

DEPARTMENT OF LABOR

Enabling Laws

Act 15 of the First Extraordinary Session of 2006

Act 1420 of 2005

Other: Arkansas Code Annotated 8-7-1001 through -1016; 11-2-101 through 11-7-414; 11-11-101 through 11-13-113; 15-59-111 through -115; 17-28-101 through -310; 20-20-301 through -303; 20-23-101 through -407; 20-24-101 through -119; 20-27-801 through -802; 20-27-901 through -905; 20-27-1101 through -1103; 20-27-1301 through -1317; 20-31-101 through -105; 22-9-212; 22-9-301 through -315; 23-89-501 through -518.

History and Organization

The Arkansas Department of Labor's predecessor was established in 1913. In 1937, the Agency received its current name and much of its current structure. Its statutory mission is "to promote and develop the welfare of the wage earners of Arkansas, to improve their working conditions, and to advance their opportunities for profitable employment". ACA § 11-2-101.

The following describes the agency's five (5) major program areas which encompass 14 functional work units.

OCCUPATIONAL SAFETY AND HEALTH

This program is the largest within the Agency with four (4) divisions or functional units. In addition to ADL's regulatory authority, this program recognizes individuals and companies who have made outstanding strides in the field of industrial safety through its safety award program. All units work collaboratively to present safety conferences and seminars throughout the State. **OSHA Consultation** is 90% federally funded and assists employers in complying with federal OSHA regulations. The primary role of this unit is to provide consultation and training to the private industry. The **Arkansas Occupational Safety and Health (AOSH)** unit is supported by General Revenue and enforces the State's safety and health laws, primarily with respect to public employment, an area not covered by federal OSHA. AOSH employees provide a variety of safety training courses to general industry, civic, and employee groups, as well as blasting training and certification. Another major responsibility of this unit is the enforcement and regulation of State law regarding the operation of amusement rides. AOSH works in conjunction with the Amusement Ride Safety Advisory Board. Fees collected for amusement ride inspections and blasting certification provide additional revenue for the Agency. **Mine Safety and Health (MSHA)** is 80% federally funded and assists miners in complying with federal safety and health laws by providing free on-site consultation and training to Arkansas' mining industry. The **Occupational Safety and Health/Census of Fatal Occupational Injuries (OSH/CFOI)** unit is responsible for conducting surveys of businesses and compiling and reporting statistics related to occupational injuries and illnesses, fatalities to facilitate and focus services. Two grants from the U. S. Department of Labor, one is funded by 50% federal funds and one by 100% federal funds, support these business functions. Funding the State matching portion for each of these federal grants is provided by general revenue.

LABOR STANDARDS

The Labor Standards program is responsible for enforcement of the State's wage and hour laws, child labor laws, and for licensing private employment agencies. This program also provides dispute resolution services for certain small wage disputes. With the passage of Act 15 of the First Extraordinary Session of 2006 that increases the state minimum wage effective October 1, 2006, the jurisdiction of this program will significantly increase.

The program is organized into three (3) work units: **Wage and Hour** provides enforcement of Arkansas law relating to minimum wage, overtime, child labor, equal pay, and wage collections. The **Private Employment Agency** unit licenses private employment agencies and otherwise administers and enforces the provisions of the Private Employment Agency Act. The **Prevailing Wage** unit is responsible for administering the Arkansas Prevailing Wage Law and works under advice of a 12 member Prevailing Wage Advisory Committee created by executive order in 1994.

MEDIATION SERVICES

Mediation Services provides voluntary intervention in collective bargaining situations. This is strictly a mediatory or conciliatory capacity to assist in the resolution of a labor dispute in an effort to avoid lockouts, boycotts and strikes.

