JOINT
BUDGET
COMMITTEE

STAFF BUDGET BRIEFING
FY 2022-23

DEPARTMENT OF LABOR AND EMPLOYMENT

JBC WORKING DOCUMENT - SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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NOVEMBER 18, 2021

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ADDITIONAL RESOURCES

Brief summaries of all bills that passed during the 2020 and 2021 legislative sessions that had a fiscal impact on this department are available in Appendix A of the annual Appropriations Report: https://leg.colorado.gov/publications/appropriations-report-fiscal-year-2021-22

The online version of the briefing document, which includes the Numbers Pages, may be found by searching the budget documents on the General Assembly's website by visiting leg.colorado.gov/content/budget/budget-documents. Once on the budget documents page, select the name of this department's *Department/Topic*, "Briefing" under *Type*, and ensure that *Start date* and *End date* encompass the date a document was presented to the JBC.

DEPARTMENT OF LABOR AND EMPLOYMENT

DEPARTMENT OVERVIEW

The Colorado Department of Labor and Employment (CDLE) administers seven divisions. A brief description of each division and its functions is provided below.

EXECUTIVE DIRECTOR'S OFFICE

- Provides administrative and technical support for Department's divisions and programs including accounting, budgeting, and human resource functions; houses the special purpose State Apprenticeship Agency.

DIVISION OF UNEMPLOYMENT INSURANCE

- Collects unemployment insurance premiums and surcharges from employers; administers the payment of unemployment insurance benefits to individuals who become unemployed through no fault of their own; and conducts audits and investigations to ensure proper payment of premiums and benefits.

DIVISION OF EMPLOYMENT AND TRAINING

- *Workforce Development Centers* assist job seekers with job training and placement. Workforce Centers provide a variety of free services to assist job seekers and employers including: job listings; computer and internet access; career counseling and training; recruitment, pre-screening, and referral services; tax credits for employers; and training reimbursement for employers. CDLE directly administers the rural consortium, while the rest are locally administered by the county and funded by CDLE.
- The *Colorado Workforce Development Council* provides workforce policy recommendations; designates local workforce investment areas; coordinates the delivery of workforce development programs; and reviews the allocation of federal Title I funds for adult employment and training activities and for youth activities.
- The *Just Transitions Office* supports coal workers, employers, and communities as they plan for the future closings of coal plants.

DIVISION OF LABOR STANDARDS AND STATISTICS

- Administers employment and labor laws pertaining to wages paid, hours worked, minimum wage, labor standards, child labor, employment-related immigration laws, and working conditions. It also conducts all union agreement elections, certifies all-union provisions, and investigates and mediates allegations of unfair labor practices.
- The *Labor Market Information* sub-division provides annual and monthly information on general labor market trends including unemployment rates, industry trends, and employee compensation by region and industry.

DIVISION OF OIL AND PUBLIC SAFETY

- Establishes and enforces rules, regulations, and statutes that govern amusement rides and devices; explosives; boilers; conveyances; fuel products; underground and aboveground petroleum storage tanks; cleanup of petroleum spills; and reimbursement of cleanup costs to qualifying storage tank owners/operators.

DIVISION OF WORKERS' COMPENSATION

- Regulates the workers compensation industry in Colorado. Oversees workers' compensation injury claims and compliance, mediates disputes, and administers the Medical Disasters (injuries prior to 1971), Major Medical (injuries from 1971-1981), and Subsequent Injury (more than one industrial injury or injury at more than one employer) Insurance Programs.

DIVISION OF VOCATIONAL REHABILITATION

- Oversees vocational rehabilitation programs designed to enable individuals with any type of disability to participate in the workforce. These programs include Vocational Rehabilitation Services, School-to-Work Alliance Program, Vocational Rehabilitation Mental Health Services, Independent Living Services, Business Enterprises Program for Individuals who are Blind, and the Business Enterprises Program.

DIVISION OF FAMILY AND MEDICAL LEAVE INSURANCE

- Oversees the State Family and Medical Leave Insurance program after the passage of Proposition 118.

DEPARTMENT BUDGET: RECENT APPROPRIATIONS

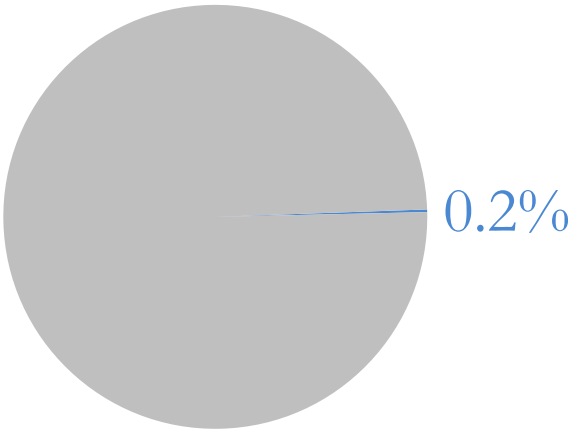
FUNDING SOURCE	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23 *
General Fund	$25,519,883	$18,494,327	$20,396,768	$22,537,153
Cash Funds	82,643,259	96,509,312	144,555,509	101,893,286
Reappropriated Funds	10,092,733	6,388,200	6,436,493	6,523,796
Federal Funds	153,713,234	159,309,764	180,595,866	186,118,864
TOTAL FUNDS	**$271,969,109**	**$280,701,603**	**$351,984,636**	**$317,073,099**
Full Time Equiv. Staff	1,292.8	1,292.7	1,315.9	1,321.9

*Requested appropriation.

Funding for the Department of Labor and Employment in FY 2021-22 consists of 5.8 percent General Fund, 41.1 percent cash funds, 1.8 percent reappropriated funds, and 51.3 percent federal funds.

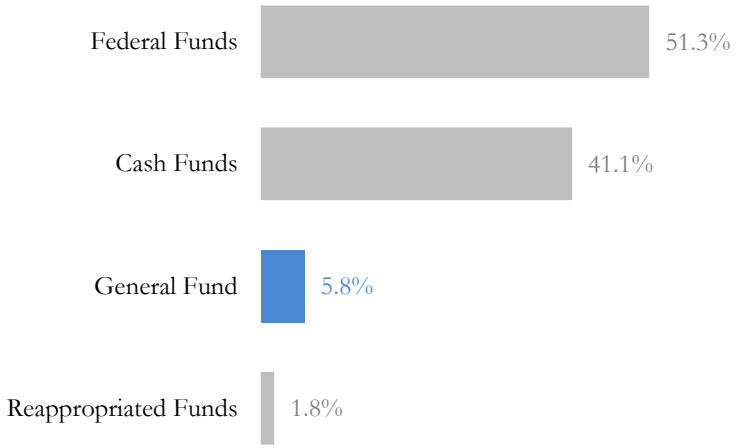
DEPARTMENT BUDGET: GRAPHIC OVERVIEW

Department's Share of Statewide General Fund



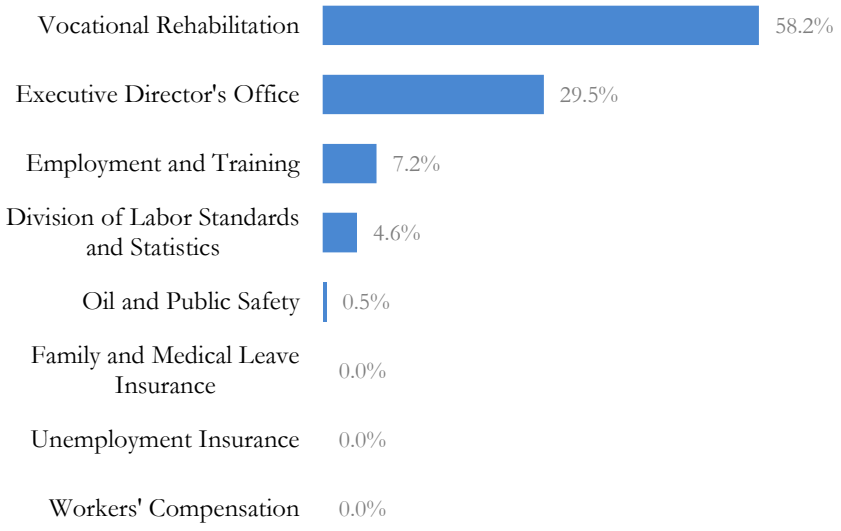
Based on the FY 2021-22 appropriation.

Department Funding Sources



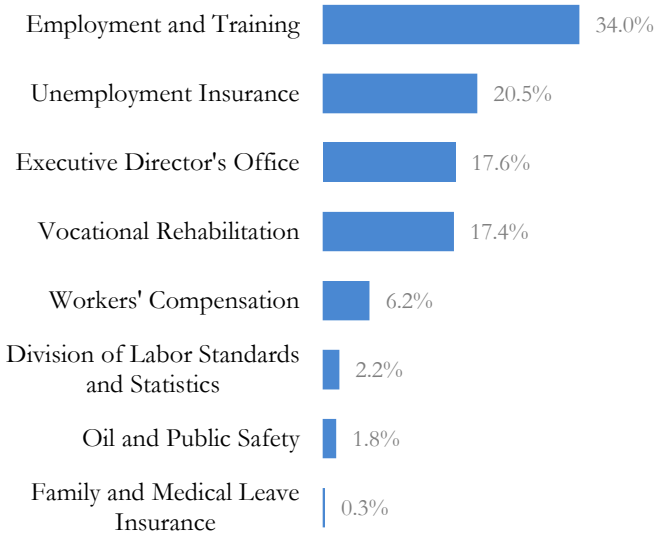
Based on the FY 2021-22 appropriation.

Distribution of General Fund by Division



Based on the FY 2021-22 appropriation.

Distribution of Total Funds by Division

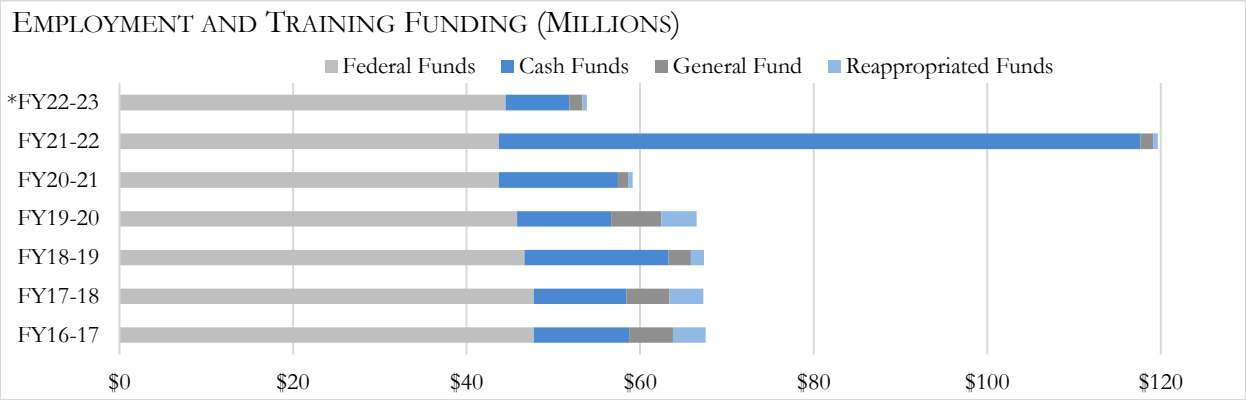


Based on the FY 2021-22 appropriation.

GENERAL FACTORS DRIVING THE BUDGET

WORKFORCE DEVELOPMENT PROGRAMS

Workforce development programs provide employment services for businesses and job training and placement services for job seekers through a network of state- and county-run workforce centers. These programs account for 34.0 percent of the Department's budget and are driven by a combination of discretionary decisions by the General Assembly and custodial federal fund allocations from the U.S. Department of Labor.



The majority of federal funding goes towards Workforce Innovation and Opportunity Act programs and supporting state workforce centers; this has been declining for years in response to Colorado's low unemployment rate. As federal funding was previously decreasing, the General Assembly has added some General Fund for special workforce development programs.

Employment and Training programs in the state have seen a significant shift in funding during the last few fiscal years due to initial expected revenue declines, and then an influx of one-time federal pandemic relief funding and increased State revenue projections. These changes included:

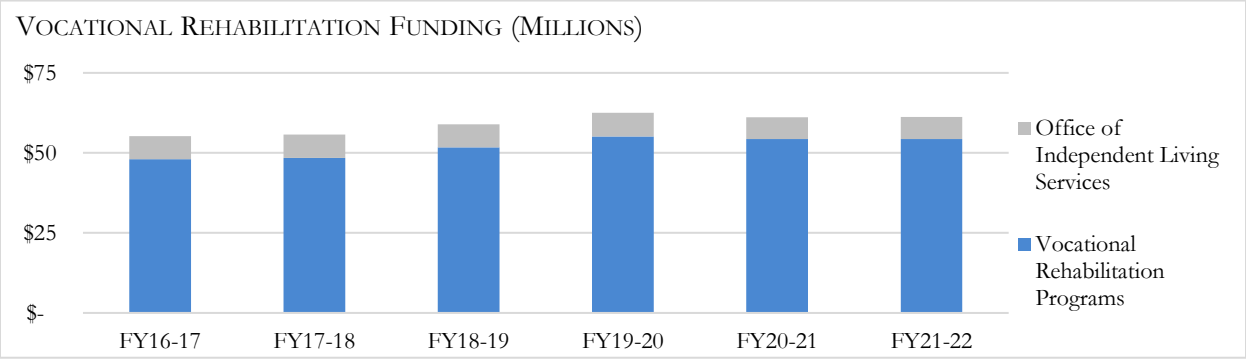
- $15.0 million in cash funds for the Just Transition program (H.B. 21-1290)
- $60.0 million in American Rescue Plan Act (ARPA) funds via the Workers, Employers, and Workforce Centers Cash Fund to support employment and training (H.B. 21-1264)

DIVISION OF VOCATIONAL REHABILITATION AND INDEPENDENT LIVING SERVICES

In 2016, the newly created Division of Vocational Rehabilitation and Independent Living Services was established within CDLE to administer services previously provided by the Department of Human Services. This Division accounts for 17.4 percent of the Department's annual appropriation. Historically, the demand for vocational rehabilitation services has determined the budget however, in the last few years, it has also been driven by discretionary decisions of the General Assembly to add or reduce General Fund support, the willingness of school districts and other entities to provide the match required for federal vocational rehabilitation funds, and the size of the annual federal grant available. The Division has two areas of programming:

(A) *Vocational Rehabilitation Programs* which assist individuals whose disabilities result in barriers to employment or independent living with attaining and maintaining employment and/or independent living. Most vocational rehabilitation program services are funded through a 78.7 percent federal fund match rate to 21.3 percent non-federal funds.

(B) *The Office of Independent Living Services* distributes funding to the nine Independent Living Centers in Colorado that provide services to individuals with significant disabilities. Funding for independent living services primarily comes from the General Fund.

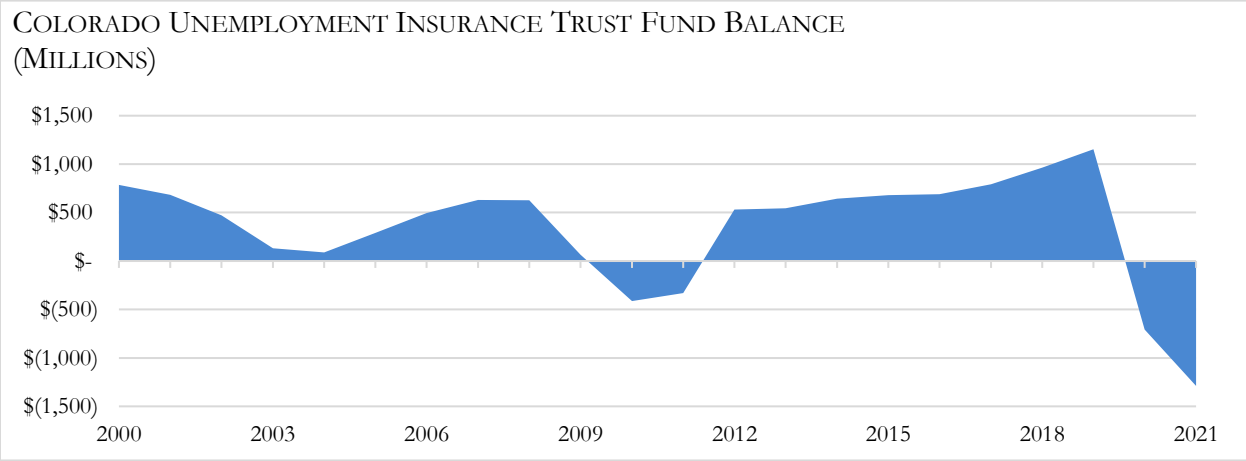


UNEMPLOYMENT INSURANCE PROGRAMS

Unemployment Insurance (UI) Programs account for 20.5 percent of the Department's budget and provide temporary compensation to individuals who are eligible for unemployment insurance.

