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2009 MAR 18 AM 10:00



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STATE OF MAINE

ONE HUNDRED AND TWENTY-FOURTH LEGISLATURE

COMMITTEE ON LABOR

MEMORANDUM

TO: Senator G. William Diamond, Senate Chair
Representative Emily Ann Cain, House Chair
Members, Joint Standing Committee on Appropriations and Financial Affairs

FROM: Senator Troy Dale Jackson, Senate Chair
Representative John L. Tuttle, House Chair
Members, Joint Standing Committee on Labor

DATE: March 18, 2009

RE: LD 353, An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2010 and June 30, 2011

After much deliberation, the Joint Standing Committee on Labor, respectfully and unanimously, proposes changes to the Governor's Biennial Budget Bill.

Restoration of the following in the General Fund:

- Blind and Visually Impaired – Division for the 0126, Ref # 3028 (LAB-7)
- Blind and Visually Impaired – Division for the 0126, Ref # 3032 (LAB-7)
- Maine Centers for Women, Work and Community 0132, Ref. # 3035 (LAB-21)

Ref #	2009-10	2010-11
3028	\$ 68,345	\$ 69,659
3032	\$200,000	\$200,000
3035	<u>\$ 92,668</u>	<u>\$ 92,668</u>
	\$361,013	\$362,327

OTHER SPECIAL REVENUE FUNDS	2009-10	2010-11
All Other	\$3,500	\$5,887
OTHER SPECIAL REVENUE FUNDS TOTAL	\$3,500	\$5,887

Justification:

This initiative adjusts funding based on revised utility rates.

Blind and Visually Impaired - Division for the 0126

Initiative: Reduces funding for vocational rehabilitation services.

Ref. #: 3028

Committee Vote: ONTTP
13-0

AFA Vote: _____

GENERAL FUND	2009-10	2010-11
All Other	(\$68,345)	(\$69,659)
GENERAL FUND TOTAL	(\$68,345)	(\$69,659)

Ref. #: 3029

Committee Vote: ONTTP
13-0

AFA Vote: _____

FEDERAL EXPENDITURES FUND	2009-10	2010-11
All Other	(\$298,000)	(\$242,000)
FEDERAL EXPENDITURES FUND TOTAL	(\$298,000)	(\$242,000)

** Only 1-matching, see change package * \$68,345*

Justification:

In order to remain within available resources, services to people with disabilities must be reduced. These funds are matched with federal dollars. Part of the reduction will impact the maintenance of effort requirement and will result in a loss of one federal dollars for each state dollar. Federal funds will be reduced by \$68,000 in fiscal year 2009-10 and \$12,000 in fiscal year 2010-11. In fiscal year 2009-10 the department will also be unable to match the base federal grant, and will result in a loss of \$4 in federal funds for each state dollar. Federal funds will be reduced by \$230,000. Because of reductions at both the state and federal level, approximately 68 fewer people will receive services in fiscal year 2009-10 and 125 fewer people will receive services in 2010-11.

Blind and Visually Impaired - Division for the 0126

Initiative: Reduces funding for educational services to children who are blind.

Ref. #: 3032

Committee Vote: ONTTP
13-0

AFA Vote: _____

GENERAL FUND	2009-10	2010-11
All Other	(\$200,000)	(\$200,000)
GENERAL FUND TOTAL	(\$200,000)	(\$200,000)

Governor's Training Initiative Program 0842

Initiative: BASELINE BUDGET

GENERAL FUND	History 2007-08	History 2008-09	2009-10	2010-11
Personal Services	\$200,860	\$67,522	\$176,181	\$181,888
All Other	\$1,416,177	\$1,196,003	\$1,401,075	\$1,401,075
GENERAL FUND TOTAL	\$1,617,037	\$1,263,525	\$1,577,256	\$1,582,963

Justification:

The Governor's Training Initiative (GTI) program provides economic development through workforce development opportunities throughout Maine. The program provides funds for new hire and incumbent worker training to firms intending to add new jobs in Maine or to upgrade the current skills of existing workers. Training is intended to increase the skills and capacity of Maine's workforce, keep Maine businesses competitive, and increase employee wages. GTI is jointly administered by the Department of Labor and the Department of Economic and Community Development. The program promotes the use of public training institutions such as Community Colleges and Adult Education Programs, the hiring of targeted populations, an investment in life-long learning, and an increase in the quality of jobs in Maine.