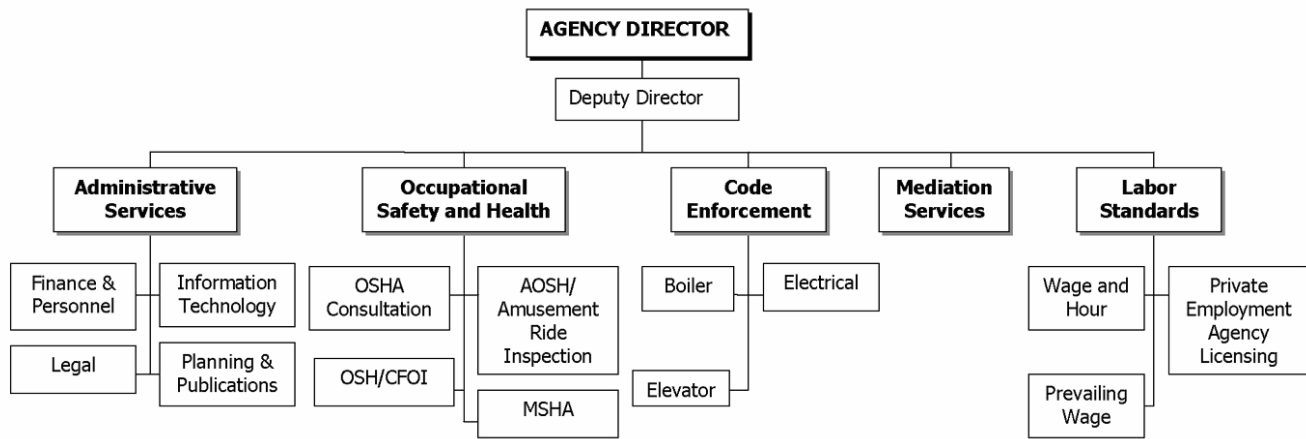
CODE ENFORCEMENT AND PUBLIC SAFETY

The purpose of the Code Enforcement program is to protect the public from inherent dangers with respect to the installation, use and operation of certain specialized devices and functions. This is primarily accomplished through licensing, permitting and inspections.

Organizationally, there are three (3) functional work units within this program. **Boiler Inspection** is responsible for enforcement, administration and regulation of State law regarding the operation of boilers and pressure vessels. These responsibilities include inspections, permits, and licensing. This unit works cooperatively with the Boiler Safety Advisory Board, and is funded 100% by special revenue from collection of established fees. **Elevator Safety** is responsible for inspecting and permitting elevators and escalators, and it works with the Elevator Safety Board. Fees collected by this unit substantially subsidize the Agency's general revenue distribution. The **Electrical Division** works with the Board of Electrical Examiners and is responsible for licensing electricians and for enforcing the State Electrical Code. This unit is funded 100% by special revenue from collection of fees.

ADMINISTRATIVE SERVICES

This program area has four (4) functional work units: **Finance & Personnel; Information Technology; Legal; Planning and Publications**. Each unit provides in-house support for all agency programs and is primarily funded by general revenue with appropriate direct and indirect charges to the federal and special revenue funded programs.



Agency Commentary

The majority of Change Level requests submitted by the Department of Labor for the upcoming biennium are due to the recent passage of Act 15 of the First Extraordinary Session of 2006 which increases the state minimum wage. This law becomes effective October 1, 2006, and at that time the number of businesses covered by State law will at least quadruple. The Labor Standards Program is supported by general revenue funds and is supplemented by the collection of civil money penalties. It is responsible for enforcement of the State's wage and hour laws and child labor laws, and for licensing private employment agencies, and also provides dispute resolution services for certain small wage disputes. Field investigators provide enforcement of Arkansas law relating to minimum wage, overtime, child labor, equal pay, wage collections and the state's prevailing wage law. The Agency is required by law to "promptly investigate" each complaint, and to routinely inspect businesses for compliance with these laws. The Agency currently has six (6) field investigators. Appropriation and funds for four (4) additional investigators are being requested, along with anticipated travel expenses and computer equipment for these investigators. These positions will be placed strategically throughout the State, with at least one remaining in the central Arkansas area. Based on the number of wage disputes and collections of U. S. Department of Labor this past year, the agency is also requesting additional appropriation for its Wage and Hour Account. Collections resulting from Wage and Hour investigations and legal actions are deposited into this account for disbursement of funds to individual employees. An Administrative Law Judge position is also being requested. This position will be responsible for conducting hearings related to the anticipated increase in wage disputes, as well as public or other administrative hearings required by the Agency.

The Arkansas Occupational Safety and Health (AOSH) program provides on-site consultation services, as well as comprehensive education and training services to Arkansas public sector employers and employees, and is the enforcement authority with respect to occupational safety and health in the public sector and the inspection of amusement rides. One additional Safety and Health Specialist position, along with related travel and training expense, is also being requested for this section due to the ever increasing number of requests the Agency receives for training classes and amusement ride inspections. In the past, the amusement ride season, or high volume months for inspections, was late summer through fall. However, with more spring festivals occurring throughout the State, the season starts earlier and lasts longer than ever before, and the number of companies operating in the State is constantly increasing.

The Occupational Safety and Health Consultation Program is 90% federally funded and provides

on-site consultation services and training to Arkansas' industrial employers and employees. This section is requesting one additional Safety and Health Specialist position in order to meet the goals established in the strategic plan developed under its grant agreement with federal OSHA. The Specialists are divided into two organizational units within OSHA Consultation, one that specializes in safety related issues such as machinery safeguards, electrical, etc., and one that specializes in industrial hygiene, such as employee exposure to chemicals, extreme noise levels and air contaminants. The plan establishes a minimum number of consultation visits, interventions and training sessions our program consultants are expected to meet. Currently, there is one less Safety and Health Specialist in the Health unit which is making it very difficult, if not impossible, for that section to meet the requirements. Because of the success of this program, more industries are requesting on-site training programs and statewide seminars, which is also difficult with the current number of consultants in this program.