DISTRIBUTION OF UNEMPLOYMENT INSURANCE BENEFITS

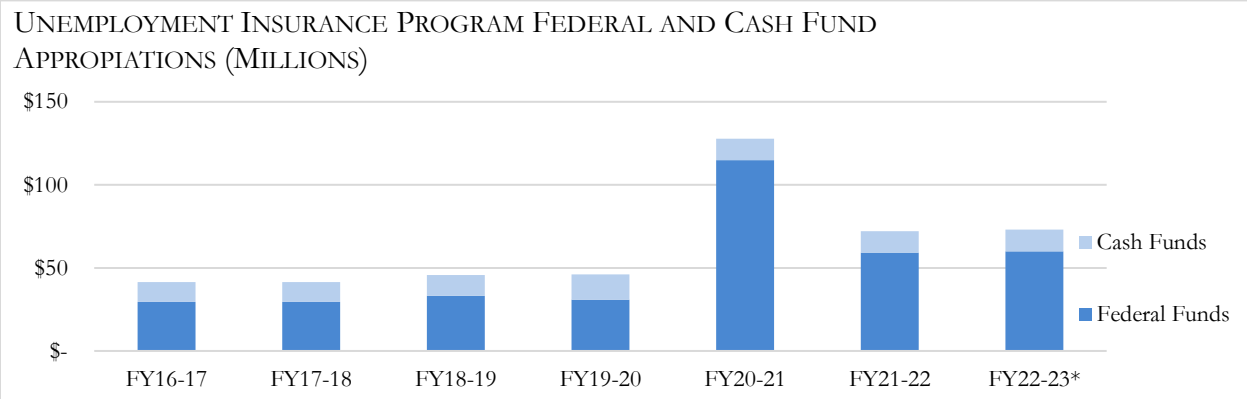
UI claims are paid from the Unemployment Insurance Trust Fund (UITF). The UITF is funded via employer premiums and resides in the federal treasury. A portion of premiums are also deposited into funds used to pay for state program administration (the Employment Support Fund and the Employment Training and Technology Fund). The UI Program is a federal-state partnership. Economic cycles drive the demand for this program. In a growing economy, the number of claims is lower, resulting in fewer benefits being paid out. This both reduces the demand for state administrative activities and builds up the balance of the UITF. When the economy contracts, the number of claims and benefits paid increases, increasing administrative costs and reducing the balance of the UITF.



ADMINISTRATIVE FUNDING SHOWN IN THE STATE BUDGET

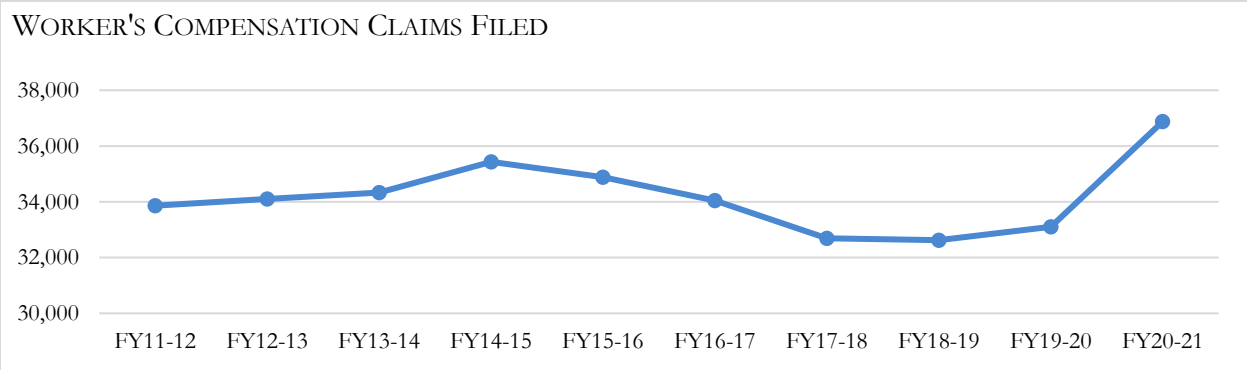
The appropriation for UI Programs in the Long Bill reflects the cost of *administering* UI Programs. Pursuant to statute, the funds used to pay benefits are not subject to appropriation by the General Assembly and do not appear in the Long Bill.

- In FY 2019-20, prior to any adjustments for the pandemic, the budget for this section reflected $30.9 million in federal custodial funds and $15.3 million in State cash funds. Additional administrative costs related to the COVID-19 disaster emergency were covered by federal funds, which were not subject to appropriation.
- In FY 2020-21, federal funding from the Coronavirus State Recovery Fund reached $115 million in order to administer extended federal UI benefits. This federal funding can be expended by CDLE over the next few years.



WORKERS' COMPENSATION

The Division regulates the private workers' compensation insurance market. This differs from UI in that the State does not directly provide benefits except in the case of Major Medical. Colorado employers are required to carry workers' compensation insurance to pay for medical expenses incurred during the treatment of work-related injuries. The Division of Workers' Compensation accounts of 6.2 percent of Department appropriations, is entirely cash funded, and provides services to support this mandate. This is driven by the number of workers injured in a given year and the number of hearings requested by an employer, insurance company, or injured worker to determine what benefits should be provided. Workers' Compensation program administrative activities are supported by cash fund surcharges on workers' compensation premiums; these are subject to appropriation by the General Assembly.



The COVID-19 pandemic impacted workers' compensation claims in two ways:

1 There has been an overall increase in claims related to COVID-19. As of October 31st, 9,392 COVID related workers' compensation claims have been filed. Approximately one-third of claims filed that relate to COVID are admitted, or approved, with two-thirds being denied. This

is opposite of other types of workers' compensation claims in that, generally speaking, two-thirds are admitted, while only one-third tend to be denied.

2 At the same time, while overall claims are rising due to COVID, there was also a reduction in other types of injuries due to low employment or changes to the workplace environment like remote work.

SUMMARY: FY 2021-22 APPROPRIATION & FY 2022-23 REQUEST

DEPARTMENT OF LABOR AND EMPLOYMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	289,121,540	19,644,267	82,444,914	6,436,493	180,595,866	1,298.9
Other legislation	62,863,096	752,501	62,110,595	0	0	17.0
TOTAL	**$351,984,636**	**$20,396,768**	**$144,555,509**	**$6,436,493**	**$180,595,866**	**1,315.9**
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	$351,984,636	20,396,768	$144,555,509	$6,436,493	$180,595,866	1,315.9
R1 Wage theft enforcement spending authority	153,304	0	153,304	0	0	1.0
R2 Employment first initiatives continuation	427,464	93,187	0	0	334,277	4.0
R3 Underground damage prevention fund spending authority	39,380	0	39,380	0	0	0.0
R4 Veterans service to career program refinance	0	0	(500,000)	0	500,000	0.0
Non-prioritized decision items	449,785	30,239	134,423	503	284,620	0.0
Annualize prior year legislation and budget actions	(68,529,412)	168,683	(66,787,414)	0	(1,910,681)	(1.0)
Centrally appropriated line items	16,487,082	1,848,276	8,663,287	78,689	5,896,830	0.0
Indirect cost assessment	1,125,851	0	699,788	8,111	417,952	0.0
Technical adjustments	14,935,009	0	14,935,009	0	0	2.0
TOTAL	**$317,073,099**	**$22,537,153**	**$101,893,286**	**$6,523,796**	**$186,118,864**	**1,321.9**
INCREASE/(DECREASE)	($34,911,537)	$2,140,385	($42,662,223)	$87,303	$5,522,998	6.0
Percentage Change	(9.9%)	10.5%	(29.5%)	1.4%	3.1%	0.5%

R1 WAGE THEFT ENFORCEMENT SPENDING AUTHORITY: The Department is requesting an increase in cash spending authority to $325,000. This is an increase of $153,304 and 1.0 FTE in FY 2022-23, and $163,599 in FY 2023-24 and future years. This request encompasses a legislative change to Section 8-4-113(3), C.R.S., to increase the statutory cash fund limit on uncommitted reserves for the Wage and Theft Enforcement Fund to an alternative maximum of $400,000 and any excess be transferred to the General Fund at the end of the fiscal year. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284. (Evidence-based evaluation for budget). (Legislation Required).

R2 EMPLOYMENT FIRST INITIATIVES CONTINUATION: The Department requests a $427,464 and 4.0 FTE continuation in funding for FY 2022-23 made up of $93,187 General Fund and $334,277 federal funds, and then an additional $399,464 in FY 2023-24 and ongoing for the Employment First Initiatives program. Initial funding for this program through S.B. 16-77 is set to end in June 2022, and S.B. 21-095 continued indefinitely the Employment First Partnership in the Department, however no additional funding was allocated for the program. These positions do not provide services directly to individuals with disabilities; they provide support for direct service providers who work with individuals with most significant disabilities. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284. (Evidence-based evaluation for budget).

R3 UNDERGROUND DAMAGE PREVENTION FUND SPENDING AUTHORITY: This is a cash fund spending authority request for $39,380 in FY 2022-23 and in all future years within the Division of Oil and Public Safety (OPS). This request requires a change in statutory language within Section 9-1.5-104.7, C.R.S., to make the funds continuously appropriated to the Division to use for education and outreach programs related to excavation and underground facilities. Currently, excavation requirement violation fines are deposited within the Damage Prevention (DMPV) Fund. Although the program is set up to allow funding for education and outreach programs, the Division does not currently have the spending authority to use these funds. As cases have been reviewed in recent years, it has been evident that many of those found in violation were not aware of the Excavation Requirements law. The Division is requesting the authority to use these funds to provide greater education on requirements and reduce future violations. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284. (Evidence-based evaluation for budget). (Legislation required).

R4 VETERAN'S SERVICES TO CAREER PROGRAM REFINANCE: The Department requests a reduction of $500,000 in cash fund spending authority and an increase of $500,000 in federal fund spending authority for the Veterans Service-to-Career Program (VSCP), until the program sunsets January 1, 2024. The Department is requesting the funding source be switched from the Marijuana Tax Cash Fund (MTCF) to Federal American Rescue Plan Act (ARPA) funds, on the basis that forecasts are showing MTCF revenues declining modestly, and this loss in revenue is being attributed to COVID. This program is currently fully funded through the transfer from MTCF, and the Department does not want to risk this program losing funding due to this decline.

NON-PRIORITIZED DECISION ITEMS: The request includes $449,785 in non-prioritized decision items.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Paid Family Medical Leave Act Funding	$371,656	$13,654	$97,950	$0	$260,052	0.0
OIT Budget package	56,788	14,191	24,987	503	17,107	0.0
Vehicle lease payments	18,099	1,448	10,859	0	5,792	0.0
DPA CSEAP resources	2,385	89	627	0	1,669	0.0
NP5 Food service and housekeeping	857	857	0	0	0	0.0
TOTAL	**$449,785**	**$30,239**	**$134,423**	**$503**	**$284,620**	**0.0**

ANNUALIZE PRIOR YEAR LEGISLATION AND BUDGET ACTIONS: The request includes adjustments for the second- and third-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION AND BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 21-1007 State apprenticeship agency	$342,055	$342,055	$0	$0	$0	4.9
SB18-200 PERA unfunded liability	177,360	0	177,360	0	0	0.0
SB 21-131 Protect personal info	9,000	0	9,000	0	0	0.3
SB 21-039 Elimination of submin wage	1,197	1,197	0	0	0	0.0
HB 20-1153 WINS	0	404,766	(404,766)	0	0	0.0
HB 21-1264 Funds workforce development	(60,000,000)	0	(60,000,000)	0	0	0.0
HB 21-1290 Additional funding for JTO	(6,000,000)	0	(6,000,000)	0	0	0.0
Employment first initiatives	(2,407,926)	(512,888)	0	0	(1,895,038)	(4.0)

HB 19-1107 Employment support and job retention	(340,000)	0	(340,000)	0	0	(0.5)
HB 20-1415 Whistleblowers	(187,593)	0	(187,593)	0	0	(2.5)
SB 21-233 UI division enterprise	(75,000)	(75,000)	0	0	0	0.0
SB 21-087 Agricultural workers' right	(40,512)	0	(40,512)	0	0	0.0
SB 21-239 Statewide human services system	(5,741)	(5,741)	0	0	0	0.0
HB 21-1194 Immigration legal defense	(1,347)	(1,347)	0	0	0	0.1
HB 21-1149 Energy sector career	(903)	0	(903)	0	0	0.7
Annualize prior year salary survey	(2)	15,641	0	0	(15,643)	0.0
TOTAL	**($68,529,412)**	**$168,683**	**($66,787,414)**	**$0**	**($1,910,681)**	**(1.0)**

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items outlined in the table below.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payments to OIT	$5,592,139	$1,319,745	$2,499,686	$50,329	$1,722,379	0.0
Salary survey	4,456,591	464,230	2,254,663	23,897	1,713,801	0.0
Health, life, and dental	3,637,572	42,993	2,284,520	4,523	1,305,536	0.0
Leased space	754,831	49,002	347,403	0	358,426	0.0
AED	740,716	6,278	405,232	(109)	329,315	0.0
SAED	740,716	6,278	405,232	(109)	329,315	0.0
ALJ services	379,808	1,025	376,010	0	2,773	0.0
DPA Paid family leave	215,486	12,492	84,188	1,636	117,170	0.0
PERA Direct Distribution	190,943	(7,087)	133,431	(1,486)	66,085	0.0
Payment to risk management and property funds	119,231	4,381	31,422	0	83,428	0.0
CORE adjustment	23,953	0	6,516	0	17,437	0.0
Short-term disability	23,214	(132)	12,111	8	11,227	0.0
Shift differential	1,936	0	0	0	1,936	0.0
Legal services	(345,625)	(49,252)	(164,342)	0	(132,031)	0.0
Workers' compensation	(43,274)	(1,538)	(12,009)	0	(29,727)	0.0
Capitol Complex leased space	(1,155)	(139)	(776)	0	(240)	0.0
TOTAL	**$16,487,082**	**$1,848,276**	**$8,663,287**	**$78,689**	**$5,896,830**	**0.0**

INDIRECT COST ASSESSMENT: The request includes the indirect cost assessment below.

INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Indirect cost assessment	$1,125,851	$0	$699,788	$8,111	$417,952	0.0
TOTAL	**$1,125,851**	**$0**	**$699,788**	**$8,111**	**$417,952**	**0.0**

TECHNICAL ADJUSTMENTS: Technical adjustments below were made to ensure the Department request matched Staff records.

TECHNICAL ADJUSTMENTS				
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FTE
Base technical adjustment	$14,935,009	$0	$14,935,009	2.0
TOTAL	**$14,935,009**	**$0**	**$14,935,009**	**2.0**

ISSUE: WAGE THEFT SPENDING AUTHORITY REQUEST

The Department is requesting additional spending authority as well as legislative changes to allow for greater capacity and flexibility in addressing wage theft in Colorado. Recent legislative changes and authority have given the Department increased ability to enforce labor standards while also increasing the complexity of this work.

SUMMARY

- Increasing and unpredictable wage theft fine collections in the Division of Labor Standards and Statistics (DLSS) are putting pressure on the Wage Theft Enforcement Fund (WTEF) and its uncommitted reserve cap.

- The Department is reporting increasing levels and complexity of wage theft violations due to expansions in legislative requirements and authority.

- The Department requests increased spending authority as well as a legislative change to the uncommitted reserve cap in order to continue to effectively maintain wage and labor standards.