Governor's Training Initiative Program 0842

Initiative: Reduces funding for training of incumbent workers.

Ref. #: 3090

Committee Vote: 13-0
OTP-A

AFA Vote: _____

GENERAL FUND	2009-10	2010-11
All Other	(\$75,730)	(\$72,099)
GENERAL FUND TOTAL	(\$75,730)	(\$72,099)
	+ (\$525,028.33)	+ (\$362,327)
	\$(600,758.33)	\$(434,426)

Handwritten notes: 109-10, 10-11, R#3028 \$68,345, R#3032 200,000, R#3035 92,668, LD 104: +\$361,013, +\$164,015.33, \$525,028.33

Justification:

The reduction in training will fund the program within available resources. Based on historical costs, the reduction would decrease the number of Maine workers who receive training from this program by approximately 150.

Governor's Training Initiative Program 0842

Initiative: Reallocates a portion of the cost of 2 Public Service Manager II positions, 2 Labor Program Specialist positions, one Principal Economic Research Analyst position, one Planning and Research Assistant position, one Employment and Training Specialist IV position and one Customer Representative Associate II position between the General Fund, the Federal Expenditures Fund and the Competitive Skills Scholarship Fund.

Ref. #: 3089

Committee Vote: 13-0
OTP

AFA Vote: _____

GENERAL FUND	2009-10	2010-11
POSITIONS - LEGISLATIVE COUNT	1.000	1.000
Personal Services	(\$82,029)	(\$86,198)
GENERAL FUND TOTAL	(\$82,029)	(\$86,198)

Maine Centers for Women, Work and Community 0132

Initiative: BASELINE BUDGET

	History 2007-08	History 2008-09	2009-10	2010-11
GENERAL FUND				
All Other	\$926,676	\$901,748	\$926,676	\$926,676
GENERAL FUND TOTAL	\$926,676	\$901,748	\$926,676	\$926,676

Justification:

The services of the Maine Centers for Women, Work, and Community are provided through a contractual agreement with the Maine Department of Labor in conjunction with the University of Maine at Augusta and offered from 18 centers and outreach sites statewide. Since 1978, the program has provided training and other services to help displaced homemakers and other disadvantaged individuals achieve success in the Maine economy through employment, self-employment, educational attainment, asset and leadership development. In 2007-2008, the program served 2009 displaced homemakers, single parents, and other workers in transition, including 1,155 new individuals. Overall, of those participating in comprehensive workforce readiness training or self-employment training, 75% to 80% complete the training with defined next steps for continuing their education, entering employment or starting a small business.

Maine Centers for Women, Work and Community 0132

Initiative: Reduces funding for the annual contract to the Maine Centers for Women, Work and Community.

Ref. #: 3035

Committee Vote:

ONTP
13-0

AFA Vote: _____

	2009-10	2010-11
GENERAL FUND		
All Other	(\$92,668)	(\$92,668)
GENERAL FUND TOTAL	(\$92,668)	(\$92,668)

Justification:

The reduction to the contract, which passes funds through the department to the Maine Center for Women, Work and Community, provides for the services within available resources.

MAINE CENTERS FOR WOMEN, WORK AND COMMUNITY 0132

PROGRAM SUMMARY

	History 2007-08	History 2008-09	2009-10	2010-11
GENERAL FUND				
All Other	\$926,676	\$901,748	\$834,008	\$834,008
GENERAL FUND TOTAL	\$926,676	\$901,748	\$834,008	\$834,008