The Code Enforcement Program protects the public from inherent dangers with respect to the installation, use and operation of certain specialized devices and functions primarily through licensing, permitting and inspections. There are three (3) functional divisions or work units within this program. The Boiler Inspection division has four Boiler Inspector positions that were acquired two years ago, but insufficient appropriation in operating expenses and training prohibited the Agency from filling the positions. State boiler safety laws require water heaters located in hospitals, schools, day care centers and nursing homes to be inspected on an annual basis, and this mandate can not be met with existing staff. The appropriation being requested will cover travel associated with routine inspections, code books and training materials for these four inspectors, and to provide National Board Pre-Commission training for at least one new inspector per year. The same is true for two (2) Electrical Inspector positions. Currently, two (2) inspectors plus the Chief are responsible for conducting all routine and complaint inspections and investigations throughout the State, and current base level appropriation is barely sufficient to cover their expenses. Without the requested increases in appropriation, the Agency would still be unable to fill the two vacant positions, and therefore, be unable to promptly investigate complaints and provide adequate enforcement of the electrical code.

Lastly, the Agency is requesting appropriation, and funds for functional units supported solely by general revenue, in both Maintenance & Operations and Capital Outlay to replace specified IT equipment in accordance with the Agency's three-year replacement policy in its Information Technology Plan, and for rental of office facilities based on a recent proposal by the Agency's current Lessor.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 DEPARTMENT OF LABOR
 FOR THE YEAR ENDED JUNE 30, 2005

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	35	35	70	80 %
Black Employees	8	8	16	18 %
Other Racial Minorities	0	1	1	2 %
	Total Minorities		17	20%
	Total Employees		87	100 %

Publications

A.C.A 25-1-204

Name	Statutory Authorization	Required for		# Of Copies	Reason (s) for Continued Publication and Distribution
		Governor	General Assembly		
Arkansas Department of Labor Annual Report	A.C.A. 11-2-120	Y	Y	400	Keeps citizens of the State, businesses, industries, trade associations, and the Governor aware of department activities and legislative and regulatory changes affecting business and labor conditions.

Department Appropriation Summary

Historical Data						Agency Request and Executive Recommendation								
Appropriation	2005-2006		2006-2007		2006-2007		2007-2008				2008-2009			
	Actual	Pos	Budget	Pos	Authorized	Pos	Agency	Pos	Executive	Pos	Agency	Pos	Executive	Pos
148 State Operations	3,142,662	51	3,438,654	57	3,353,981	57	3,885,491	63	3,534,851	57	3,835,460	63	3,525,687	57
149 Boiler Inspection	653,162	11	821,779	15	882,238	17	939,009	16	881,121	15	928,409	16	882,721	15
151 Federal Programs	1,089,418	20	1,352,607	19	1,472,021	19	1,400,565	21	1,400,565	21	1,400,565	21	1,400,565	21
2CT Board of Electrical Examiners	414,648	8	526,955	10	503,067	10	565,212	10	562,077	10	545,112	10	542,577	10
940 Wage and Hour - Cash	47,429	0	47,500	0	47,500	0	200,000	0	200,000	0	200,000	0	200,000	0
942 Seminar & Conference Expenses - Cash	15,986	0	42,869	0	42,869	0	42,869	0	42,869	0	42,869	0	42,869	0
Total	5,363,305	91	6,230,364	101	6,301,676	103	7,033,146	110	6,621,483	103	6,952,415	110	6,594,419	103

Funding Sources		%		%		%		%		%		%	
Fund Balance	4000005	3,262,826	37.0	3,465,592	33.4	4,149,107	37.6	4,149,107	38.9	3,989,960	36.7	4,050,983	38.2
General Revenue	4000010	2,504,813	28.4	2,563,728	24.7	3,010,565	27.3	2,659,925	24.9	2,960,534	27.3	2,650,761	25.0
Federal Revenue	4000020	1,154,366	13.1	1,432,607	13.8	1,480,565	13.4	1,480,565	13.9	1,480,565	13.6	1,480,565	14.0
Special Revenue	4000030	1,837,891	20.8	2,801,131	27.0	2,140,000	19.4	2,140,000	20.1	2,185,000	20.1	2,185,000	20.6
Cash Fund	4000045	54,816	0.6	116,413	1.1	242,869	2.3	242,869	2.2	242,869	2.3	242,869	2.2
DFA Motor Vehicle Acquisition	4000184	14,185	0.1	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		8,828,897	100.0	10,379,471	100.0	11,023,106	100.0	10,672,466	100.0	10,858,928	100.0	10,610,178	100.0
Excess Appropriation/(Funding)		(3,465,592)		(4,149,107)		(3,989,960)		(4,050,983)		(3,906,513)		(4,015,759)	
Grand Total		5,363,305		6,230,364		7,033,146		6,621,483		6,952,415		6,594,419	

Agency Position Usage Report

FY2004-2005						FY2005-2006						FY2006-2007					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Total	Total	Total	Total			Total				
103	89	10	99	4	13.59%	103	88	11	99	4	14.56%	103	86	15	101	2	16.50%

Analysis of Budget Request

Appropriation: 148 - State Operations

Funding Sources: HSA-Dept. of Labor Fund Account

The Department of Labor was created by ACA §11-2-106 under the supervision and direction of the Director of the Department of Labor. The Director is appointed by the Governor and is subject to confirmation by the Senate. The Director is authorized in ACA §11-2-108 to enforce all labor laws, not otherwise specified in law; administer and enforce all laws, rules and regulations under the purview of the department; ensure all inspections are conducted as required by rules and regulations of the department; conduct investigations; and collect and compile statistical information regarding labor in the State.