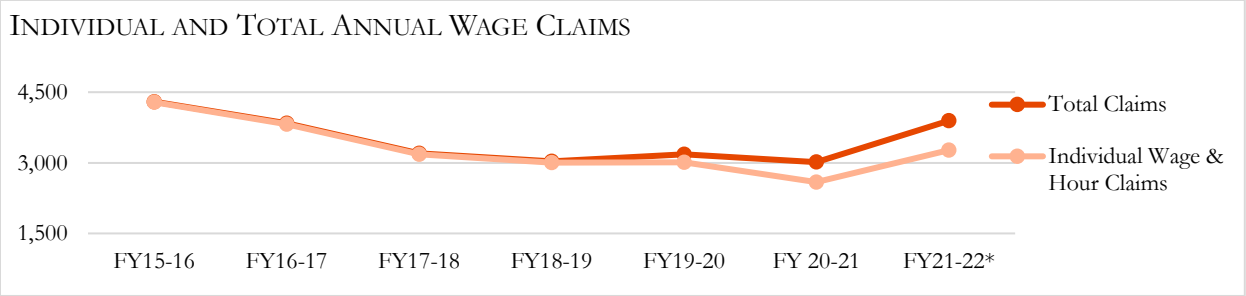
DISCUSSION

DEPARTMENT REQUEST

- An increase in cash fund spending authority to $325,000 –an increase of $153,304 and 1.0 FTE in FY 2022-23 and $163,599 in FY 2023-24 and in future years within the Division of Labor Standards and Statistics.
- A legislative change to Section 8-4-113(3), C.R.S., to increase the statutory cash fund limit on uncommitted reserves for the Wage and Theft Enforcement Fund (WTEF) to an alternative maximum of $400,000.
- Any excess reserves above $400,000 in the WTEF be transferred to the General Fund at the end of the fiscal year.

BACKGROUND

In 2015, the Colorado Wage Act assigned DLSS to investigate, rule on, and order payments on individual wage complaints. Prior to 2015, the Division was much smaller and mostly helped mediate disputes between parties; mediations previously did not result in rulings or orders to pay. The Wage Act resulted in initial high volumes of individual wage claims that have since stabilized at around 3,000 annually.

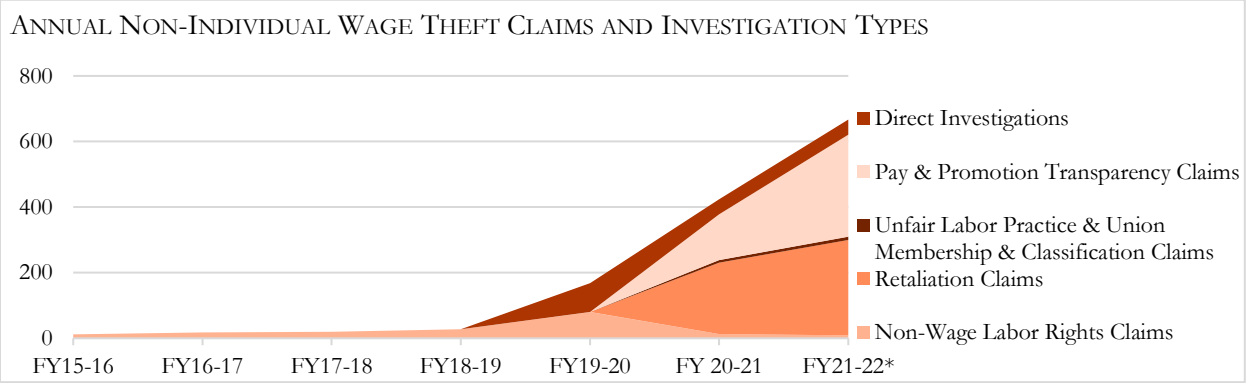


*FY 2021-22 data based on estimates

LEGISLATIVE AND PROGRAMMATIC CHANGES

DLSS is seeing increasing workloads based less on the volume of claims than the complexity of investigations. The 3,000 average annual wage claims yield typically simpler investigations and rulings than many of the new programs that have been assigned to DLSS. Some of the most complex cases are related to:

- **Paid sick leave claims** which qualify as wage claims but can yield complex analyses and compliance orders, and take significantly longer than most wage claims;
- **Retaliation claims** are new to the DLSS and take twice as much effort as individual wage claims;
- **Equal Pay Act investigations** into wage transparency requirements are unique to Colorado, and require new legal analyses as well as back-and-forth interactions with employers to bring them into compliance; and
- **Direct Investigations**, funded by new legislation effective FY 2019-20, cover systemic, employer-wide wage violations, spanning dozens to thousands of workers each, commonly on cutting-edge legal issues (e.g., construction worker misclassification, health employers' differing paid sick obligations under federal and state law, and complex wage payment issues such as travel time). These investigations commonly take up to a year, with each investigator able to close only one direct investigation every 1-2 months, whereas investigators commonly close a dozen individual wage claims each month.



*FY 21-22 data is based on estimates

ADMINISTRATIVE COSTS

The Department reports that as a result of this increasing complexity in the nature of cases, DLSS is reporting additional administrative costs driven by:

- **Office space and systems**: DLSS has added around 25.0 FTE since 2019, and with the pandemic, has also seen an increased need for remote mailing and printing services for staff.
- **Operational efficiency**: Remote mailing/printing/phones have proven a) far better in delivering public services by letting DLSS re-purpose staff to more productive work, and b) a cost savings of an estimated annual $7,912.
- **Workload**: Operational expenses for DLSS are increasing, mail volume for DLSS has risen 17.0 percent annually, and the Division has also seen per-employee costs rise due to the increases in workloads.

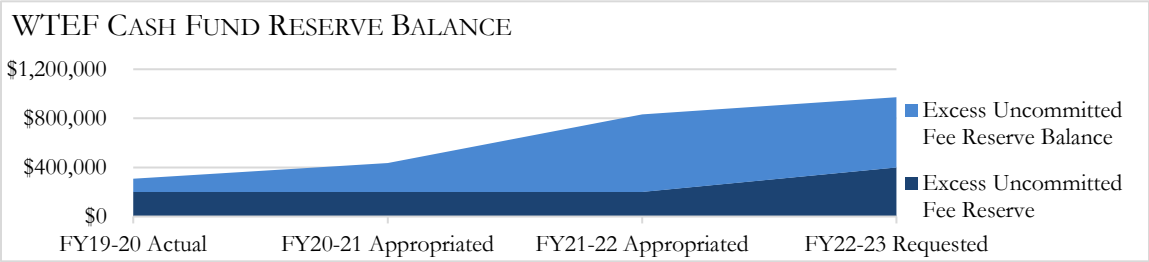
APPEALS

Appeals increased by over 40.0 percent in 2021 from the levels seen in 2017 through 2019, the years prior to new programs taking effect. Over 90.0 percent of appeals are by employers, and that percentage has been increasing annually. Though employees can appeal, those are not only less common, but typically less intensely litigated. DLSS is working to reduce employer appeals by facilitating settlements with employers that focus on changes in policy and behavior. Additionally, the Division is now able to focus on large-scale, systemic wage theft violations across many employers, rather than individual one-off wage violation claims. This will ideally lead to more broad changes in corporate behaviors across businesses that will be reflected in lowered future individual claims.

WAGE AND THEFT ENFORCEMENT FUND (WTEF)

DLSS administers the WTEF to investigate wage claim cases and issues citations to collect fines of various wage violations by employers:

- A majority of these are failure to respond to investigation notices, failure to provide mandatory pay statements to employees, and failure to pay wages that are determined to be owed to employees. DLSS has continued to see an increase in the amount of these claims filed annually; the resulting fines generally total $150,000-$200,000 each year.
- In 2019, the legislature enacted statutory provisions that created a strategic enforcement unit within DLSS to investigate and rule on systemic violations; this is expected to generate another six figures in fines annually.
- The Healthy Families and Workplaces Act made certain paid sick leave law a new category of wages. This expanded the potential fines collected, and sick leave violation fines regularly reach five figures.



Fines assessed by the Division are deposited into the WTEF. Wage theft fines vary widely in size and scope, which makes the ability to predict the frequency difficult since they are based on the type and severity of the violation, the number of employees impacted, and whether a settlement agreement of the fine leads to a discounted amount in collections. This unpredictability of the fines has exacerbated the statutory cash fund limit on uncommitted reserves for this fund.

- In FY 2021-22, DLSS received a cash fund appropriation of $171,696 to cover program costs, which resulted in a cash fund statutory uncommitted reserve cap of $200,000 or 16.5 percent above the $171,696. This resulted in the extension of a three-year cash fund waiver that expires on June 30, 2022.
- The Division has assessed $735,244 in citations through July 2021 and is estimated to receive up to $1.2 million dollars for the calendar year if all estimated direct investigation citations are received. With this increase in fines and the waiver expiration, DLSS is estimating that it would not be able to manage the cap on the WTEF while continuing to investigate wage theft violations.

Should this request not move forward, the department may seek to request an extension on the cash fund waiver and an alternative maximum reserve limit for the cash fund going forward.

CONCLUSION

Recent legislation and increasing responsibilities around wage theft enforcement are putting pressure on the uncommitted reserve cap for the WTEF. The Department would like to continue its work on investigating wage theft violations while also maintaining statutory compliance on the fund. They are thus requesting: a) increased cash fund spending authority; and b) a legislative change to the uncommitted reserve cap of the WTEF. The department anticipates increasing the spending authority will take care of the personnel and operating expenses generated from the complexity of the cases and statutorily changing the uncommitted reserves cash fund will allow the Division to maintain statutory compliance.

INFORMATIONAL ISSUE: ALLOCATION OF FEDERAL WORKFORCE DEVELOPMENT FUNDS

The Department was allocated an additional $60 million in federal funding in FY 2021-22 to address the economic ramifications of the COVID-19 pandemic. The Governor has proposed an additional $50.7 million for workforce investment as a part of the FY 2022-23 budget.

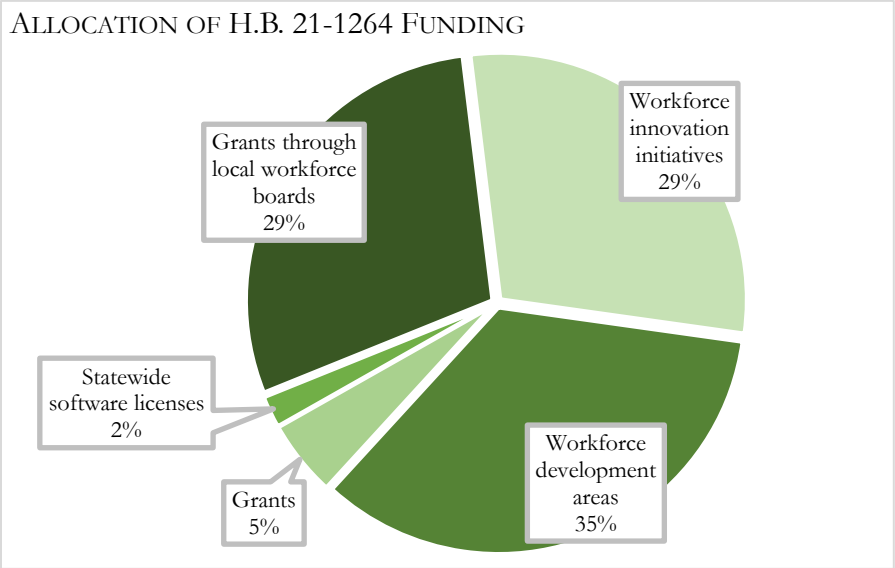
SUMMARY

As measures were taken in Colorado to respond to the COVID-19 pandemic, unemployment rates peaked and the federal government passed the American Rescue Plan Act (ARPA) of 2021, in order to provide states with additional resources. The legislature passed H.B. 21-1264, which allocated $60.0 million of ARPA funding to the Department to put towards investments in reskilling, upskilling, and next-skilling workers as well as existing programs and initiatives established under the "Work Force Innovation Act". With the Governor's newest budgeting proposal, an additional $50.7 million would be put towards investments in the workforce.

DISCUSSION

H.B. 21-1264

In FY 2020-21, the Department received an additional $60.0 million in federal ARPA funding in H.B. 21-1264 for Workforce Development. The funding was allocated as shown below:



Grant funds must be obligated by December 31, 2024 and expended by December 31, 2026.

1 $38.25 million in total towards workforce areas. These funds have already been distributed to local workforce boards with $20.75 million put towards training dollars for workforce development areas and $17.5 million given to local workforce boards to grant out to community workforce development organizations.

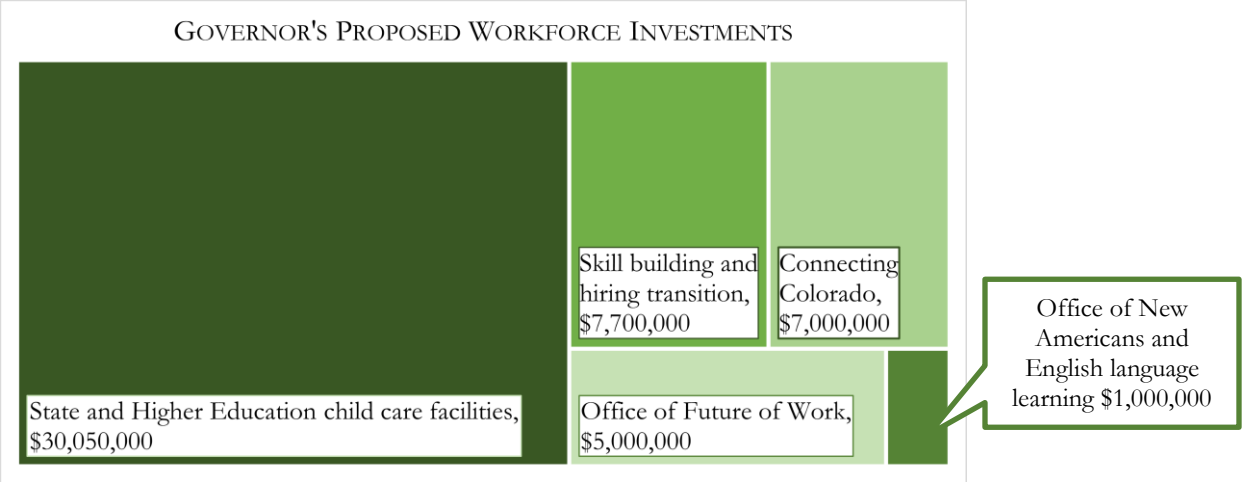
2 $3.0 million was allocated for grants to community-based organizations and the first grantees were announced on Friday, October 15th.

3 $1.25 million to purchase statewide software licenses for courses related to training and reskilling workers, enhance digital platforms for career support, and for a marketing and outreach campaign over the duration of the program. The Ready to Rise Campaign launched in September 2021.

4 $17.5 million to the Colorado Workforce Development Council to award for statewide innovation initiatives. $4.2 million is for implementation, evaluation, and administration of initiatives while $1.5 million is being reserved to contract with an evaluator to look at all of the elements funded through the bill; the evaluator will be procured in the first part of 2022. A total of $13.3 million is for statewide workforce development initiatives including: the Navigation and Coaching Collaborative, Business and Industry Support, Nonprofit Partnership Development, and Capacity Building for Partnership and Innovation.

GOVERNOR'S PROPOSED WORKFORCE INVESTMENT PACKAGE

The Governor has proposed an additional $50.7 million in General Fund for workforce investments in FY 2022-23. This funding will be dispersed across a number of programs and would not be distributed solely through CDLE. Details of this proposal are available in Attachment 2 of the Governor's Budget Letter.



STATE/IHE CHILD CARE FACILITIES: Renovate existing state facilities, including higher education, so that these can be used as child care facilities for state employees and the public. (OEDIT)

SKILLS-BASED HIRING TRANSITION AND BOOSTING NON-DEGREE CREDENTIALS: Provide opportunities for workers to upskill and reskill with non-degree credentials like certificates, industry certifications, and apprenticeships. Provide implementation support for Colorado's skills-based hiring practices. (CDLE)

CONNECTING COLORADO: Modernize CDLE's Connecting Colorado System. (CDLE)

ENGLISH LANGUAGE LEARNING AND OFFICE OF NEW AMERICANS: Develop Colorado's Office of New Americans and a one-time purchase of licenses to an existing virtual platform that provides career-aligned virtual English language classes. (CDLE and CDHE)

OFFICE OF FUTURE WORK: Build the state's capacity to support local digital equity ecosystems through: creation of a Digital Equity Scorecard, development of a Digital Inclusion Workforce Development plan, engaging historically excluded populations, expanding navigational supports. (CDLE)

CONCLUSION

The Department continues to spend ARPA funding on workforce investments in the state. CDLE has extensive reporting measures on where this funding has gone, and has had to focus mainly on navigating the complexities of expending ARPA funds, so as of yet has not been able to look into the results of these investments. The Governor's proposal would increase workforce development funds, with around 60.0 percent of that focused on renovating child care facilities across the state.

