

**DEPARTMENT OF LABOR AND EMPLOYMENT
FY 2008-09 BUDGET HEARING**

**Wednesday, November 14, 2007
1:30 p.m. to 3:00 p.m.**

1:30 – 1:40

Introductions and General Overview

1:40 – 1:55

Departmental Goals and Objectives

1. What are your department's principal goals and objectives? What are the metrics by which you measure success or failure?
2. Given the change in the Administration, have there been any changes to your department's principal goals and objectives since last year?
3. What progress did you make during the last year in achieving your goals?
4. How is the additional money provided to your department in FY 2007-08 being used to achieve your goals? What improvements is your department making in its outputs?
5. Please identify your department's 3 most effective programs and your 3 least effective programs. Explain why you identified them as such. Explain how your most effective programs further the department's goals.
6. Are there programs that your department is required to perform that do not further your department's goals or have outlived their usefulness? If so, what are they and by whom are they required? Why don't they further your department's goals?

Costs and savings from complying with specific bills and orders

7. What are your department's anticipated costs, anticipated savings, and potential benefits from complying with Executive Order D 028 07, Authorizing Partnership Agreements with State Employees?
8. Provide an estimate of the costs your department will incur in FY 2007-08 in carrying out the provisions of H.B. 06S-1023. Provide an estimate of your department's savings in FY 2007-08 as a result of not providing services to individuals who are in the country illegally.

1:55 – 2:05**Overview Questions**

9. Please provide an update on the development of rules for regulation of elevators and mechanical conveyances, particularly with respect to residential versus commercial buildings.
10. Why is the Department forecasting such a large increase in Workers' Compensation caseloads since the trend has been down for the last few years?
11. Why are the functions of the Division of Oil and Public Safety under the Department of Labor and Employment rather than the Department of Regulatory Agencies or the Department of Public Health or the Department of Public Safety?
12. In which fiscal year did the Subsequent Injury program \$2.0 million reversion occur?

2:05 – 2:15**Public Safety State Audit Report**

13. Has the Department implemented quality control processes that will insure that the types of deficiencies identified in the Auditor's report will not recur in the future? If so, what types of processes are being used? If not, why not?
14. Why is the state involved in the inspection of school construction? Can the state subcontract with fire departments or local building inspectors to perform school construction inspection? Does the state inspect to the same level as the locals? If not, how do they differ?
15. In determining corrective actions for these problems, has the Department considered, where possible, methods that would lead to the elimination of state-level functions?
16. When does the Department anticipate that a full set of changes will be proposed, including any necessary budget adjustments?
17. Will the Department's budget analysis include the effect of decisions on other governmental agencies? For example, increased fees charged to public schools may lead to increases in the state funding for local school districts.

2:15 – 2:20**Octane Testing**

18. Does SunCor Energy have octane test capabilities as part of its refining operations in Colorado? Could we contract with them to use their systems rather than purchasing new test engines?

19. Is there any way to get a private lab to do the testing? Do other states do their own testing? Who do other states contract with?

2:20 – 2:30

Project *Genesis* Review

20. Please describe the legislative changes that you anticipate will be proposed for simplifying Colorado's UI rules. Please describe additional changes that could be made. Which changes are relatively the most important?
21. When does the Department anticipate that the Governor's Office will be able to provide the necessary guidance on the reuse versus rebid decision for the tax and benefits components?
22. How long were the delays that were caused by DPA's problems in reaching agreement with vendors? What are the Department's reasons for not using DPA to provide 24-hour support from the beginning?
23. Please describe how we contract for development of various types of component. Why does it appear that we hired, for example, an accounting firm to provide the telephony system?

2:30 – 2:35

Unemployment Insurance IT Disaster Recovery

24. What impact does the Department believe the Governor's IT consolidation plans will have on their IT facilities?
25. Can the Department provide estimates of the costs that would be associated with relocation of existing IT facilities into new facilities shared with other agencies?

2:35 – 2:40

Unemployment Insurance Internet Self-Service

26. Does the Department anticipate that improved Internet self-service applications will allow for reductions in future staffing without impacting the quality of service provided? If so, to what degree might the associated funding required be reduced?
27. If staffing and funding reductions are possible, does the Department believe these will be sufficient to offset future federal funding reductions?

2:40 – 2:50

Restoring Cuts and Refinancing Workforce Development Programs

28. Data provided by the Department, summarized in the "Factors Driving the Budget" section of the briefing packet, show that a declining percentage of applicants to the workforce development programs are entering employment. What relationship, if any, is there between this statistic and the prior years' cuts in FTE and offices?
29. Why doesn't the State make use of private employment agencies, rather than running their own centers?
30. Has the Department discussed the impact of TANF reauthorization on the need for changes to workforce development programs? If so, what was the outcome of those discussions?
31. Has the Department discussed with the Department of Human Services the impact that funding put into workforce development programs has on the number of people on TANF? Is this an effective method compared to other methods? How effective in comparison?

2:50 – 3:00

Cash Funds Status

32. If the UITF balance "goes negative", the State will have to choose between a variety of unpalatable options. What UITF balance does the Department consider to be adequate to carry the UI program through another economic downturn? When does the Department anticipate that the UITF will reach that level?
33. Are SIF and MMIF funds being double counted because of the transfer funding for MMIF?
34. Can the State accept loans from the federal government for the UITF, or does TABOR prohibit the borrowing of federal money for unemployment insurance?
35. Does the Department have a long-term plan for managing the revenue and reserves of the ESF? If not, does the Department anticipate creating such a plan?
36. Which cash funds are used for the EDO? Are these funds being used for inappropriate departmental activities?