This appropriation is utilized to support the state operations of the Agency and to provide the matching requirements for the federal Occupational Safety Health Administration (OSHA), Mine Safety Health and Administration (MSHA), Revised Occupational Safety and Health Statistics (ROSH), and Census of Fatal Occupational Injuries (CFOI) grants. Funding is derived from general revenue and special revenue from fees collected by the Elevator Inspection Program as well as non-revenue receipts from blasting certification fees and amusement ride inspections.

Act 15 of the First Extraordinary Session of 2006 increased the State's minimum wage and the jurisdiction of the Department of Labor. The Agency is requesting an increase of six (6) positions for FY08 and FY09. These include: four (4) Labor Standards Investigators, Grade 18 (\$25,897), to adequately enforce the State's minimum wage, overtime, and child labor laws; one (1) Safety and Health Specialist, Grade 19 (\$27,629), to meet the increasing request for training classes and amusement ride inspections; and one (1) Administrative Law Judge, Grade 26 (\$42,891), to conduct administrative and wage dispute hearings required by the Agency.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

An increase in Operating Expenses of \$104,028 in FY08 and \$102,161 for FY09 includes reimbursable travel expenses and low value equipment for new employees and an increase in rent for current office space.

The increase in Conference & Travel Expenses of \$6,000 in FY08 includes certification through the National Association of Amusement Ride Safety Officials (NAARSO) for the new Safety and Health Specialist position. This training is necessary for an employee to conduct amusement ride inspections.

As a result of the Agency's expanded jurisdiction, the Legal Division requests an increase in Professional Fees of \$500 for each year to accommodate an anticipated 60-70% increase in legal

actions by the Agency. This increase will result in an increase of filing fees and sheriffs' fees.

In accordance with the Agency's IT three-year replacement plan, an increase in Capital Outlay of \$53,000 in FY08 is requested to purchase new equipment for new employees and to replace existing equipment. Replacement equipment includes: four (4) desktop PCs, five (5) notebook PCs, three (3) network printers, one (1) USB Hard Drive scanning backup, one (1) firewall upgrade, one (1) file server, one (1) print server, three (3) projectors, one (1) GPS replacement and ninety (90) Office Suite software upgrades. Equipment to be purchased for new positions includes: five (5) notebook PCs, one (1) new portable printer, one (1) network printer. An increase of \$10,500 in FY09 is requested to replace the following: nine (9) notebook PCs, two (2) desktop PCs, one (1) network printer and one (1) network switch/router.

The Executive Recommendation provides for the following:

- Regular Salaries - Base Level for this appropriation, however, if the Agency is able to fund five (5) of the requested positions (four (4) Labor Standards Investigators and one (1) Safety and Health Specialist) in another appropriation from any source other than General Revenue, the Executive Committee would recommend the positions. The Administrative Law Judge position is not recommended under this or any other appropriation.
- Personal Services Matching - Base Level
- Operating Expenses - An additional \$28,289 each fiscal year
- Conference & Travel Expenses - Base Level
- Professional Fees - Base Level
- Capital Outlay - \$20,000 in FY08 and \$10,500 in FY09

In summary, the Executive Recommendation for new general revenue above the Base Level is:

- \$28,289 in FY08 and FY09 in Operating Expenses for an increase in rent of current office space
- \$20,000 in FY08 and \$10,500 in FY09 in Capital Outlay to replace existing computer equipment (in accordance with the Agency's IT three-year replacement plan)

Appropriation Summary

Appropriation: 148 State Operations
Funding Sources: HSA-Dept. of Labor Fund Account

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	1,982,418	2,190,606	2,139,508	2,190,606	2,364,714	2,190,606	2,190,606	2,364,714	2,190,606
#Positions	51	57	57	57	63	57	57	63	57
Personal Services Matching 5010003	562,101	642,988	609,413	690,896	752,189	690,896	691,232	752,525	691,232
Operating Expenses 5020002	552,690	579,310	579,310	579,310	683,338	607,599	579,310	681,471	607,599
Conference & Travel Expenses 5050009	24,750	22,750	22,750	22,750	28,750	22,750	22,750	22,750	22,750
Professional Fees 5060010	1,670	3,000	3,000	3,000	3,500	3,000	3,000	3,500	3,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	19,033	0	0	0	53,000	20,000	0	10,500	10,500
Total	3,142,662	3,438,654	3,353,981	3,486,562	3,885,491	3,534,851	3,486,898	3,835,460	3,525,687
Funding Sources									
Fund Balance 4000005	0	0		5,074	5,074	5,074	10,148	10,148	10,148
General Revenue 4000010	2,504,813	2,563,728		2,611,636	3,010,565	2,659,925	2,611,972	2,960,534	2,650,761
Federal Revenue 4000020	64,948	80,000		80,000	80,000	80,000	80,000	80,000	80,000
Special Revenue 4000030	558,716	800,000		800,000	800,000	800,000	800,000	800,000	800,000
DFA Motor Vehicle Acquisition 4000184	14,185	0		0	0	0	0	0	0
Total Funding	3,142,662	3,443,728		3,496,710	3,895,639	3,544,999	3,502,120	3,850,682	3,540,909
Excess Appropriation/(Funding)	0	(5,074)		(10,148)	(10,148)	(10,148)	(15,222)	(15,222)	(15,222)
Grand Total	3,142,662	3,438,654		3,486,562	3,885,491	3,534,851	3,486,898	3,835,460	3,525,687