INFORMATIONAL ISSUE: UNEMPLOYMENT INSURANCE TRUST FUND

The COVID-19 pandemic and economic ramifications burdened the state Unemployment Insurance funding mechanism and infrastructure. Colorado has borrowed over $1 billion from the federal government to continue paying out UI benefits.

SUMMARY

- The COVID-19 pandemic placed unprecedented pressure on the State UI System. Regular UI caseloads spiked from a 22,000 pre-pandemic weekly average to over 250,000 in May 2020. As of October 2021, average weekly caseloads are down to about 25 thousand.

- The State's UITF, which funds Regular UI benefits, became insolvent in the summer of 2020. It is currently estimated to reach a positive balance between 2024 and 2025, dependent on economic conditions in the state. Beginning in 2023, employers will pay premiums on a higher rate schedule with an added solvency surcharge, as well as federal loan-related charges.

- The Economic and Recovery Relief Cash Fund (ERRCF) Task Force has been presented with options for the state to potentially put federal relief funding towards the UITF balance, and the Governor has proposed $600 million be put towards the UITF. The Task Force will make recommendations on the use of this funding in December.

- CDLE has proposed that if there is any cost reduction to employers, it should be backfilled with stimulus funding to ensure the long-term health of the trust fund.

DISCUSSION

TECHNICAL INFORMATION

UNEMPLOYMENT INSURANCE

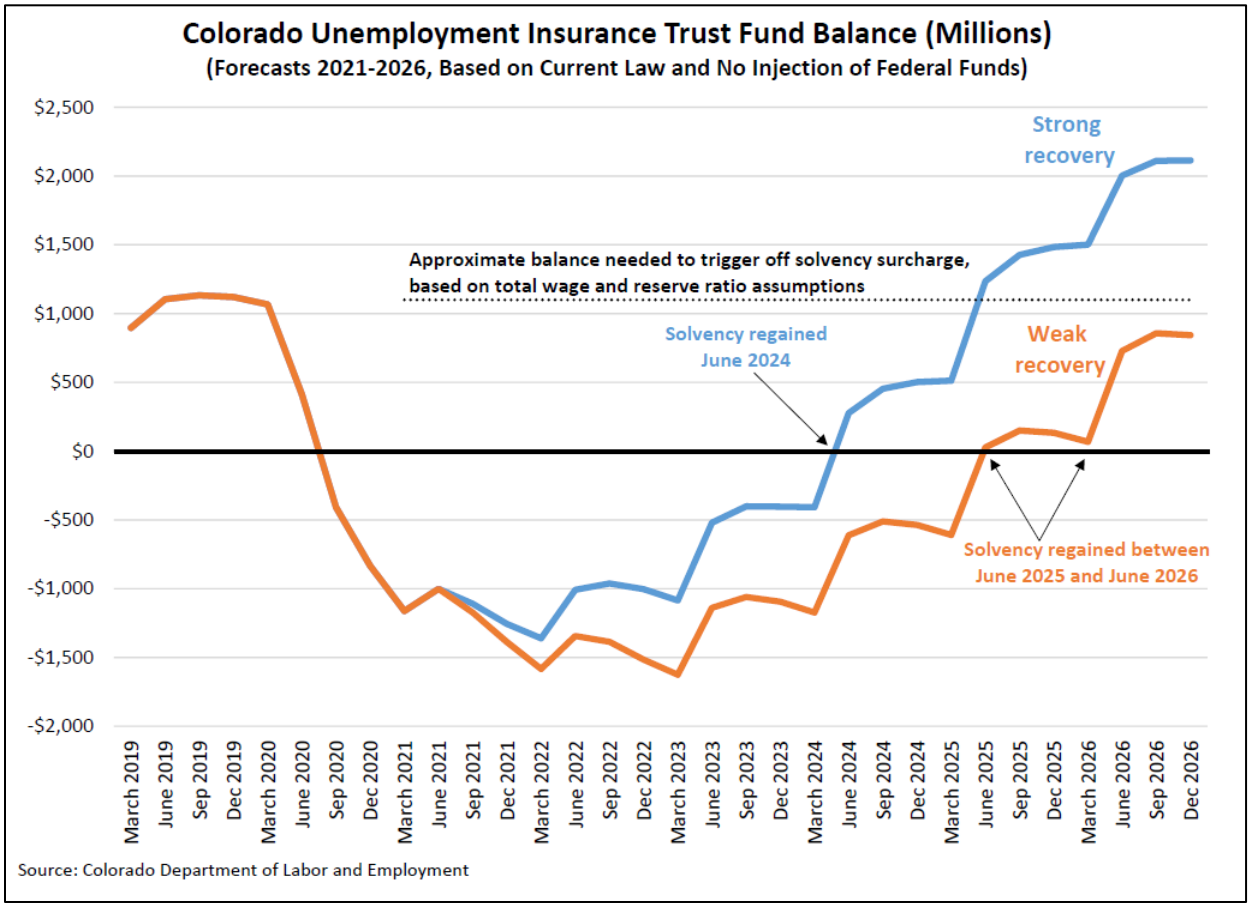
Unemployment insurance (UI) programs provide temporary financial support for individuals who lose employment through no fault of their own. The system is a joint state-federal undertaking in which states have flexibility to set their UI benefits and tax structure within the confines of federal laws. In periods of recession or economic crisis, the federal government provides states with Title XII loans as needed to pay out regular UI benefits. The federal government can also provide extended or additional benefits. While hundreds of thousands of Colorado workers received benefits from these additional programs during COVID-19, and they were administered through the state UI system, none of them affected the UITF.

- The federal government has loaned Colorado just over $1 billion to continue to distribute Regular UI benefits, and the Department estimates they will need additional loans in the near future.

- Interest on these loans is due at the end of the federal fiscal year, September 30th, as long as loans remain. Colorado paid off the first round of interest using federal pandemic-related funding.

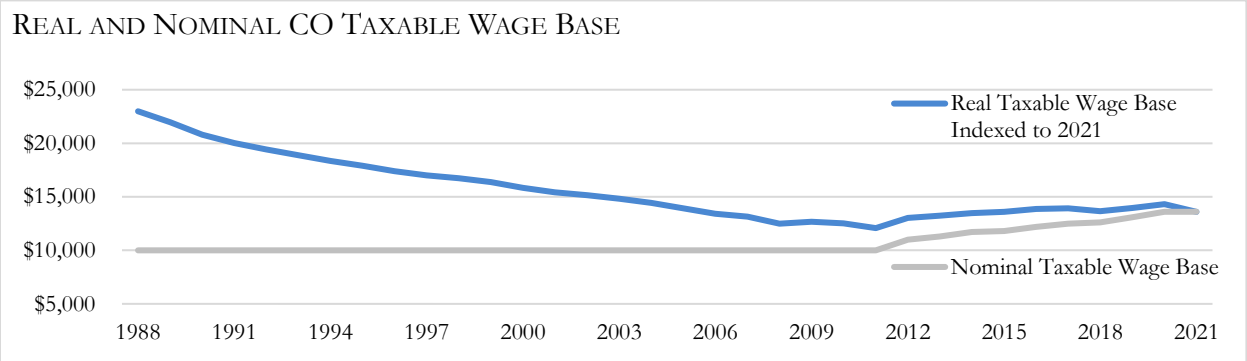
UNEMPLOYMENT INSURANCE TRUST FUND BALANCE

The Regular State unemployment system relies on payments from employers (insurance premiums), which are deposited into the UITF, and then used to pay out benefits. Since the beginning of the pandemic, the State has paid out $3.3 billion in regular UI benefits to unemployed workers, quickly exhausting UITF reserves and drawing upon federal Title XII loans (started August 18, 2020). The Department expects the $1 billion in federal loans to grow through 2022. The CDLE graph below reflects current projections of the UITF balance under both a weak and strong forecasted recovery model.



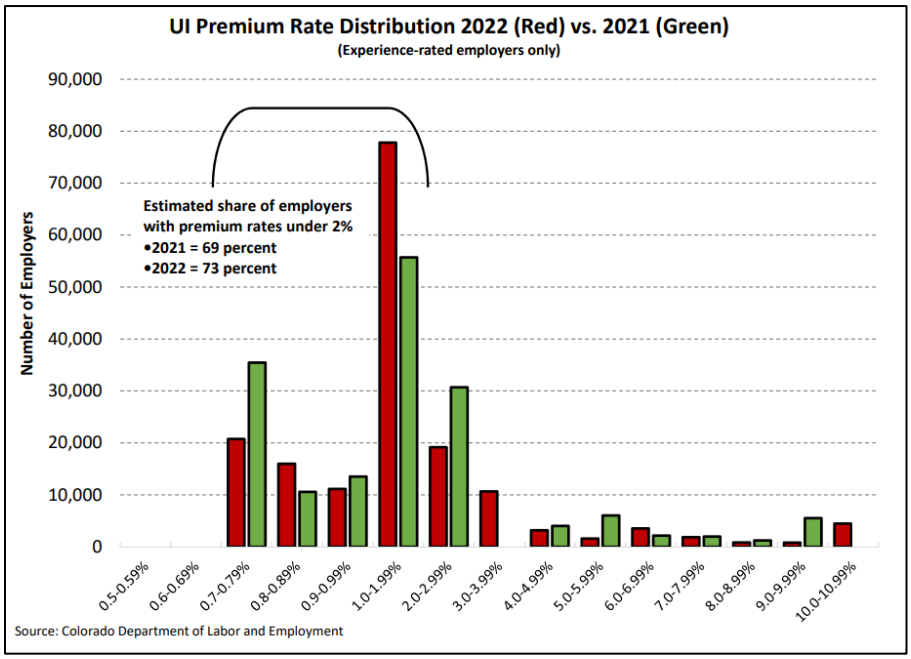
TAXABLE WAGE BASE

Employers pay state UI premiums on a portion of each employee's wage: the taxable wage base. The Colorado taxable wage base was held at $10,000 from 1988 until 2011 when it was indexed to average changes in weekly earnings by H.B. 11-1288. The chart below highlights the differences in the nominal wage base and that same wage base adjusted to 2021 Consumer Price Index inflation levels. This highlights the changes in the real value of the taxable wage base over time. Senate Bill 20-207 increases the taxable wage base by $3,400 annually through 2026. The graph of the UITF Balance shown above incorporates these wage base adjustments into the fund projections.



PREMIUM RATES

Employer premium rates on the taxable wage base are determined by two factors: (1) an employer's experience rating and (2) the statutorily determined rate schedule for that year based on the UITF balance the previous June 30th. Experience ratings are based on an employer's layoff history. During the COVID-19 pandemic, COVID-related separations were removed from this rating. However, layoffs since September 6, 2021, do count towards employers' ratings. The past two June 30th trust fund balances triggered the shift to the second highest rate schedule in 2021 and the highest rate schedule in 2022; the rate schedule chart is available in Appendix D-1. The graph below details where CDLE is estimating many employers will fall on this rate schedule in 2022 as compared to 2021.



SOLVENCY SURCHARGE

The solvency surcharge goes into effect in a calendar year if on the previous June 30th, the reserve ratio of the UITF balance falls below 0.5 percent of total wages reported by employers. The surcharge remains active until the June 30th reserve ratio reaches 0.7 percent, which triggers it off the next calendar year. On June 30, 2020, the reserve ratio had fallen to 0.3 percent, however, S.B. 20-207 suspended the solvency surcharge for 2021 and 2022. CDLE currently estimates the solvency surcharge will be triggered in 2023, 2024, and 2025. The Governor has proposed continuing to keep

the solvency surcharge off in 2023. Solvency surcharges are added to employers' regular premium rates and are dependent on employer experience ratings.

FEDERAL UNEMPLOYMENT TAX ACT (FUTA) CREDIT REDUCTIONS

Employers in Colorado pay federal UI premiums of 0.6 percent on the first $7,000 of each employee's salary. This is typically used to pay State program administration costs. This percentage remains constant as long as a state operates its unemployment insurance program within the broad parameters established by federal authorities. This is because the FUTA rate is 6.0 percent with a 5.4 percent credit. If the state has an outstanding Title XII loan on consecutive January firsts, that credit begins to decrease by 0.3 percent on an annual basis. Based on current forecasts, Colorado had an outstanding Title XII loan balance on January 1, 2021, and will have one on January 1, 2022, as well. This triggers a FUTA credit reduction in 2023, with potential for a credit reduction in 2024, dependent on economic recovery. This equates to an additional $21 per employee per year in federal UI premiums as long as an outstanding loan balance remains.

STAKEHOLDER INPUT

The ERRCF Task Force held public testimony on the use of the cash fund and the UITF balance. Groups provided testimony along the following lines:

- Employer interest groups requested recovery funding go towards the UITF balance
- Employee interest groups advocated for funding to go towards hero pay for frontline workers

Given recent conversations with the US Treasury and US Department of Labor, along with members of Colorado's congressional delegation, it is unlikely Congress will take action on loan forgiveness or zero percent interest bonds.

GOVERNOR'S PROPOSAL AND COST SCENARIOS

The Governor has proposed a $500 million General Fund and $100 million federal fund investment towards the UITF balance, as well as turning the solvency surcharge of for 2023. As the debt with the UITF lies with the federal government, CDLE would use this money to bypass the trust fund and pay off part of the loan balance. The executive branch believes this would not impact the 10.0 percent rule for enterprises as the money would not be allocated to the UI Division, but to the Executive Director's office.

The Department has produced employer cost scenarios through 2026 based on economic projections and potential State investment. These scenarios are located on Appendix D-2. They were produced based on a hypothetical average employer who is meant to be representative of the experience many employers will have. The table below reflects these scenarios broken down to a per-employee cost. These costs reflect the discussed changes to base premiums, solvency surcharge premiums, and federal premiums. Specific data and tables used are available in the Appendices D-3 through D-5.

PER EMPLOYEE COSTS IN 2017-2020 COMPARED TO EXPECTED COSTS IN 2023-2026			
Timeframe	State Investment Scenarios	Per Employee Cost	Estimated difference in Per-Employee Costs Between 2017-2020 and 2023-2026
2017-2020		$ 2,379.30	
2023-2026 w/a Strong Economic Recovery	$0 into UITF	$ 2,476.60	$ 97.30
	$500m into UITF	$ 2,377.40	$ (1.90)
	$600m into UITF	$ 2,357.56	$ (21.74)

- At a recent Task Force meeting on the ERRCF, this $500 million investment was alternatively estimated as employers seeing an average of 0.1 percent of payroll over five years.

CONCLUSION

With the taxable wage base changes in S.B. 20-207, the UITF is set to become solvent in 2-4 years with no further policy changes. Apart from UITF solvency however, employers will be paying higher premiums over the next few years driven by FUTA credit reduction costs, higher rate schedules, and the solvency surcharge. The Department has provided the interim Economic Recovery and Relief Task Force with projections that show the impact on the State and employers in upcoming years and the Task Force will make forthcoming recommendations to the General Assembly on the use of the Recovery and Relief Cash Fund and how it may be used to address the UITF Balance. Additionally, the Governor has proposed a $600 million dollar investment in UITF fee relief to be accomplished through separate legislation. The Department's budget request does not include any funding related to the UITF.

INFORMATIONAL ISSUE: UNEMPLOYMENT INSURANCE AUDIT

The COVID-19 pandemic placed unprecedented administrative pressure on the State UI System. A March 2021 annual financial report found the Colorado Department of Labor and Employment did not provide critical information needed for proper records keeping and oversight with regards to Unemployment Insurance.

SUMMARY

- The Department received 548,000 unemployment claims from July 2019 to June 2020, five times the average 109,000 claims over the previous three years. Of the record claims, 337,000 (60.0 percent), were filed between March 15th and April 30th in 2020.

