

**Department 406 - Department of Labor and Human Rights
Senate Bill No. 2007**

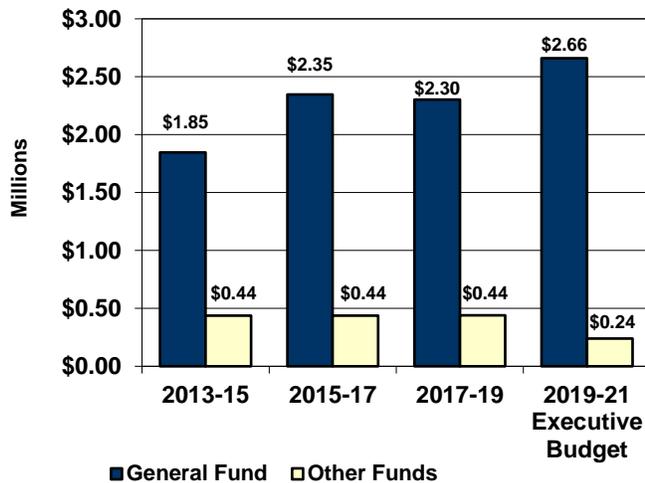
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	14.00	\$2,659,622	\$240,127	\$2,899,749
2017-19 Legislative Appropriations	14.00	2,303,986	439,916	2,743,902
Increase (Decrease)	0.00	\$355,636	(\$199,789)	\$155,847

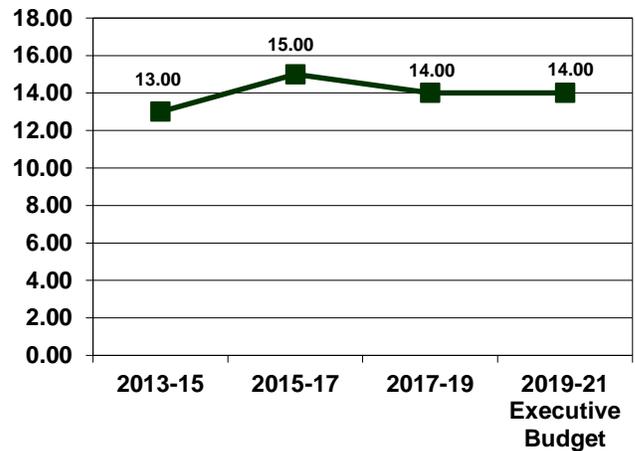
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$2,589,963	\$69,659	\$2,659,622
2017-19 Legislative Appropriations	2,303,986	0	2,303,986
Increase (Decrease)	\$285,977	\$69,659	\$355,636

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$2,659,622	\$240,127	\$2,899,749
2019-21 Base Level	2,303,986	439,916	2,743,902
Increase (Decrease)	\$355,636	(\$199,789)	\$155,847

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$97,196 is for salary increases, \$49,127 is for health insurance increases, and \$12,791 is for retirement contribution increases	\$159,114	\$0	\$159,114
2. Adjusts funding for salaries and wages	(\$15,611)	\$15,611	\$0
3. Adjusts funding for investigations related to housing claims	\$240,554	(\$240,554)	\$0
4. Adds funding for Microsoft Office 365 licensing expenses	\$1,508	\$0	\$1,508
5. Adds one-time funding for a paperless storage system	\$69,659	\$0	\$69,659

**Other Sections Recommended to be Added in the Executive Budget
(As Detailed in the Attached Appendix)**

Other funds appropriation - Section 2 would appropriate all federal and other funds received by the Department of Labor and Human Rights in the 2019-21 biennium in excess of the funds appropriated in Section 1.

Line item transfers - Section 3 would allow the Department of Labor and Human Rights to transfer up to 10 percent of the agency's appropriation authority between line items.

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

The operational audit for the Department of Labor and Human Rights conducted by the State Auditor's office for the period ending June 30, 2017, identified no significant audit findings.

Major Related Legislation

At this time, no major related legislation has been introduced affecting this agency.