Change Level by Appropriation

Appropriation: 148-State Operations
Funding Sources: HSA-Dept. of Labor Fund Account

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	3,486,562	57	3,486,562	100.0	3,486,898	57	3,486,898	100.0
C01	Existing Program	315,690	6	3,802,252	109.0	309,690	6	3,796,588	108.8
C08	Technology	83,239	0	3,885,491	111.4	38,872	0	3,835,460	110.0

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	3,486,562	57	3,486,562	100.0	3,486,898	57	3,486,898	100.0
C01	Existing Program	89,582	0	3,576,144	102.5	89,582	0	3,576,480	102.5
C08	Technology	20,000	0	3,596,144	103.1	10,500	0	3,586,980	102.8
C13	Not Recommended	(61,293)	0	3,534,851	101.3	(61,293)	0	3,525,687	101.1

Justification

C01	The Agency is requesting four (4) new investigator positions in the Labor Standards Program to adequately enforce the state's minimum wage, overtime and child labor laws; one (1) new Safety and Health Specialist position in the Arkansas Occupational Safety and Health (AOSH) division to meet the increasing demand for training classes and amusement ride inspections; and one (1) Administrative Law Judge in the Legal Division to conduct administrative and wage dispute hearings. Increases in Operating Expenses include a rent increase for the current facilities, increases in legal fees, and increases in reimbursable travel expenses for current and new employees. An increase in Conference and Travel Expenses is requested for the required training and certification of new and existing employees who conduct inspections.
C08	In accordance with the agency's IT three year replacement plan, an increase in Capital Outlay is requested to replace the following in FY08: four (4) desktop PCs, five (5) notebook PCs, three (3) network printers, one (1) USB Hard Drive scanning backup, one (1) firewall upgrade, one (1) file server, one (1) print server, three (3) projectors, one (1) GPS replacement and ninety (90) Office Suite software upgrades. New equipment to be purchased in FY08 for new positions include: five (5) notebook PCs, one (1) new portable printer, one (1) network printer. In FY09 the agency will replace: nine (9) notebook PCs, two (2) desktop PCs, one (1) network printer and one (1) network switch/router.

Analysis of Budget Request

Appropriation: 149 - Boiler Inspection

Funding Sources: MLS-Dept. of Labor Special Fund

The Boiler Inspection Program is established in ACA §20-23-101 et seq. and is funded by special revenue collected by the Department from permits and inspection of all boilers used by private and public industries. In addition, fees are collected for annual and biennial inspections of all boilers and pressure vessels, the examination and licensing of boiler operators, quality control assurance surveys, ASME code shop service, licensing of firms to install and repair boilers and pressure vessels, consultation regarding boiler installation, maintenance, operation and repair.

The Agency requests the restoration of one (1) Boiler Assistant Chief Position to assist the Agency in meeting state boiler safety laws that require water heaters located in hospitals, schools, day care centers and nursing homes to be inspected on an annual basis.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

Additional appropriation is requested for Operating Expenses of \$46,580 in FY08 and \$38,980 in FY09. Of the amount requested in FY08, \$10,200 is for new employees. The remaining amounts in both fiscal years is requested for existing employees/operations. These increases will allow for travel associated with routine inspections, codebooks and training materials for four Inspectors, new and replacement equipment, and will provide National Board pre-commission training for at least one new Inspector each year of the biennium. The request also includes additional appropriation for a rental increase based on a proposal submitted by the Agency's current lessor.

An increase in Conference & Travel Expenses of \$4,960 for FY08 and FY09 is requested to provide National Board pre-commission training for one new Inspector each fiscal year.

In accordance with the Agency's IT three-year replacement plan, the Division is requesting the restoration of \$8,000 in FY08 and \$5,000 in FY09 in Capital Outlay to replace existing equipment.