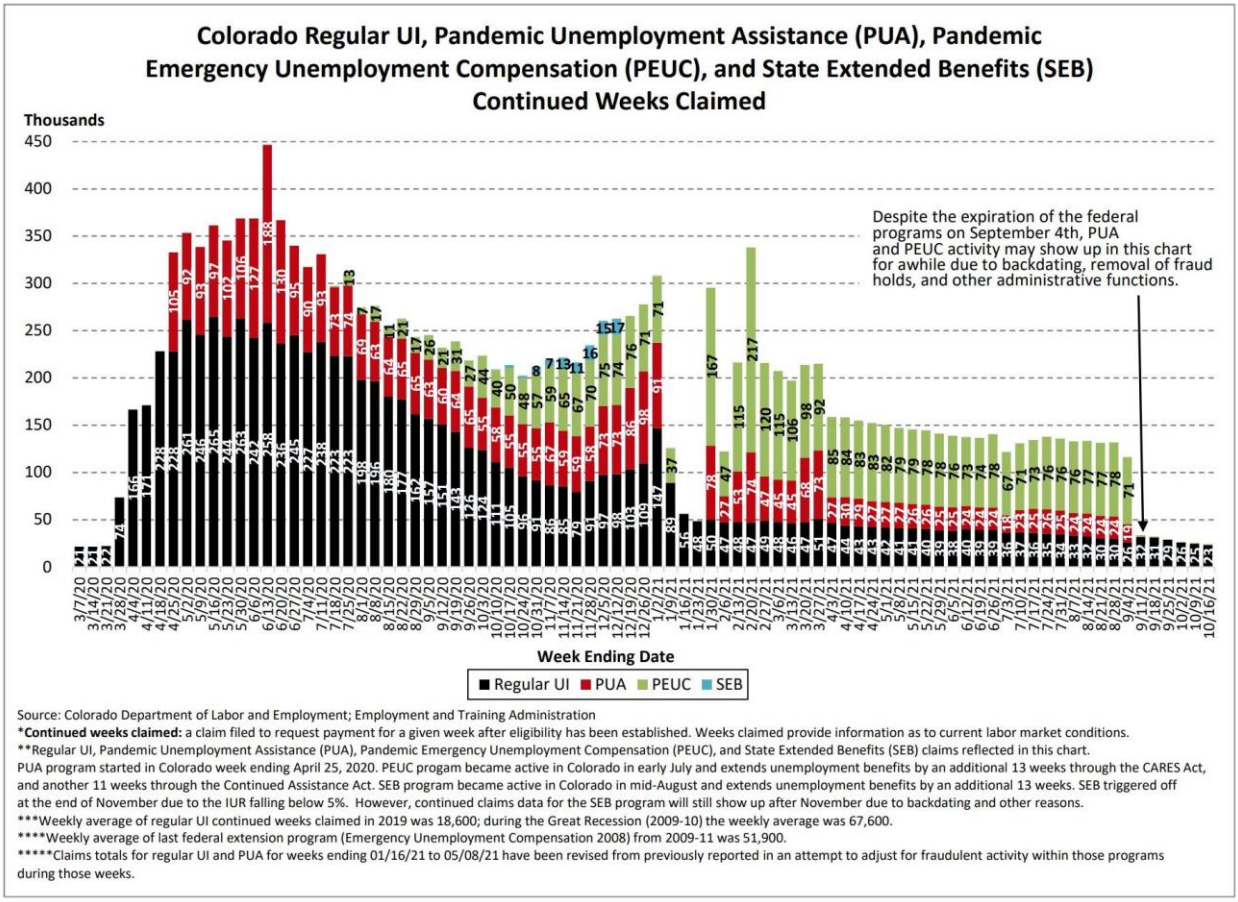
- In March 2021, an annual financial audit of the Department found it significantly lacking in its financial reporting and internal controls. The audit found "The State of Colorado did not have an adequate methodology to substantiate the estimated amount of receivables and payables within the Unemployment Insurance Fund."

- Based on the audit and its findings, the Department is implementing new processes and protocols. The Office of the State Auditor is also wrapping up a performance audit of the UI Division, and the findings will be presented to the Legislative Audit Committee (LAC) on December 6, 2021.

DISCUSSION

During the COVID-19 pandemic, the federal government provided federally funded Pandemic Unemployment Assistance (PUA), Pandemic Emergency Unemployment Compensation (PEUC), and State Extended Benefits (SEB). State Extended Benefits are normally a fifty percent state and federal split, however, during the pandemic the federal government made these 100 percent federally funded. While the federal government provided these benefits, the State UI system was responsible for distributing them on top of regular UI assistance. This led to unprecedented caseload levels that the system was admittedly unprepared for.

As shown below, after the initial stay at home order was issued in late March, a massive surge of unemployment claims drove most states to forgo adjudication and pay claims quickly. Then, with the passage of the federal CARES Act, PUA was created which required states to provide benefits based on self-certification of eligibility. Coupled together, these created a massive vulnerability for identity theft fraud in the UI system, primarily with PUA. All federal programs ended on September 6, 2021, and the state administrative focus is now on processing backdate requests, working through various backlogs, investigating and prosecuting fraudulent claims, and enhancing infrastructure to address issues identified through various avenues like the audit.



AUDIT FINDINGS

- The Department had not adjudicated all claims for UI benefits that were paid during Fiscal Year 2020, and therefore could not estimate the amount of payments that had been made due to error or fraud.
- The Department did not have an adequate methodology for calculating and recording the estimated amount of receivables and payables for UI payments, which resulted in unverifiable adjustments of $2.1 billion in the Unemployment Insurance Fund.
- The Department struggled to provide auditors with accurate and timely data.
- The PUA application was confusing and applicants were overpaid because they used their gross income instead of net income to qualify for funds. The department wrote off these overpayments in mass in October 2020.

The audit focused on financial accountability and did not address problems such as long waits at call centers, glitches in the computer system, and incorrect federal tax forms.

FRAUD

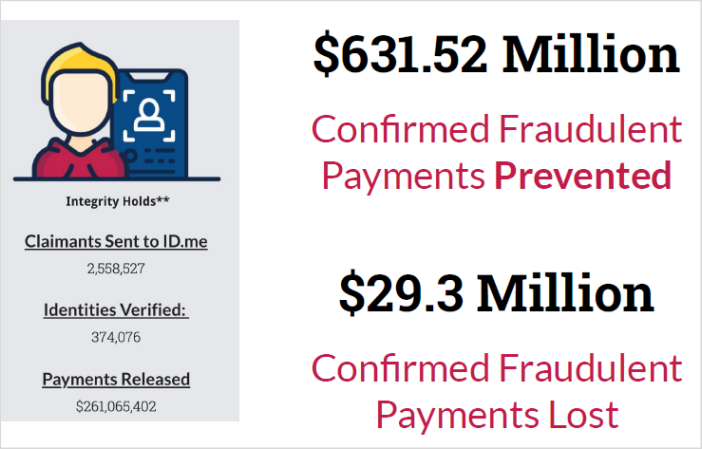
Many of the accounting issues the Department had were related to fraud. Prior to the pandemic, unemployment fraud occurred most commonly when workers continued to collect benefits while earning income without reporting it to the Division. The system was not as vulnerable to identity theft because, as part of the normal adjudication process, CDLE would notify all employers who had reported wages for the claimant that a claim was filed, and would give them a chance to provide information on the separation, which would weed out most fraudulent claims. With the spike in UI

claims leading the Department to forego adjudication and the federal government providing PUA based on self-certification, different actors were able to manipulate the system and commit UI fraud.

- Because of the backlog of unprocessed or unadjudicated unemployment insurance claims, the Department struggled to identify how much money was lost to fraud.
- The Department also struggled with identifying and providing documentation on estimations of overpayments, whether due to errors or fraud, as well as clearly documenting incomes and expenditures.
- The MYUI+ System was delayed in its launch until January 2021. This allowed more fraudulent claims to come through in an older system that was not built to detect this type of fraud.

Since the audit was completed, the Department has implemented several measures against fraud including:

- Increasing anti-fraud measures from the five used prior to the pandemic to now more than 60.
- Implementing technology solutions with IDme, which requires users with holds or who are new to the system to get their identities verified before benefits can be paid. They have published associated outcomes on their UI customer service dashboard as seen below with the updated numbers as of October 31, 2021.
- Partnering with the Attorney General's Office to create the Colorado Unemployment Fraud Task Force to investigate and prosecute those suspected of committing UI fraud.



OUTCOMES

The Department agreed to implement a number of audit recommendations beginning in September 2021 and continuing through March 2022. They have up to this point taken the following measures:

1. Established enhanced reporting for financial liabilities;
2. Enacted a plan to build out significantly more financial accounting functionality in MYUI+ with an expected delivery date of June 30, 2022;
3. Developed clear procedures to ensure future audits would receive all the required information to perform an audit;
4. Bolstered the fraud investigations team; and
5. Contracted with an audit and accounting firm to analyze internal financial processes and develop sufficient internal controls.

CONCLUSION

In March 2020, drastic measures were being taken to protect individuals' health as well as provide financial assistance to households in Colorado. At that time, the State UI program was not prepared to either accurately account for these increased benefits or combat the accompanying identity-based fraud. The audit of the Department at the time reflected these deficiencies and showed how overwhelmed the UI system was. Since the audit, the Department has continued to implement changes and procedures based on the audit recommendations.

APPENDIX A
NUMBERS PAGES
(DIGITAL ONLY)

Appendix A details actual expenditures for the last two fiscal years, the appropriation for the current fiscal year, and the requested appropriation for next fiscal year. This information is listed by line item and fund source. ***Appendix A is only available in the online version of this document.***

Note: An asterisk (*) indicates that the FY 2022-23 request for a line item is affected by one or more decision items.

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
DEPARTMENT OF LABOR AND EMPLOYMENT					
Joe Barela, Executive Director					
(1) EXECUTIVE DIRECTOR'S OFFICE					
Personal Services	9,024,401	10,533,608	9,984,511	10,256,621	*
FTE	108.5	110.7	110.7	110.7	
General Fund	230,411	32,802	32,802	34,572	
Cash Funds	4,803,992	3,680,299	4,977,274	5,124,810	
Reappropriated Funds	171,093	229,709	383,466	394,970	
Federal Funds	3,818,905	6,590,798	4,590,969	4,702,269	
Health, Life, and Dental	12,324,761	2,537,686	13,642,224	17,279,796	
General Fund	794,942	587,822	969,089	1,012,082	
Cash Funds	4,531,156	1,949,864	4,752,704	7,037,224	
Reappropriated Funds	64,454	0	89,757	94,280	
Federal Funds	6,934,209	0	7,830,674	9,136,210	
Short-term Disability	134,288	22,584	128,503	151,718	*
General Fund	7,791	8,328	8,627	8,496	
Cash Funds	51,733	14,256	46,421	58,532	
Reappropriated Funds	833	0	1,159	1,167	
Federal Funds	73,931	0	72,296	83,523	

* this line item contains a decision item

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
S.B. 04-257 Amortization Equalization Disbursement	3,950,245	657,125	4,047,872	4,788,623	*
General Fund	229,128	245,854	271,324	277,637	
Cash Funds	1,521,481	411,271	1,465,619	1,870,851	
Reappropriated Funds	24,700	0	36,463	36,354	
Federal Funds	2,174,936	0	2,274,466	2,603,781	
S.B. 06-235 Supplemental Amortization Equalization Disbursement	3,950,245	657,102	4,047,872	4,788,623	*
General Fund	229,128	245,854	271,324	277,637	
Cash Funds	1,521,481	411,248	1,465,619	1,870,851	
Reappropriated Funds	24,700	0	36,463	36,354	
Federal Funds	2,174,936	0	2,274,466	2,603,781	
PERA Direct Distribution	2,186,326	0	1,993,898	2,362,201	
General Fund	126,840	0	133,746	126,659	
Cash Funds	842,254	0	720,163	1,030,954	
Reappropriated Funds	13,568	0	18,073	16,587	
Federal Funds	1,203,664	0	1,121,916	1,188,001	
Salary Survey	2,577,526	0	2,771,288	4,456,591	
General Fund	149,289	0	181,449	464,230	
Cash Funds	991,325	0	1,081,734	2,254,663	
Reappropriated Funds	20,209	0	19,984	23,897	
Federal Funds	1,416,703	0	1,488,121	1,713,801	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Paid Family Medical Leave Initiative	0	0	0	215,486	
General Fund	0	0	0	12,492	
Cash Funds	0	0	0	84,188	
Reappropriated Funds	0	0	0	1,636	
Federal Funds	0	0	0	117,170	
Paid Family Leave	0	0	0	371,656	*
General Fund	0	0	0	13,654	
Cash Funds	0	0	0	97,950	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	260,052	
Shift Differential	13,177	0	15,066	17,002	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	13,177	0	15,066	17,002	
Workers' Compensation	620,340	465,404	464,560	421,286	
General Fund	22,187	18,440	16,506	14,968	
Cash Funds	172,244	141,819	128,929	116,920	
Reappropriated Funds	0	0	0	0	
Federal Funds	425,909	305,145	319,125	289,398	
Operating Expenses	1,515,113	2,107,896	1,895,558	1,895,558	
General Fund	17,065	17,065	17,065	17,065	
Cash Funds	783,970	736,921	810,505	810,505	
Reappropriated Funds	0	0	0	0	
Federal Funds	714,078	1,353,910	1,067,988	1,067,988	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Legal Services	1,057,906	971,691	1,247,704	870,177	
General Fund	110,860	5,629	177,798	96,644	
Cash Funds	313,651	401,434	593,275	428,933	
Reappropriated Funds	0	0	0	0	
Federal Funds	633,395	564,628	476,631	344,600	
Payment to Risk Management and Property Funds	158,059	133,076	235,477	357,093	*
General Fund	7,211	6,603	8,651	13,121	
Cash Funds	38,388	31,339	62,060	94,109	
Reappropriated Funds	0	0	0	0	
Federal Funds	112,460	95,134	164,766	249,863	
Vehicle Lease Payments	143,348	173,627	191,751	209,850	
General Fund	16,607	11,015	14,511	15,959	
Cash Funds	74,190	101,748	116,580	127,439	
Reappropriated Funds	0	0	0	0	
Federal Funds	52,551	60,864	60,660	66,452	
Leased Space	6,009,039	6,086,028	6,486,369	7,241,200	
General Fund	420,281	432,972	432,972	481,974	
Cash Funds	2,496,157	2,590,047	2,650,836	2,998,239	
Reappropriated Funds	0	0	0	0	
Federal Funds	3,092,601	3,063,009	3,402,561	3,760,987	
Capitol Complex Leased Space	34,995	37,916	42,555	41,400	
General Fund	5,125	5,125	5,125	4,986	
Cash Funds	21,009	23,930	28,569	27,793	
Reappropriated Funds	0	0	0	0	
Federal Funds	8,861	8,861	8,861	8,621	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Payments to OIT	17,021,491	13,715,764	12,548,433	18,150,458	*
General Fund	3,886,824	3,209,632	2,969,665	4,256,699	
Cash Funds	7,899,116	6,319,981	5,703,725	8,228,398	
Reappropriated Funds	302,688	156,485	111,780	162,612	
Federal Funds	4,932,863	4,029,666	3,763,263	5,502,749	
CORE Operations	389,151	510,397	400,815	424,768	
General Fund	0	0	0	0	
Cash Funds	124,941	163,732	109,042	115,558	
Reappropriated Funds	0	0	0	0	
Federal Funds	264,210	346,665	291,773	309,210	
Utilities	173,392	205,388	260,309	260,309	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	173,392	205,388	260,309	260,309	
Immigration Legal Defense Fund 21-1194	0	0	0	(1,347)	
FTE	0.0	0.0	0.0	0.1	
General Fund	0	0	0	(1,347)	
Information Technology Asset Maintenance	171,239	153,953	218,626	218,626	
General Fund	0	0	0	0	
Cash Funds	69,243	60,093	69,243	69,243	
Reappropriated Funds	0	0	0	0	
Federal Funds	101,996	93,860	149,383	149,383	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Statewide Indirect Cost Assessment	500,073	513,438	695,261	1,821,112	
General Fund	0	0	0	0	
Cash Funds	275,873	193,860	300,386	1,000,174	
Reappropriated Funds	0	0	0	8,111	
Federal Funds	224,200	319,578	394,875	812,827	
Wage Replacement Program Study	0	0	75,000	0	
General Fund	0	0	75,000	0	
Appropriation to the Immigration Legal Defense Fund	0	0	100,000	100,000	
General Fund	0	0	100,000	100,000	
State Apprenticeship Agency	0	0	321,579	752,085	
FTE	0.0	0.0	3.1	8.0	
General Fund	0	0	321,579	752,085	
Statewide training	0	0	0	0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Implementation Plan for Family and Medical Leave Insurance Program	165,487	0	0	0	
FTE	0.5	0.0	0.0	0.0	
General Fund	165,487	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
TOTAL - (1) Executive Director's Office	62,120,602	39,482,683	61,815,231	77,450,892	25.3%
FTE	109.0	110.7	113.8	118.8	4.4%
General Fund	6,419,176	4,827,141	6,007,233	7,979,613	32.8%
Cash Funds	26,532,204	17,231,842	25,082,684	33,447,334	33.3%
Reappropriated Funds	622,245	386,194	697,145	775,968	11.3%
Federal Funds	28,546,977	17,037,506	30,028,169	35,247,977	17.4%

