EXPENDITURE	FY 2013 APPROPRIATION	GOVERNOR RECOMMENDS FY 2014
Administration	\$ 29,437,776	\$ 40,917,434	\$ 42,956,160
Special Employment Security Fund	24,156,843	6,514,179	6,519,315
War on Terror Unemployment Compensation Program	0	90,000	90,000
Employment and Training Payments	2,833,186	11,000,000	11,000,000
Board of Unemployment Fund Financing	0	1	0
TOTAL	\$ 56,427,805	\$ 58,521,614	\$ 60,565,475
PERSONAL SERVICE			
Federal Funds	22,569,379	23,192,380	23,423,897
Other Funds	123,843	717,226	724,356
EXPENSE AND EQUIPMENT			
Federal Funds	6,700,101	7,998,800	16,722,825
Other Funds	452,145	5,432,290	8,035,486
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	3,001,482	20,523,206	11,001,200
Other Funds	23,580,855	657,712	657,711
TOTAL			
Federal Funds	32,270,962	51,714,386	51,147,922
Other Funds	24,156,843	6,807,228	9,417,553
Total Full-time Equivalent Employees			
Federal Funds	671.30	535.21	535.21
Other Funds	668.80	517.50	517.50
	2.50	17.71	17.71

ADMINISTRATION

The Division of Employment Security is responsible for determining employer liability, collecting unemployment compensation taxes from Missouri liable employers, paying unemployment benefits to eligible claimants, maintaining wage records of Missouri workers, and investigating cases involving possible fraud and benefit overpayments.

Fiscal Year 2014 Governor's Recommendations

- \$11,327,221 federal and other funds to modernize the unemployment insurance computer system.
- \$214,629 federal and other funds for pay plan.
- \$18,882 federal and other funds for the final pay period of the Fiscal Year 2013 approved pay plan.
- (\$9,522,006) federal funds core reduction from the Fiscal Year 2013 appropriation level.

SPECIAL EMPLOYMENT SECURITY FUND

The Special Employment Security Fund receives interest and penalties collected under the provisions of the Missouri Employment Security Law. Expenditures from this fund include refunds of overcollected interest and penalties and administrative expenses of the division not covered by federal monies. Federal interest assessments on Title XII advances to the Unemployment Compensation Trust Fund are also deposited into this fund until payment to the federal government is made.

Fiscal Year 2014 Governor's Recommendations

- \$4,716 Special Employment Security Fund for pay plan.
- \$420 Special Employment Security Fund for the final pay period of the Fiscal Year 2013 approved pay plan.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF EMPLOYMENT SECURITY**

WAR ON TERROR UNEMPLOYMENT COMPENSATION PROGRAM

The War on Terror Unemployment Compensation Program provides enhanced unemployment benefits to veterans of the War on Terror who have been dismissed or demoted as a result of being deployed. Benefits are paid out of the War on Terror Unemployment Compensation Fund, which consists of administrative penalties paid by employers found in violation of the relevant statutory provisions.

Fiscal Year 2014 Governor's Recommendations

Continue funding at the current level.

EMPLOYMENT AND TRAINING PAYMENTS

The Division of Employment Security operates employment and training programs established and funded by the U.S. Department of Labor as authorized by the Disaster Unemployment Assistance and the Trade Adjustment Assistance programs. The division contracts with the Division of Workforce Development and others to provide a full range of services, which include referral to employer job openings, job readiness skills training, referral to classroom or employer training, and payment of support services such as transportation, subsistence, and relocation allowances.

Fiscal Year 2014 Governor's Recommendations

Continue funding at the current level.

BOARD OF UNEMPLOYMENT FUND FINANCING

The Board of Unemployment Fund Financing has authority to issue, sell, and deliver credit instruments to fund the Unemployment Compensation Administration Fund in accordance with statute.

Fiscal Year 2014 Governor's Recommendations

- (\$1) Special Employment Security Bond Proceeds Fund core reduction from the Fiscal Year 2013 appropriation level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
STATE BOARD OF MEDIATION**

FINANCIAL SUMMARY

	FY 2012 EXPENDITURE	FY 2013 APPROPRIATION	GOVERNOR RECOMMENDS FY 2014
State Board of Mediation TOTAL	\$ 91,456	\$ 119,543	\$ 120,635
PERSONAL SERVICE	86,251	109,359	110,451
EXPENSE AND EQUIPMENT	5,205	10,184	10,184
TOTAL			
General Revenue Fund	91,456	119,543	120,635
Total Full-time Equivalent Employees	1.73	2.00	2.00
General Revenue Fund	1.73	2.00	2.00

The State Board of Mediation is a quasi-judicial board that is statutorily charged with determining appropriate bargaining units of public employees that request the establishment of such units and for conducting elections to determine the exclusive bargaining representative for those units.

Fiscal Year 2014 Governor's Recommendations

- \$1,003 for pay plan.
- \$89 for the final pay period of the Fiscal Year 2013 approved pay plan.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
MISSOURI COMMISSION ON HUMAN RIGHTS**

FINANCIAL SUMMARY

	FY 2012 EXPENDITURE	FY 2013 APPROPRIATION	GOVERNOR RECOMMENDS FY 2014
Missouri Commission on Human Rights	\$ 1,370,215	\$ 1,593,028	\$ 1,607,138
Martin Luther King Jr. State Celebration Commission*	0	30,586	35,586
TOTAL	\$ 1,370,215	\$ 1,623,614	\$ 1,642,724
PERSONAL SERVICE			
General Revenue Fund	478,516	502,338	507,333
Federal Funds	717,368	912,252	921,367
EXPENSE AND EQUIPMENT			
General Revenue Fund	16,109	47,158	47,158
Federal Funds	146,872	136,866	141,866
Other Funds	0	0	5,000
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	11,350	25,000	20,000
TOTAL			
General Revenue Fund	494,625	549,496	554,491
Federal Funds	875,590	1,074,118	1,083,233
Other Funds	0	0	5,000
Total Full-time Equivalent Employees	29.55	32.70	32.70
General Revenue Fund	11.10	11.00	11.00
Federal Funds	18.45	21.70	21.70

* Fiscal Year 2012 expenditures are in the Office of Administration section.

MISSOURI COMMISSION ON HUMAN RIGHTS

The statutory mandate of the Missouri Commission on Human Rights (MCHR) is to prevent and eliminate discrimination as prohibited by the Missouri Human Rights Act. The act requires the MCHR to investigate and resolve complaints of alleged discrimination in the areas of housing, employment, and public accommodations due to race, color, religion, national origin, ancestry, sex, disability, or age (in employment only) and familial status (in housing only). Through its education and outreach program, the MCHR reduces intergroup conflict and discourages illegal discrimination.

Fiscal Year 2014 Governor's Recommendations

- \$12,977 for pay plan, including \$4,608 general revenue.
- \$1,133 for the final pay period of the Fiscal Year 2013 approved pay plan, including \$387 general revenue.

MARTIN LUTHER KING JR. STATE CELEBRATION COMMISSION

The Martin Luther King Jr. State Celebration Commission considers and recommends to individuals and organizations appropriate activities for the recognition and celebration of Martin Luther King Day in Missouri.

Fiscal Year 2014 Governor's Recommendations

- \$5,000 Martin Luther King Jr. State Celebration Fund for activities to recognize and celebrate Martin Luther King Jr. Day in Missouri.