The Executive Recommendation provides for Base Level except for:

- Operating Expenses - An increase of \$33,340 in FY08 and \$37,940 in FY09 for an increase in rent on current office space, mileage reimbursements, and to replace existing low value equipment
- Capital Outlay - An increase of \$8,000 in FY08 and \$5,000 in FY09 to replace existing equipment

Appropriation Summary

Appropriation: 149 Boiler Inspection
Funding Sources: MLS-Dept. of Labor Special Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	402,162	522,381	564,761	522,381	551,775	522,381	522,381	551,775	522,381
#Positions	11	15	17	15	16	15	15	16	15
Personal Services Matching 5010003	147,062	154,335	172,414	172,337	182,631	172,337	172,337	182,631	172,337
Operating Expenses 5020002	97,830	135,564	135,564	135,564	182,144	168,904	135,564	174,544	173,504
Conference & Travel Expenses 5050009	6,108	9,499	9,499	9,499	14,459	9,499	9,499	14,459	9,499
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	8,000	8,000	0	5,000	5,000
Total	653,162	821,779	882,238	839,781	939,009	881,121	839,781	928,409	882,721
Funding Sources									
Fund Balance 4000005	616,162	701,249		1,331,385	1,331,385	1,331,385	1,147,376	1,147,376	1,205,264
Special Revenue 4000030	738,249	1,451,915		655,772	755,000	755,000	711,372	800,000	800,000
Total Funding	1,354,411	2,153,164		1,987,157	2,086,385	2,086,385	1,858,748	1,947,376	2,005,264
Excess Appropriation/(Funding)	(701,249)	(1,331,385)		(1,147,376)	(1,147,376)	(1,205,264)	(1,018,967)	(1,018,967)	(1,122,543)
Grand Total	653,162	821,779		839,781	939,009	881,121	839,781	928,409	882,721

Change Level by Appropriation

Appropriation: 149-Boiler Inspection
Funding Sources: MLS-Dept. of Labor Special Fund

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	839,781	15	839,781	100.0	839,781	15	839,781	100.0
C01	Existing Program	75,028	1	914,809	108.9	75,028	1	914,809	108.9
C08	Technology	24,200	0	939,009	111.8	13,600	0	928,409	110.5

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	839,781	15	839,781	100.0	839,781	15	839,781	100.0
C01	Existing Program	39,634	0	879,415	104.7	39,634	0	879,415	104.7
C08	Technology	12,000	0	891,415	106.1	13,600	0	893,015	106.3
C13	Not Recommended	(10,294)	0	881,121	104.9	(10,294)	0	882,721	105.1

Justification

C01	Additional appropriation is requested to fill four vacant Inspector positions to meet the Division standards set forth by the state boiler safety laws. The increase will allow for travel expenses, codebooks, training materials, and provide National Board pre-commission training for at least one new inspector each year of the biennium. The request also includes an increase in office rental on current office space. The Division requests the restoration of one (1) Boiler Assistant Chief position.
C08	This request is for Data Processing Supplies and Capital Outlay to purchase low value data processing supplies and equipment. In FY08 the Division will be replacing: four (4) notebook PCs for boiler inspectors, four (4) portable printers and two (2) network printers. New equipment to be purchased for four new boiler inspectors in FY08: four (4) notebook PCs, and one (1) field printer.

Analysis of Budget Request

Appropriation: 151 - Federal Programs

Funding Sources: FNA-Department of Labor - Federal Programs

Arkansas Code Annotated §11-2-121 authorizes the Director of the Department of Labor to enter into agreements with the United States Government for assistance and cooperation in enforcing and implementing state and federal laws. This appropriation is 100% federally funded and is utilized for the receipt of grant funds for conducting OSHA Consultation, Mine Safety and Health Consultation and Training, and the Occupational Injuries and Fatalities Surveys.

The Agency is requesting the restoration of one Training Instructor should federal funds become available. This position is responsible for the federal OSHA Consultation program. If funds are not available, the Agency will reallocate this position to the Labor Standards program. Additionally, the Agency requests one (1) additional Safety and Health Specialist to conduct on-site OSHA consultation services as well as to provide training to Arkansas industrial employers and employees. This training specializes in identifying industrial hygiene hazards such as employee exposure to chemicals, extreme noise levels and air contaminants. This position is necessary to meet performance goals established in the strategic plan developed by federal OSHA, which funds this program.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

An increase in Operating Expenses for rental of office space is requested based on a proposal submitted by the Agency's current lessor.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 151 Federal Programs
Funding Sources: FNA-Department of Labor - Federal Programs

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	691,792	731,262	818,073	731,262	784,788	784,788	731,262	784,788	784,788
#Positions	20	19	19	19	21	21	19	21	21
Personal Services Matching 5010003	190,294	205,676	238,279	232,448	251,944	251,944	232,448	251,944	251,944
Operating Expenses 5020002	185,810	305,709	305,709	305,709	314,883	314,883	305,709	314,883	314,883
Conference & Travel Expenses 5050009	21,522	43,950	43,950	43,950	43,950	43,950	43,950	43,950	43,950
Professional Fees 5060010	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	61,010	61,010	0	0	0	0	0	0
Total	1,089,418	1,352,607	1,472,021	1,318,369	1,400,565	1,400,565	1,318,369	1,400,565	1,400,565
Funding Sources									
Federal Revenue 4000020	1,089,418	1,352,607		1,318,369	1,400,565	1,400,565	1,318,369	1,400,565	1,400,565
Total Funding	1,089,418	1,352,607		1,318,369	1,400,565	1,400,565	1,318,369	1,400,565	1,400,565
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	1,089,418	1,352,607		1,318,369	1,400,565	1,400,565	1,318,369	1,400,565	1,400,565