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
(2) DIVISION OF UNEMPLOYMENT INSURANCE					
Program Costs	39,059,442	100,571,705	72,073,617	73,046,105	
FTE	445.7	484.1	484.4	484.7	
General Fund	38,361	0	5,741	0	
Cash Funds	8,758,940	12,689,947	12,862,269	13,168,203	
Reappropriated Funds	0	0	0	0	
Federal Funds	30,262,141	87,881,758	59,205,607	59,877,902	
Employment and Training Technology Initiatives	6,370,000	0	0	0	
FTE	18.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	6,370,000	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
TOTAL - (2) Division of Unemployment Insurance	45,429,442	100,571,705	72,073,617	73,046,105	1.3%
FTE	463.7	484.1	484.4	484.7	0.1%
General Fund	38,361	0	5,741	0	(100.0%)
Cash Funds	15,128,940	12,689,947	12,862,269	13,168,203	2.4%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	30,262,141	87,881,758	59,205,607	59,877,902	1.1%

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
(3) DIVISION OF EMPLOYMENT AND TRAINING					
State Operations and Program Costs	15,499,324	7,532,773	6,726,374	7,024,010	
FTE	126.2	109.2	110.1	110.1	
General Fund	20,029	24,869	98,220	101,055	
Cash Funds	10,005,385	2,810,807	3,197,206	3,399,763	
Reappropriated Funds	0	0	0	0	
Federal Funds	5,473,910	4,697,097	3,430,948	3,523,192	
One-Stop Workforce Center Contracts	9,102,450	17,883,194	20,812,034	20,844,306	
FTE	24.0	35.0	36.0	36.0	
General Fund	0	0	0	0	
Cash Funds	0	9,580,486	9,897,639	9,897,639	
Reappropriated Funds	0	0	0	0	
Federal Funds	9,102,450	8,302,708	10,914,395	10,946,667	
Trade Adjustment Act Assistance	1,910,529	1,835,692	2,000,000	2,000,000	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	1,910,529	1,835,692	2,000,000	2,000,000	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Workforce Innovation and Opportunity Act	26,913,956	28,058,474	26,366,616	26,534,005	
FTE	56.4	51.2	51.2	51.2	
General Fund	0	0	0	0	
Cash Funds	807,540	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	26,106,416	28,058,474	26,366,616	26,534,005	
Workforce Development Council	1,111,952	1,162,767	1,136,089	(58,846,645)	
FTE	6.8	7.5	7.8	8.5	
General Fund	629,196	523,653	596,343	606,032	
Cash Funds	0	0	21,535	(59,979,368)	
Reappropriated Funds	214,277	220,788	518,211	526,691	
Federal Funds	268,479	418,326	0	0	
Workforce Improvement Grants	694,659	799,977	1,000,000	1,000,000	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	694,659	799,977	1,000,000	1,000,000	
Veterans Service to Career Program	464,128	369,950	500,000	500,000	*
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	464,128	369,950	500,000	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	500,000	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Appropriation to the Skilled Worker Outreach and Key Training Program Fund	3,300,000	0	0	15,642	
General Fund	3,300,000	0	0	15,642	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Hospitality Education Grant Program	400,883	401,947	401,947	414,105	
FTE	0.5	0.5	0.5	0.5	
General Fund	400,883	401,947	401,947	414,105	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Employment Support and Job Retention Services Program	95,255	0	340,000	0	
FTE	0.5	0.0	0.5	0.0	
General Fund	0	0	0	0	
Cash Funds	0	0	340,000	0	
Reappropriated Funds	95,255	0	0	0	
Federal Funds	0	0	0	0	
Just Transition Office	274,141	316,704	366,625	377,724	
FTE	0.3	3.5	3.5	3.5	
General Fund	155,758	158,352	366,625	377,724	
Cash Funds	118,383	158,352	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
CWDC Reskilling, Upskilling and Next-skilling Workers Program	0	0	25,000,000	25,000,000	
Cash Funds	0	0	25,000,000	25,000,000	
CWDC WorkForce Innovation Act - ARPA Money	0	0	35,000,000	35,000,000	
Cash Funds	0	0	35,000,000	35,000,000	
Just Transition Plan Implementation/ Coal Transition Community Assistance	0	0	0	9,000,000	
FTE	0.0	0.0	0.0	2.0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	9,000,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Coal Transition Worker Assistance	0	0	0	0	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Innovative Industry Workforce Development	608,631	0	0	0	
FTE	1.1	0.0	0.0	0.0	
General Fund	608,631	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Skilled Worker Outreach, Recruitment and Training Program	2,029,261	2,574,479	0	0	
FTE	2.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	713,774	208,392	0	0	
Reappropriated Funds	1,315,487	2,366,087	0	0	
Federal Funds	0	0	0	0	
Employment Support and Job Retention Services Program Cash Fund	750,000	358,163 0.5	0	0	
General Fund	750,000	0	0	0	
Cash Funds	0	358,163	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
TOTAL - (3) Division of Employment and Training	63,155,169	61,294,120	119,649,685	68,863,147	(42.4%)
FTE	217.8	207.4	209.6	211.8	1.0%
General Fund	5,864,497	1,108,821	1,463,135	1,514,558	3.5%
Cash Funds	12,109,210	13,486,150	73,956,380	22,318,034	(69.8%)
Reappropriated Funds	1,625,019	2,586,875	518,211	526,691	1.6%
Federal Funds	43,556,443	44,112,274	43,711,959	44,503,864	1.8%

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
(4) DIVISION OF LABOR STANDARDS AND STATISTICS					
(A) Labor Standards					
Labor Program Costs	2,288,079	3,079,758	4,086,257	4,302,070 *	
FTE	27.9	39.0	51.1	52.1	
General Fund	878,173	552,908	940,831	1,365,743	
Cash Funds	1,409,906	2,526,850	3,145,426	2,936,327	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Whistleblower Protection for Public Health Emergency	0	206,193	187,593	0	
FTE	0.0	2.5	2.5	0.0	
General Fund	0	0	0	0	
Cash Funds	0	206,193	187,593	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL - (A) Labor Standards	2,288,079	3,285,951	4,273,850	4,302,070	0.7%
FTE	27.9	41.5	53.6	52.1	(2.8%)
General Fund	878,173	552,908	940,831	1,365,743	45.2%
Cash Funds	1,409,906	2,733,043	3,333,019	2,936,327	(11.9%)
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0.0%

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
(B) Labor Statistics					
Labor Market Information Program Costs	3,338,145	2,740,889	3,366,316	3,420,154	
FTE	15.5	30.3	30.3	30.3	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	3,338,145	2,740,889	3,366,316	3,420,154	
SUBTOTAL - (B) Labor Statistics	3,338,145	2,740,889	3,366,316	3,420,154	1.6%
FTE	15.5	30.3	30.3	30.3	0.0%
General Fund	0	0	0	0	0.0%
Cash Funds	0	0	0	0	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	3,338,145	2,740,889	3,366,316	3,420,154	1.6%
TOTAL - (4) Division of Labor Standards and Statistics	5,626,224	6,026,840	7,640,166	7,722,224	1.1%
FTE	43.4	71.8	83.9	82.4	(1.8%)
General Fund	878,173	552,908	940,831	1,365,743	45.2%
Cash Funds	1,409,906	2,733,043	3,333,019	2,936,327	(11.9%)
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	3,338,145	2,740,889	3,366,316	3,420,154	1.6%

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
(5) DIVISION OF OIL AND PUBLIC SAFETY					
Personal Services	5,764,745	5,932,681	5,583,158	5,721,749	
FTE	68.0	68.0	68.0	68.0	
General Fund	0	0	0	0	
Cash Funds	4,834,245	4,984,556	4,999,440	5,138,031	
Reappropriated Funds	19,318	7,284	19,318	19,318	
Federal Funds	911,182	940,841	564,400	564,400	
Operating Expenses	637,398	465,171	791,333	791,333	
General Fund	0	0	0	0	
Cash Funds	629,257	434,576	646,312	646,312	
Reappropriated Funds	0	0	0	0	
Federal Funds	8,141	30,595	145,021	145,021	
Underground Damage Safety Commission	103,011	105,080	105,080	147,982 *	
FTE	1.6	1.5	1.5	1.5	
General Fund	103,011	105,080	105,080	108,602	
Cash Funds	0	0	0	39,380	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
TOTAL - (5) Division of Oil and Public Safety	6,505,154	6,502,932	6,479,571	6,661,064	2.8%
FTE	69.6	69.5	69.5	69.5	0.0%
General Fund	103,011	105,080	105,080	108,602	3.4%
Cash Funds	5,463,502	5,419,132	5,645,752	5,823,723	3.2%
Reappropriated Funds	19,318	7,284	19,318	19,318	0.0%
Federal Funds	919,323	971,436	709,421	709,421	0.0%

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	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
(6) DIVISION OF WORKERS' COMPENSATION					
(A) Workers' Compensation					
Personal Services	7,704,308	7,744,488	7,985,013	8,149,172	
FTE	85.1	95.0	95.0	95.0	
General Fund	0	0	0	0	
Cash Funds	7,704,308	7,744,488	7,985,013	8,149,172	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Operating Expenses	540,441	641,969	659,145	659,145	
General Fund	0	0	0	0	
Cash Funds	540,441	641,969	659,145	659,145	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Administrative Law Judge Services	4,159,995	4,061,922	3,582,166	3,958,176	
General Fund	0	0	0	0	
Cash Funds	4,159,995	4,061,922	3,582,166	3,958,176	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Physicians Accreditation	77,700	92,623	120,000	120,000	
General Fund	0	0	0	0	
Cash Funds	77,700	92,623	120,000	120,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Utilization Review	17,116	5,063	35,000	35,000	
General Fund	0	0	0	0	
Cash Funds	17,116	5,063	35,000	35,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Immediate Payment	86	0	1,000	1,000	
General Fund	0	0	0	0	
Cash Funds	86	0	1,000	1,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL - (A) Workers' Compensation	12,499,646	12,546,065	12,382,324	12,922,493	4.4%
FTE	85.1	95.0	95.0	95.0	0.0%
General Fund	0	0	0	0	0.0%
Cash Funds	12,499,646	12,546,065	12,382,324	12,922,493	4.4%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0.0%
(B) Major Medical Insurance and Subsequent Injury Funds					
Personal Services	1,269,282	1,377,419	1,435,985	1,470,992	
FTE	16.0	16.0	16.0	16.0	
General Fund	0	0	0	0	
Cash Funds	1,269,282	1,377,419	1,435,985	1,470,992	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Operating Expenses	88,324	82,576	88,324	88,324	
General Fund	0	0	0	0	
Cash Funds	88,324	82,576	88,324	88,324	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Major Medical Benefits	3,545,347	2,530,355	6,000,000	6,000,000	
General Fund	0	0	0	0	
Cash Funds	3,545,347	2,530,355	6,000,000	6,000,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Subsequent Injury Benefits	1,085,531	909,905	2,000,000	2,000,000	
General Fund	0	0	0	0	
Cash Funds	1,085,531	909,905	2,000,000	2,000,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Medical Disaster	86	0	1,000	1,000	
General Fund	0	0	0	0	
Cash Funds	86	0	1,000	1,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Major Medical Legal Services	7,992	0	0	0	
General Fund	0	0	0	0	
Cash Funds	7,992	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Subsequent Injury Legal Services	7,992	0	0	0	
General Fund	0	0	0	0	
Cash Funds	7,992	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL - (B) Major Medical Insurance and Subsequent Injury Funds	6,004,554	4,900,255	9,525,309	9,560,316	0.4%
FTE	16.0	16.0	16.0	16.0	0.0%
General Fund	0	0	0	0	0.0%
Cash Funds	6,004,554	4,900,255	9,525,309	9,560,316	0.4%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0.0%
TOTAL - (6) Division of Workers' Compensation	18,504,200	17,446,320	21,907,633	22,482,809	2.6%
FTE	101.1	111.0	111.0	111.0	0.0%
General Fund	0	0	0	0	0.0%
Cash Funds	18,504,200	17,446,320	21,907,633	22,482,809	2.6%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0.0%

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
(7) DIVISION OF VOCATIONAL REHABILITATION AND INDEPENDENT LIVING SERVICES					
(A) Vocational Rehabilitation Programs					
Personal Services	18,225,739	18,549,644	17,423,502	17,872,857	
FTE	230.2	223.7	223.7	231.7	
General Fund	3,139,342	3,694,051	3,694,074	3,800,289	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	15,086,397	14,855,593	13,729,428	14,072,568	
Operating Expenses	2,021,313	1,669,436	2,539,404	2,539,404	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	430,990	375,218	540,893	540,893	
Federal Funds	1,590,323	1,294,218	1,998,511	1,998,511	
Administrative Law Judge Services	30,614	36,737	36,737	40,535	
FTE	0.0	0.0	0.0	0.0	
General Fund	6,521	9,973	9,973	10,998	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	24,093	26,764	26,764	29,537	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Voc Rehab Services	13,690,991	11,732,830	15,301,106	15,301,106	
General Fund	1,718,257	1,143,739	1,143,950	1,143,950	
Cash Funds	0	0	0	0	
Reappropriated Funds	2,147,951	1,163,476	2,115,185	2,115,185	
Federal Funds	9,824,783	9,425,615	12,041,971	12,041,971	
Voc Rehab Mental Health Services	1,789,078	1,676,978	1,748,180	1,748,180	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	381,526	357,196	372,363	372,363	
Federal Funds	1,407,552	1,319,782	1,375,817	1,375,817	
School to Work Alliance Program	9,896,151	11,276,860	10,323,261	10,323,261	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	2,107,880	1,867,711	2,173,378	2,173,378	
Federal Funds	7,788,271	9,409,149	8,149,883	8,149,883	
Business Enterprises Program for People Who Are Blind	1,245,825	293,349	1,595,200	1,595,200	
FTE	4.1	6.0	6.0	6.0	
General Fund	0	0	0	0	
Cash Funds	268,072	62,515	338,935	338,935	
Reappropriated Funds	0	0	0	0	
Federal Funds	977,753	230,834	1,256,265	1,256,265	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
Business Enterprises Program	50,241	(13,045)	229,000	229,000	
General Fund	0	0	0	0	
Cash Funds	50,241	(13,045)	229,000	229,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Federal Social Security Reimbursements	2,789,429	5,131,939	2,400,000	2,400,000	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	2,789,429	5,131,939	2,400,000	2,400,000	
Older Blind Grants	372,584	492,420	362,000	362,000	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	372,584	492,420	362,000	362,000	
Employment First Initiatives	996,594	1,974,751	2,407,926	427,464	*
FTE	3.7	4.0	4.0	(4.0)	
General Fund	212,274	420,581	512,888	93,187	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	784,320	1,554,170	1,895,038	334,277	

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
SUBTOTAL - (A) Vocational Rehabilitation Programs	51,108,559	52,821,899	54,366,316	52,839,007	(2.8%)
FTE	238.0	233.7	233.7	233.7	0.0%
General Fund	5,076,394	5,268,344	5,360,885	5,048,424	(5.8%)
Cash Funds	318,313	49,470	567,935	567,935	0.0%
Reappropriated Funds	5,068,347	3,763,601	5,201,819	5,201,819	0.0%
Federal Funds	40,645,505	43,740,484	43,235,677	42,020,829	(2.8%)
(B) Office of Independent Living Services					
Program Costs	221,562	227,567	227,703	234,053	
FTE	4.0	4.0	4.0	4.0	
General Fund	221,562	227,567	227,703	234,053	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Independent Living Services	6,813,465	6,453,907	6,662,512	6,662,512	
General Fund	6,662,370	6,132,729	6,286,160	6,286,160	
Cash Funds	0	0	37,635	37,635	
Reappropriated Funds	0	0	0	0	
Federal Funds	151,095	321,178	338,717	338,717	
SUBTOTAL - (B) Office of Independent Living Services	7,035,027	6,681,474	6,890,215	6,896,565	0.1%
FTE	4.0	4.0	4.0	4.0	0.0%
General Fund	6,883,932	6,360,296	6,513,863	6,520,213	0.1%
Cash Funds	0	0	37,635	37,635	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	151,095	321,178	338,717	338,717	0.0%