Department of Labor and Human Rights - Budget No. 406
Senate Bill No. 2007
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	14.00	\$2,303,986	\$439,916	\$2,743,902
2019-21 Ongoing Funding Changes				
Base payroll changes		(\$99,588)	\$25,154	(\$74,434)
Salary increase		97,196		97,196
Health insurance increase		49,127		49,127
Retirement contribution increase		12,791		12,791
Adjust funding for salaries and wages		(15,611)	15,611	0
Adjust funding for investigations related to housing claims		240,554	(240,554)	0
Add funding for Microsoft Office 365 licensing expenses		1,508		1,508
Total ongoing funding changes	0.00	\$285,977	(\$199,789)	\$86,188
One-time funding items				
Add funding for a paperless storage system		\$69,659		\$69,659
Total one-time funding changes	0.00	\$69,659	\$0	\$69,659
Total Changes to Base Level Funding	0.00	\$355,636	(\$199,789)	\$155,847
2019-21 Total Funding	14.00	\$2,659,622	\$240,127	\$2,899,749

Other Sections for Department of Labor and Human Rights - Budget No. 406

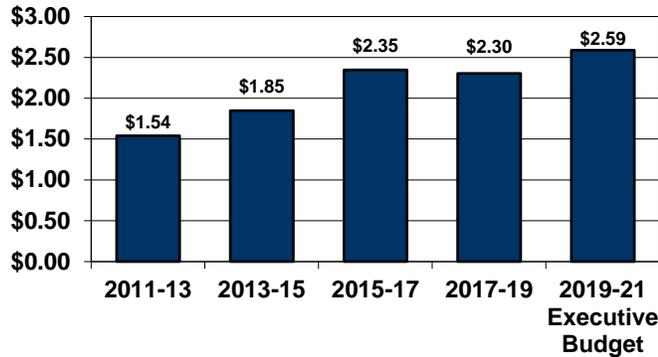
	Executive Budget Recommendation
Other funds appropriation	Section 2 would appropriate all federal and other funds received by the Department of Labor and Human Rights in the 2019-21 biennium in excess of the funds appropriated in Section 1.
Line item transfers	Section 3 would allow the Department of Labor and Human Rights to transfer up to 10 percent of the agency's appropriation authority between line items.

Department 406 - Department of Labor and Human Rights

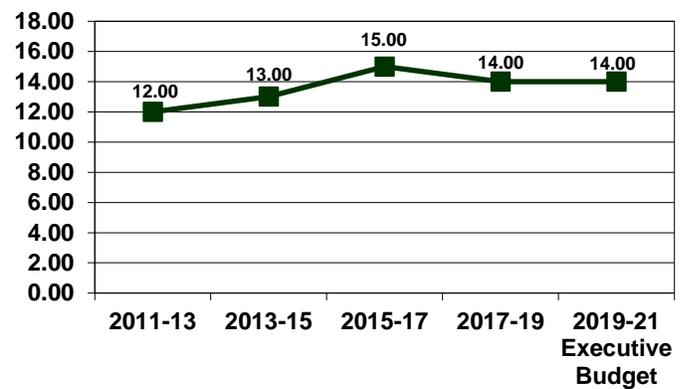
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$1,540,125	\$1,847,425	\$2,347,241	\$2,303,986	\$2,589,963
Increase (decrease) from previous biennium	N/A	\$307,300	\$499,816	(\$43,255)	\$285,977
Percentage increase (decrease) from previous biennium	N/A	20.0%	27.1%	(1.8%)	12.4%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	20.0%	52.4%	49.6%	68.2%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2013-15 Biennium

- 1. Added funding for 1 FTE compliance investigator position \$91,150

2015-17 Biennium

- 1. Added funding for 2 FTE compliance investigator positions and related funding \$364,109

2017-19 Biennium

- 1. Removed 1 FTE administrative assistant position and related funding of \$52,998 (Funding of \$42,794 was removed as part of the August 2016 budget reductions, resulting in a total reduction of \$95,792 for this position) (\$52,998)
- 2. Reduced funding for operating expenses (\$32,409)

2019-21 Biennium (Executive Budget Recommendation)

- 1. Adjusts funding for investigations related to housing claims, including a general fund increase of \$240,554 and a federal funds reduction of \$240,554 \$240,554

**GOVERNOR'S RECOMMENDATION FOR THE
DEPARTMENT OF LABOR AND HUMAN RIGHTS
AS SUBMITTED BY THE
OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of labor and human rights for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$2,414,984	\$84,680	\$2,499,664
Operating Expenses	328,918	71,167	400,085
Total all funds	\$2,743,902	\$155,847	\$2,899,749
Less estimated income	555,115	(314,988)	240,127
Total general fund	\$2,188,787	\$470,835	\$2,659,622
Full-time equivalent positions	14.00	(0.00)	14.00

SECTION 2. APPROPRIATION. In addition to the amounts appropriated to the department of labor and human rights in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. TRANSFER. Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

SECTION 4. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Electronic payment processing system	\$0	\$69,659
Total all funds	\$0	\$69,659
Less estimated income	0	0
Total general fund	\$0	\$69,659

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The department of labor and human rights shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019 and ending June 30, 2021.