Change Level by Appropriation

Appropriation: 151-Federal Programs

Funding Sources: FNA-Department of Labor - Federal Programs

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	1,318,369	19	1,318,369	100.0	1,318,369	19	1,318,369	100.0
C01	Existing Program	82,196	2	1,400,565	106.2	82,196	2	1,400,565	106.2

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	1,318,369	19	1,318,369	100.0	1,318,369	19	1,318,369	100.0
C01	Existing Program	82,196	2	1,400,565	106.2	82,196	2	1,400,565	106.2

Justification

C01 This request is for an additional Safety and Health Specialist position and appropriation for the rental of office space based on a proposal submitted by the Agency's current Lessor. This position will conduct on-site OSHA consultation services as well as training to Arkansas industrial employers in order to meet performance goals established in the strategic plan developed by federal OSHA. The Agency is also requesting restoration of a Training Instructor position for the federal OSHA Consultation program should federal funds become available to fill the position. If federal funds are not available, but the Agency has appropriation and general revenue to support the position, the Agency plans to reallocate this position to the Labor tandards program due to the minimum wage increase effective October 1, 2006.

Analysis of Budget Request

Appropriation: 2CT - Board of Electrical Examiners

Funding Sources: MLS-Dept. of Labor Special Fund

Arkansas Code Annotated §17-28-201 created the Board of Electrical Examiners consisting of the Director of the Department of Labor and eight (8) other members appointed by the Governor with the advice and consent of the Senate. The Board is authorized to adopt rules and regulations; conduct examinations for licensure; register electrical apprentices and issue certificates; and revoke or suspend licenses or certificates. This appropriation is funded by special revenues from fees collected for license issuance and renewal of electrical contractors and the examination, licensure and renewal of master, journeyman, and industrial maintenance electricians as well as residential master and journeyman electricians and air conditioning electricians.

A cost of living increase is not incorporated in Base Level pending the outcome of the Classification and Compensation Study. The Base Level request of \$307,347 for FY08 and FY09 for Regular Salaries does include board member Stipend payments. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Division is requesting an increase of \$28,135 in FY08 and \$14,535 in FY09 in Operating Expenses. This request is for reimbursable travel expenses and training for two (2) vacant Electrical Inspector positions. Due to the certifications required and necessary travel for the positions, the appropriation levels are not sufficient to allow the Agency to fill these vacancies. Currently, two Inspectors and the Chief are responsible for conducting all routine and complaint inspections and investigations. Additionally, they are responsible for providing adequate enforcement of the electrical code throughout the State. The increase would enable the Agency to fill two (2) vacant electrical inspector positions. The increase in Operating Expenses also includes additional appropriation for the rental of office space based on a proposal submitted by the Agency's current Lessor and the purchase and replacement of low value data processing supplies.

An increase of \$6,500 for FY08 in Capital Outlay is requested to purchase equipment in accordance with the Agency's IT three year replacement plan.

The Executive Recommendation provides for the following:

- An increase in Operating Expenses of \$25,000 in FY08 and \$12,000 in FY09 for an increase in rent for current office space, reimbursable mileage, conference and seminar fees, and data processing supplies
- An increase of \$6,500 in Capital Outlay in FY08 to replace existing equipment (in accordance with the Agency's IT three year replacement plan)

Appropriation Summary

Appropriation: 2CT Board of Electrical Examiners
Funding Sources: MLS-Dept. of Labor Special Fund

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	237,051	307,347	293,279	307,347	307,347	307,347	307,347	307,347	307,347
#Positions	8	10	10	10	10	10	10	10	10
Personal Services Matching 5010003	87,530	101,440	91,620	105,062	105,062	105,062	105,062	105,062	105,062
Operating Expenses 5020002	87,972	114,738	114,738	114,738	142,873	139,738	114,738	129,273	126,738
Conference & Travel Expenses 5050009	2,095	3,430	3,430	3,430	3,430	3,430	3,430	3,430	3,430
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	6,500	6,500	0	0	0
Total	414,648	526,955	503,067	530,577	565,212	562,077	530,577	545,112	542,577
Funding Sources									
Fund Balance 4000005	2,582,561	2,708,839		2,731,100	2,731,100	2,731,100	2,750,888	2,750,888	2,754,023
Special Revenue 4000030	540,926	549,216		550,365	585,000	585,000	570,465	585,000	585,000
Total Funding	3,123,487	3,258,055		3,281,465	3,316,100	3,316,100	3,321,353	3,335,888	3,339,023
Excess Appropriation/(Funding)	(2,708,839)	(2,731,100)		(2,750,888)	(2,750,888)	(2,754,023)	(2,790,776)	(2,790,776)	(2,796,446)
Grand Total	414,648	526,955		530,577	565,212	562,077	530,577	545,112	542,577