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
TOTAL - (7) Division of Vocational Rehabilitation and Independent Living Services	58,143,586	59,503,373	61,256,531	59,735,572	(2.5%)
FTE	242.0	237.7	237.7	237.7	0.0%
General Fund	11,960,326	11,628,640	11,874,748	11,568,637	(2.6%)
Cash Funds	318,313	49,470	605,570	605,570	0.0%
Reappropriated Funds	5,068,347	3,763,601	5,201,819	5,201,819	0.0%
Federal Funds	40,796,600	44,061,662	43,574,394	42,359,546	(2.8%)

	FY 2019-20 Actual	FY 2020-21 Actual	FY 2021-22 Appropriation	FY 2022-23 Request	Request vs. Appropriation
FAMILY AND MEDICAL LEAVE INSURANCE DIVISION					
Program Costs	0	1,162,202	1,111,286		
FTE	0.0	6.0	6.0		
Cash Funds	0	1,162,202	1,111,286		
Program Costs	64,991	0	0		
FTE	0.5	0.0	0.0		
Cash Funds	64,991	0	0		
TOTAL - Family and Medical Leave Insurance Division	64,991	1,162,202	1,111,286	(4.4%)	
FTE	0.5	6.0	6.0	0.0%	
Cash Funds	64,991	1,162,202	1,111,286	(4.4%)	
TOTAL - Department of Labor and Employment	259,484,377	290,892,964	351,984,636	317,073,099	(9.9%)
FTE	1,246.6	1,292.7	1,315.9	1,321.9	0.5%
General Fund	25,263,544	18,222,590	20,396,768	22,537,153	10.5%
Cash Funds	79,466,275	69,120,895	144,555,509	101,893,286	(29.5%)
Reappropriated Funds	7,334,929	6,743,954	6,436,493	6,523,796	1.4%
Federal Funds	147,419,629	196,805,525	180,595,866	186,118,864	3.1%

APPENDIX B
FOOTNOTES AND INFORMATION REQUESTS

UPDATE ON LONG BILL FOOTNOTES

The General Assembly includes footnotes in the annual Long Bill to: (a) set forth purposes, conditions, or limitations on an item of appropriation; (b) explain assumptions used in determining a specific amount of an appropriation; or (c) express legislative intent relating to any appropriation. Footnotes to the 2021 Long Bill (S.B. 21-205) can be found at the end of each departmental section of the bill at https://leg.colorado.gov/bills/sb21-205. The Long Bill footnotes relevant to this document are listed below.

66 Department of Labor and Employment, Division Of Vocational Rehabilitation and Independent Living Services, Vocational Rehabilitation Programs -- In addition to the transfer authority provided in Section 24-75-108, C.R.S., the Department may transfer up to 15.0 percent of the total appropriation among the following line items in this section: Personal Services, Operating Expenses, Vocational Rehabilitation Services, School to Work Alliance Program, and Vocational Rehabilitation Mental Health Services.

COMMENT: This footnote provides additional flexibility to the Department, adding the ability to distribute funding among line items.

67 Department of Labor and Employment, Division of Vocational Rehabilitation and Independent Living Services, Vocational Rehabilitation Programs, Vocational Rehabilitation Services -- Amounts in this line item are calculated based on the assumed federal match rate of 78.7 percent federal funds to 21.3 percent nonfederal funds and are assumed to be demonstrated on a federal fiscal year basis.

COMMENT: This footnote expresses legislative intent, given that the (M) notation previously included on this line item was eliminated in FY 2020-21. The Department has consistently indicated that it complies with the required federal match rates for this program (78.7 federal/21.3 percent nonfederal). However, in order to obtain the greatest flexibility in the use of the federal funds, the Department may "overspend" the state share during the state fiscal year while compensating for this pattern on a federal fiscal year basis.

68 Department of Labor and Employment, Division of Vocational Rehabilitation and Independent Living Services, Vocational Rehabilitation Programs, Vocational Rehabilitation Services; and Office of Independent Living Services, Independent Living Services -- In addition to the transfer authority provided in Section 24-75-108, C.R.S., if authorized by an independent living center based on a cooperative agreement between the independent living center and the Division of Vocational Rehabilitation, the Department may transfer General Fund from the Independent Living Services line item to the Vocational Rehabilitation Services line item, in an amount agreed upon between the two entities, for the purpose of drawing down federal funds for the provision of vocational rehabilitation services.

COMMENT: This footnote provides additional flexibility to the Department, adding the ability to transfer among line items based on agreements between independent living centers and the Department. Amounts in the Vocational Rehabilitation Services line item are subject to a 78.7 percent federal match rate, while direct appropriations for independent living services are not.

69 Colorado Department of Labor and Employment, Division of Vocational Rehabilitation and Independent Living Services, Office of Independent Living Services, Independent Living Services -- Of the General Fund appropriation in this line item, 10.0 percent remains available until the close of the 2022-23 fiscal year.

COMMENT: This footnote expresses multi-year departmental spending authority to allow Independent living offices greater flexibility.

UPDATE ON LONG BILL REQUESTS FOR INFORMATION

The Joint Budget Committee annually submits requests for information to executive departments and the judicial branch via letters to the Governor, other elected officials, and the Chief Justice. Each request is associated with one or more specific Long Bill line item(s), and the requests have been prioritized by the Joint Budget Committee as required by Section 2-3-203 (3), C.R.S. Copies of these letters are included as an Appendix in the annual Appropriations Report (Appendix H in the FY 2021-22 Report): https://leg.colorado.gov/sites/default/files/fy21-22apprept_0.pdf. The requests for information relevant to this document are listed below.

REQUESTS AFFECTING MULTIPLE DEPARTMENTS

1 All Departments -- Based on the Department's most recent available record, what is the FTE vacancy and turnover rate: (1) by department; (2) by division; (3) by program for programs with at least 20 FTE; and (4) by occupational class for classes that are located within a larger occupational group containing at least 20 FTE. To what does the Department attribute this turnover/vacancy experience? Do the statewide compensation policies or practices administered by the Department of Personnel help or hinder the department in addressing vacancy or turnover issues?

COMMENT: The Department submitted the following information regarding the request. They highlight that increased FTE in the UI Division caused a significant change in the data. Otherwise, the Divisions of Employment and Training and Labor Standards and Statistics had the highest vacancy rates in FY 2020-21.

DEPARTMENT OF LABOR AND EMPLOYMENT FY 2020-21	
Total Separations	193
Turnover Rate	13.7%
VACANCY RATE BY DIVISION FY 2020-21	
Executive Director's Office	4.8%
Division of Unemployment Insurance*	-43.8%
Division of Employment and Training	10.1%
Division of Labor Standards and Statistics	15.0%
Division of Oil and Public Safety	0.0%
Division of Workers' Compensation	9.1%
Division of Vocational Rehabilitation and Independent Living Services	0.7%
Division of Family and Medical Leave Insurance	0.0%

*The Division of Unemployment Insurance increased FTE to respond to the pandemic needs.

DEPARTMENT OF LABOR AND EMPLOYMENT

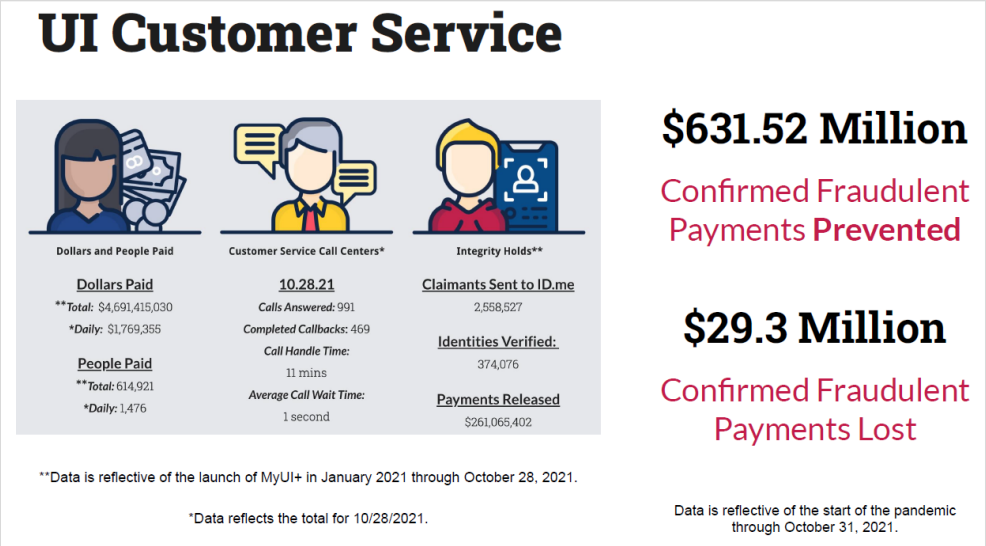
2 Colorado Department of Labor and Employment, Division of Unemployment Insurance - The Division is requested to identify key performance indicators for the state's unemployment insurance programs that indicates how promptly and effectively the Division is responding to the needs of unemployed Coloradans. This report should build on the Daily Dashboard developed by the Division and may include federal performance indicators that the Department believes are most relevant (e.g., UI claimant volume, payments, duration, and first-time payment timeliness) and measures such call volumes and response times, call center staffing, fraud holds, fraud releases, average time until fraud release, and, if available, data on the volume of fraudulent payments made and recovered. The Department is encouraged to identify the report elements it believes would be most relevant and helpful for internal and external stakeholders and to work with the Governor's Office, JBC staff, and other interested parties to develop report components. The Department is requested to provide the first report to the Joint Budget Committee and include the report on its website no later than July 1, 2021 and no less than monthly thereafter.

COMMENT: The Department has complied with this request, providing the Committee with monthly UI metric reports since July 1, 2021. The information provided factored heavily into the issue briefs on UI. CDLE discontinued all federal programs on September 6, 2021 in compliance with federal law. Claimants on Pandemic Unemployment Compensation and Pandemic Emergency Unemployment Compensation are likely no longer eligible for any benefits.

- CDLE will continue to process any back weeks that are owed to claimants.
- CDLE will continue to allow staff to file backdated pandemic claims if needed.

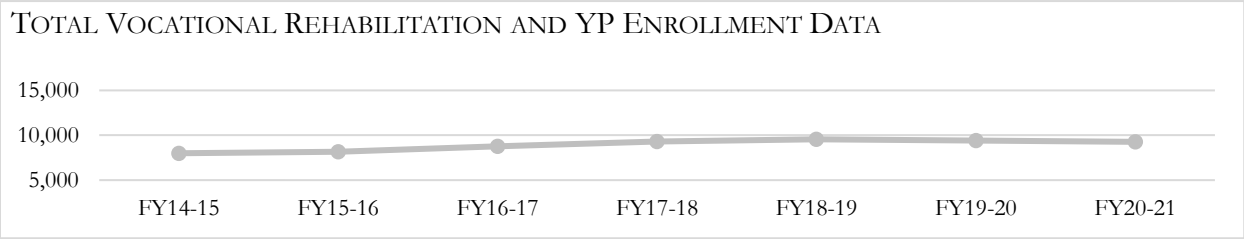
With the expiration of federal programs, CDLE is focusing its efforts towards claims that need back weeks processed due to claimant error, department errors, or system errors. With the expiration of pandemic related laws, CDLE is no longer able to use vendor staff support for anything except the call center. The Department is working through additional hiring and contract changes to accommodate this shift.

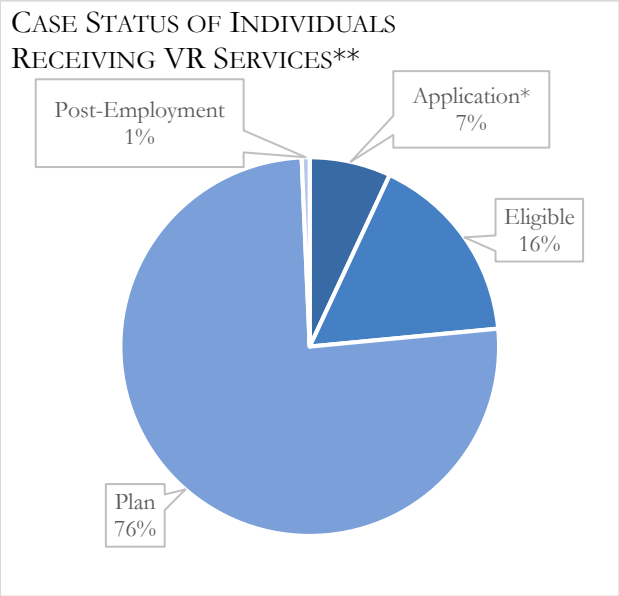
The Department is also maintaining an UI Customer Service Dashboard that has been updated monthly from January 2021 onwards. The Dollars and People Paid and Integrity Holds columns reflect cumulative data, and the Customer Service Call Centers column represents monthly data.

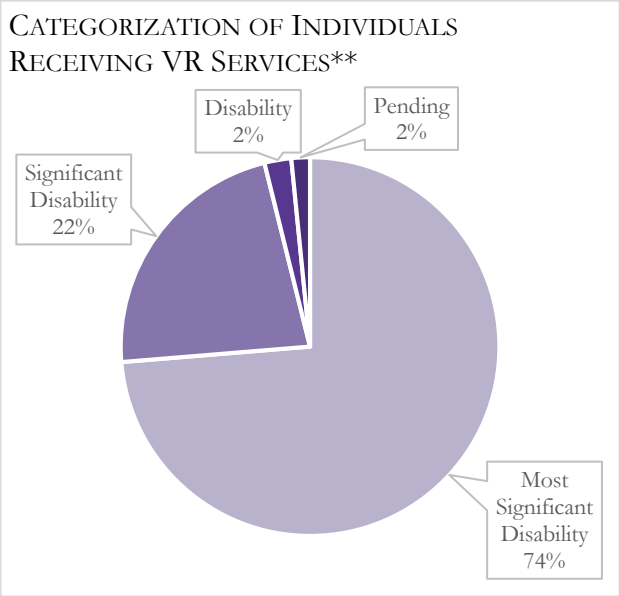


3 Department of Labor and Employment, Division Of Vocational Rehabilitation and Independent Living Services, Vocational Rehabilitation Programs -- The Department is requested to provide a report by November 1 of each year on the number of individuals receiving vocational rehabilitation services, including: a break-down by category of the number of individuals receiving services and the number for whom a determination is pending; the average cost by category of services; the most recent actual fiscal year and projected current fiscal year expenditures, and the projected balance of the State's federal vocational rehabilitation account. The Department is also requested to provide data on vocational rehabilitation employment outcomes, including Employment First outcomes.

COMMENT:
The Department saw a slight decrease in total clients served in FY 2020-21. As of June 30, 2021, the Department reported 7,634 regular vocational rehabilitation (VR) clients on its rosters, including those who had completed eligibility determinations but were not yet receiving services. In addition, it served 1,630 students (YPs) through the School to Work Alliance Program who have not undergone full vocational assessments.







*Individuals in the applicant stage have not yet received a disability priority category
** Data representative of FY 2020-21

The Department provided updates on the following categories as well. COVID-19 was reportedly a factor in some caseload decreases.