Change Level by Appropriation

Appropriation: 2CT-Board of Electrical Examiners

Funding Sources: MLS-Dept. of Labor Special Fund

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	530,577	10	530,577	100.0	530,577	10	530,577	100.0
C01	Existing Program	14,535	0	545,112	102.7	14,535	0	545,112	102.7
C08	Technology	20,100	0	565,212	106.5	0	0	545,112	102.7

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	530,577	10	530,577	100.0	530,577	10	530,577	100.0
C01	Existing Program	14,535	0	545,112	102.7	12,000	0	542,577	102.2
C08	Technology	16,965	0	562,077	105.9	0	0	542,577	102.2

Justification

C01	This request is for additional appropriation for reimbursable travel expenses and training for two (2) vacant Electrical Inspectors. Additional appropriation is also requested for the rental of office space based on a proposal submitted by the agency's current Lessor.
C08	This request is for an increase in Capital Outlay and Maintenance & Operations for equipment expenses and low value data processing supplies. In accordance with the agency's IT three year replacement plan, the Agency will be replacing the following in FY08: one (1) license card printer, three (3) notebook PCs for electrical inspectors, four (4) desktop PCs and three (3) GPS units with a software upgrade. New equipment to be purchased in FY08: two (2) notebook PCs and one (1) GPS unit.

Analysis of Budget Request

Appropriation: 940 - Wage and Hour - Cash

Funding Sources: NDW-Cash in Treasury

The Department of Labor utilizes this appropriation as a "pass through" account to disburse cash funds collected from employers when it is determined an employer owes compensation to an employee. Payments made to the Department of Labor by employers for this purpose are then disbursed to the employee.

An increase of \$152,500 in Wages Due each fiscal year is requested to cover anticipated disbursements made to individual employees from collections resulting from wage and hour investigations and legal actions pursued by the Agency. Collections in FY06 exceeded the current Base Level appropriation, and are expected to quadruple in the coming years. This request is based on the collections handled by the U. S. Department of Labor during the past year that will now be under the jurisdiction of the state Labor Department due to the recent passage of the increased minimum wage bill.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 940 Wage and Hour - Cash
Funding Sources: NDW-Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Wages Due 5900046	47,429	47,500	47,500	47,500	200,000	200,000	47,500	200,000	200,000
Total	47,429	47,500	47,500	47,500	200,000	200,000	47,500	200,000	200,000
Funding Sources									
Fund Balance 4000005	46,696	29,460		29,460	29,460	29,460	29,460	29,460	29,460
Cash Fund 4000045	30,193	47,500		47,500	200,000	200,000	47,500	200,000	200,000
Total Funding	76,889	76,960		76,960	229,460	229,460	76,960	229,460	229,460
Excess Appropriation/(Funding)	(29,460)	(29,460)		(29,460)	(29,460)	(29,460)	(29,460)	(29,460)	(29,460)
Grand Total	47,429	47,500		47,500	200,000	200,000	47,500	200,000	200,000

Change Level by Appropriation

Appropriation: 940-Wage and Hour - Cash

Funding Sources: NDW-Cash in Treasury

Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	47,500	0	47,500	100.0	47,500	0	47,500	100.0
C01	Existing Program	152,500	0	200,000	421.0	152,500	0	200,000	421.0

Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
BL	Base Level	47,500	0	47,500	100.0	47,500	0	47,500	100.0
C01	Existing Program	152,500	0	200,000	421.0	152,500	0	200,000	421.0

Justification

C01	Request an increase in Wages Due to cover anticipated disbursements that are made to individual employees from collections resulting from wage and hour investigations and legal actions pursued by the Agency.
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Analysis of Budget Request

Appropriation: 942 - Seminar & Conference Expenses - Cash

Funding Sources: NDW-Cash in Treasury

The Department utilizes this appropriation to cover seminar and conference related costs. Cash funds collected from participants attending safety seminars and conferences hosted by the Department fund this appropriation.

The Department is requesting a Base Level budget totaling \$42,869 each fiscal year.

The Executive Recommendation provides for Agency Request.

Appropriation Summary

Appropriation: 942 Seminar & Conference Expenses - Cash
Funding Sources: NDW-Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	2005-2006	2006-2007	2006-2007	2007-2008			2008-2009		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Operating Expenses 5020002	15,687	39,869	39,869	39,869	39,869	39,869	39,869	39,869	39,869
Conference & Travel Expenses 5050009	299	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees 5060010	0	0	0	0	0	0	0	0	0
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	15,986	42,869	42,869	42,869	42,869	42,869	42,869	42,869	42,869
Funding Sources									
Fund Balance 4000005	17,407	26,044		52,088	52,088	52,088	52,088	52,088	52,088
Cash Fund 4000045	24,623	68,913		42,869	42,869	42,869	42,869	42,869	42,869
Total Funding	42,030	94,957		94,957	94,957	94,957	94,957	94,957	94,957
Excess Appropriation/(Funding)	(26,044)	(52,088)		(52,088)	(52,088)	(52,088)	(52,088)	(52,088)	(52,088)
Grand Total	15,986	42,869		42,869	42,869	42,869	42,869	42,869	42,869