VOCATIONAL REHABILITATION RFI DATA			
CASELOADS	FY 2018-29	FY 2019-20	FY 2020-21
VR Client caseload	6,663	7,955	7,634
YP Client caseload	-	1,442	1,630
Total caseloads	6,663	9,397	9,264
OUTCOMES			
Successful closures	2,009	1,946	1,515
Average exiting client wage	$14.69/hour	$15.61/hour	$16.65/hour
COSTS			
Average cost per VR client*	$2,499	$3,799	$3,743
Average cost per VR and YP client*	-	$3,216	$3,803
Staff calculated cost per VR and YP client**	$8,019	$5,540	$5,339
Actual expenditures	$53,429,365	$52,281,392	$50,381,833

*Excludes costs for VR staff
**Includes costs for VR staff, calculated based on total actual expenditures

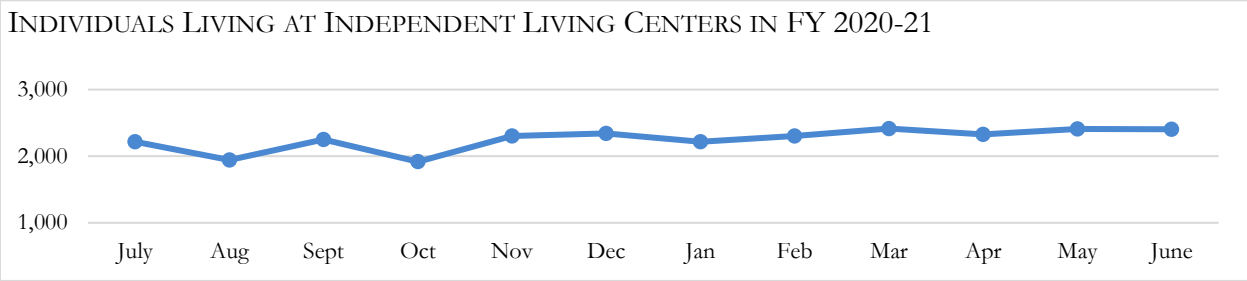
The table below shows the federal amounts received and match required over the last six federal fiscal years.

TABLE 4 PROJECTED BALANCE OF VR GRANT					
Federal Award	Award	Federal Expenditures	Match Required	Match 2 years Prior	MOE Penalty
FFY 14	$40,918,495	$40,918,495	$11,074,510	Base Year	$576,036
FFY 15	$41,000,267	$35,710,313	$9,664,926	Base Year	$1,174,669
FFY 16	$42,317,015	$22,721,805	$6,149,612	$11,074,510	$4,924,828
FFY 17	$38,998,851	$38,998,851	$10,554,962	$9,664,926	$0
FFY 18	$44,504,499	$44,504,499	$12,045,055	$6,149,612	$0
FFY 19	$47,794,163	$47,794,163	$12,394,100	$10,554,962	$0
FFY 20	$47,719,455	$47,719,455	$12,915,177	$12,045,055	$0

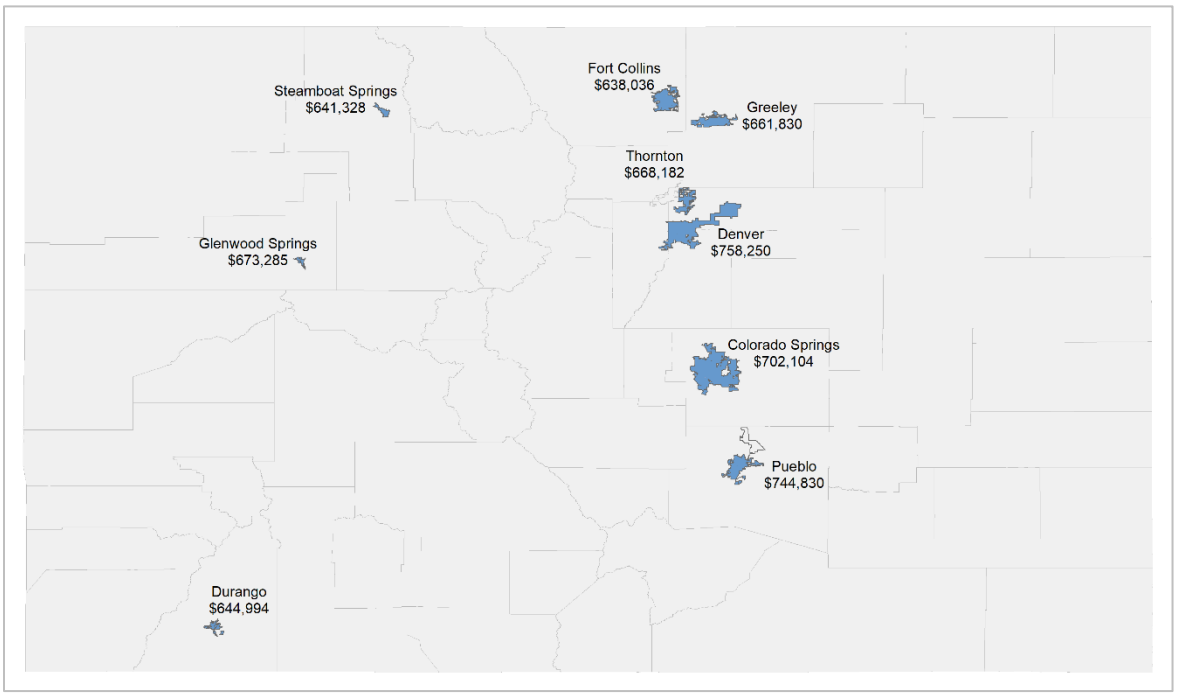
4 Department of Labor and Employment, Division of Vocational Rehabilitation and Independent Living Services, Office of Independent Living Services -- The Department is requested to submit to the Joint Budget Committee, by November 1 of each year, its annual report on independent living services and outcomes. As part of this report, the Department is requested to include data on the distribution of state funds to independent living centers and the numbers of clients served.

COMMENT:
In former years, the Department has submitted a more comprehensive report from the Independent Living Centers (ILCs) that was geared to a broader audience. This year however, it simply reported on the distribution of funds and clients served.

The report indicated that the ILCS served an average of 2,253 individuals per month in FY 2020-21, a 229 individual decrease from the previous year average.



Each ILC, located in the counties highlighted below, receives a) base funding pursuant to statute and b) an allocated share based on factors such as population. Funding allocations in FY 2021-22 remained at the same level as is FY 2020-21. Unspent funds were transferred to Vocational Rehabilitation programs at the end of the year.



APPENDIX C
DEPARTMENT ANNUAL PERFORMANCE REPORT

Pursuant to Section 2-7-205 (1) (b), C.R.S., the Department of Labor and Employment is required to publish an **Annual Performance Report** for the *previous fiscal year* by November 1 of each year. This report is to include a summary of the Department's performance plan and most recent performance evaluation for the designated fiscal year. In addition, pursuant to Section 2-7-204 (3)(a)(I), C.R.S., the Department is required to develop a **Performance Plan** and submit the plan for the *current fiscal year* to the Joint Budget Committee and appropriate Joint Committee of Reference by July 1 of each year.

For consideration by the Joint Budget Committee in prioritizing the Department's FY 2022-23 budget request, the FY 2020-21 Annual Performance Report and the FY 2021-22 Performance Plan can be found at the following link:

https://www.colorado.gov/pacific/performancemanagement/department-performance-plans

APPENDIX D
UNEMPLOYMENT INSURANCE INFORMATION

UITF EMPLOYER RATE SCHEDULES

	Vertical portion determined by health/level of UI trust fund							
				2020			2021	2022
	Eligible Employers Percent of Excess	**Reserve Ratio 0.014 or Greater**	**Reserve Ratio 0.011 to 0.014**	**Reserve Ratio 0.008 to 0.011**	**Reserve Ratio 0.006 to 0.008**	**Reserve Ratio 0.004 to 0.006**	**Reserve Ratio 0.000 to 0.004**	**Reserve Ratio 0.000 to Deficit**
Best layoff history	+20 or more	0.0051	0.0056	0.0058	0.0062	0.0066	0.0071	0.0075
	+18 to +19	0.0057	0.0062	0.0064	0.0069	0.0073	0.0078	0.0082
	+16 to +17	0.0058	0.0063	0.0065	0.0070	0.0074	0.0079	0.0084
	+14 to +15	0.0061	0.0067	0.0069	0.0075	0.0080	0.0086	0.0091
	+12 to +13	0.0066	0.0072	0.0075	0.0082	0.0088	0.0095	0.0101
	+10 to +11	0.0075	0.0083	0.0087	0.0094	0.0102	0.0110	0.0118
	+8 to +9	0.0095	0.0105	0.0110	0.0120	0.0130	0.0140	0.0150
Horizontal portion determined by employer's layoff history	+6 to +7	0.0116	0.0129	0.0135	0.0148	0.0160	0.0173	0.0186
	+4 to +5	0.0138	0.0154	0.0161	0.0177	0.0192	0.0207	0.0223
	+2 to +3	0.0193	0.0214	0.0225	0.0247	0.0269	0.0291	0.0313
	+0 to +1	0.0271	0.0302	0.0317	0.0348	0.0379	0.0410	0.0441
	Unrated	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170	0.0170
	-0 to -1	0.0346	0.0386	0.0406	0.0447	0.0487	0.0527	0.0568
	-2 to -3	0.0368	0.0412	0.0433	0.0476	0.0519	0.0562	0.0606
	-4 to -5	0.0391	0.0437	0.0460	0.0506	0.0552	0.0598	0.0644
	-6 to -7	0.0414	0.0462	0.0487	0.0535	0.0584	0.0633	0.0682
	-8 to -9	0.0436	0.0488	0.0514	0.0565	0.0617	0.0668	0.0720
	-10 to -11	0.0459	0.0513	0.0540	0.0595	0.0649	0.0703	0.0758
	-12 to -13	0.0481	0.0539	0.0567	0.0624	0.0681	0.0738	0.0796
	-14 to -15	0.0504	0.0564	0.0594	0.0654	0.0714	0.0774	0.0834
	-16 to -17	0.0527	0.0589	0.0621	0.0683	0.0746	0.0809	0.0872
	-18 to -19	0.0549	0.0615	0.0648	0.0713	0.0779	0.0844	0.0910
	-20 to -21	0.0572	0.0640	0.0674	0.0743	0.0811	0.0879	0.0948
	-22 to -23	0.0594	0.0666	0.0701	0.0772	0.0843	0.0914	0.0986
	-24 to -25	0.0617	0.0690	0.0727	0.0801	0.0875	0.0949	0.1023
Worst layoff history	More than -25	0.0628	0.0703	0.0740	0.0815	0.0890	0.0964	0.1039

CDLE Illustrative Employer Cost Scenarios Comparisons

Illustrative Example #1 of Differences in Employer Costs in Scenarios of No Money into UITF vs. $500m into UITF, Based on the Strong Growth Forecast

Note: Assumption in this example is for an employer that has ten employees over the forecast horizon, all whom make at least $30,600/yr. Additionally, this employer will have a fixed median level of UI premium rates over the forecast horizon (specifically, an experience rating of +6 to +7). The rate schedules, solvency surcharge triggers, and FUTA credit reductions from the above tables are utilized in order to calculate this employer's annual costs under both scenarios.

Year	No Money into UITF			$500m into UITF			Difference in Total Costs
	Premium Costs*	FUTA Credit Reduction Costs	Total Costs	Premium Costs*	FUTA Credit Reduction Costs	Total Costs	
2022	$3,162	$630	$3,792	$ 3,162	$630	$3,792	$0
2023	4,559	840	5,399	4,559	0	4,559	840
2024	5,320	0	5,320	5,320	0	5,320	0
2025	5,726	0	5,726	5,372	0	5,372	354
2026	4,529	0	4,529	4,131	0	4,131	398
Totals	23,296	1,470	24,766	22,544	630	23,174	1,592

This employer will pay $1,592 less from 2023 to 2026 in the scenario where $500m is used to pay down some of the outstanding loan balance by June 2022. The difference is driven by one year less of FUTA credit reduction costs ($840) and relatively lower rate schedules in 2025-26 ($752).

*Includes base premiums and solvency surcharge premiums, when applicable

Illustrative Example #2 of Differences in Employer Costs in Scenarios of No Money into UITF vs. $500m into UITF, Based on the Strong Growth Forecast

Note: Assumption in this example is for an employer that has ten employees over the forecast horizon, all whom make at least $30,600/yr. Additionally, this employer will have a fixed median level of UI premium rates over the forecast horizon (specifically, an experience rating of +6 to +7). The rate schedules, solvency surcharge triggers, and FUTA credit reductions from the above tables are utilized in order to calculate this employer's annual costs under both scenarios; however, there are two slight changes implemented compared to example #1. This example looks at the differences if the rate schedule under the "$500m into UITF" scenario is 0.000 to 0.004 in 2024, instead of the deficit schedule; and assumes the solvency surcharge is still ON in 2026 under the "no money into UITF" scenario.

Year	No Money into UITF			$500m into UITF			Difference in Total Costs
	Premium Costs*	FUTA Credit Reduction Costs	Total Costs	Premium Costs	FUTA Credit Reduction Costs	Total Costs	
2022	$3,162	$630	$3,792	$3,162	$630	$3,792	$0
2023	4,559	840	5,399	4,559	0	4,559	840
2024	5,320	0	5,320	5,010	0	5,010	310
2025	5,726	0	5,726	5,372	0	5,372	354
2026	5,677	0	5,677	4,131	0	4,131	1,546
Totals	24,444	1,470	25,914	22,234	630	22,864	3,050

This employer will pay $3,050 less from 2023 to 2026 in the scenario where $500m is used to pay down some of the outstanding loan balance by June 2022. The difference is driven by one year less of FUTA credit reduction costs ($840), relatively lower rate schedules in 2024-26 ($1,062), and solvency surcharge premiums in 2026 ($1,148).

*Includes base premiums and solvency surcharge premiums, when applicable

CDLE Forecasted Rate Schedule Comparisons

Rate Schedule Comparisons - Strong Growth			
Year	No Money into UITF	$250m into UITF*	$500m into UITF*
2022	Highest	Highest	Highest
2023	Highest	Highest	Highest
2024	Highest	Highest	Highest^
2025	2nd highest	2nd highest	3rd highest
2026	Median	3rd lowest	3rd lowest
2027	2nd lowest	2nd lowest	2nd lowest^^

*Would be used to pay down some of the outstanding loan balance by June 2022
^Forecast is very close to a zero balance, so could possibly shift to 2nd highest schedule
^^Forecast is very close to cutoff between 2nd lowest and lowest schedules

Rate Schedule Comparisons - Weak Growth			
Year	No Money into UITF	$250m into UITF*	$500m into UITF*
2022	Highest	Highest	Highest
2023	Highest	Highest	Highest
2024	Highest	Highest	Highest
2025	Highest	Highest	Highest
2026	2nd highest^	2nd highest	2nd highest
2027	3rd highest	Median	3rd lowest^^

*Would be used to pay down some of the outstanding loan balance by June 2022
^Forecast is very close to a zero balance, so could possibly shift to highest
^^Forecast is very close to cutoff between Median and 3rd lowest schedules

CDLE Forecasted Solvency Surcharge Comparisons

Is Solvency Surcharge On or Off Comparisons – Strong Growth			
Year	No Money into UITF	$250m into UITF*	$500m into UITF*
2022	Off, per SB207	Off, per SB207	Off, per SB207
2023	On	On	On
2024	On	On	On
2025	On	On	On
2026	Off^	Off	Off
2027	Off	Off	Off

*Would be used to pay down some of the outstanding loan balance by June 2022
^Forecast is within $100 million of solvency surcharge trigger

Is Solvency Surcharge On or Off Comparisons - Weak Growth			
Year	No Money into UITF	$250m into UITF*	$500m into UITF*
2022	Off, per SB207	Off, per SB207	Off, per SB207
2023	On	On	On
2024	On	On	On
2025	On	On	On
2026	On	On	On
2027	On	On	On

*Would be used to pay down some of the outstanding loan balance by June 2022

CDLE Forecasted FUTA Credit Reduction Comparisons

Is there a FUTA Credit Reduction Comparisons – Strong Growth Forecast			
Year	No Money into UITF	$250m into UITF*	$500m into UITF*
2022	Yes	Yes	Yes
2023	Yes	Yes	No^^
2024	No^	No	No
2025	No	No	No
2026	No	No	No
2027	No	No	No

*Would be used to pay down some of the outstanding loan balance by June 2022
^As long as the outstanding loan balance is paid in full by November 10 of that year
^^As along as the outstanding loan balance is paid in full by November 10 of that year; current forecast has end of September 2023 balance at just under +$100m in this scenario

Is there a FUTA Credit Reduction Comparison – Weak Growth Forecast			
Year	No Money into UITF	$250m into UITF*	$500m into UITF*
2022	Yes	Yes	Yes
2023	Yes	Yes	Yes
2024	Yes	Yes	Yes
2025	No^	No	No
2026	No	No	No
2027	No	No	No

*Would be used to pay down some of the outstanding loan balance by June 2022
^As along as the outstanding loan balance is paid in full by November 10 of that year