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Mission:

The mission of the Minnesota Department of Labor and Industry (DLI) is to ensure that Minnesota's work and living environments are equitable, healthy, and safe. It strives to be a fair regulator and a trusted resource for employers, employees, property owners and other stakeholders.

Statewide Outcome(s):

Labor and Industry supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

Strong and stable families and communities.

People in Minnesota are safe.

Context:

DLI is primarily a regulatory agency. Its priorities include the following:

- Ensuring that benefits are delivered to injured workers quickly and efficiently and at a reasonable cost to employers.
- Improving workplace safety and health through compliance inspections, on-site consultation services, partnerships and education.
- Ensuring that workers receive appropriate wages and that employers comply with Minnesota labor standards.
- Providing and enforcing reasonable and uniform standards for Minnesota buildings and construction professionals.
- Promoting work-based career development to help develop a skilled work force.

DLI serves a variety of customers including employers, employees, insurance companies, members of licensed trades, medical and rehabilitation providers, and the general public. Also, as a result of legislation passed last session, DLI recently began serving participants in the combative sports community. DLI funding is comprised of approximately 70 percent from workers' compensation assessments, 20 percent from fee revenues, four percent from federal OSHA grants, and one percent from general fund appropriations and workforce development funds.

Strategies:

DLI emphasizes a number of strategies to deliver its mission and support the above statewide outcomes, including:

- Focus OSHA inspection and consultation resources where data indicate the greatest potential for improving workplace safety and health.
- Provide prompt and fair resolution of workers' compensation disputes.
- Educate employers and workers so they understand and their rights and responsibilities under Minnesota labor standards, workers' compensation and OSHA laws.
- Improve efficiency and customer service by increasing the use of electronic processing of permits, licenses and other filings.
- Work with Minnesota colleges to develop degree programs for apprentices.

Measuring Success:

DLI measures its success by the number of workplace injuries and fatalities; the rating of Minnesota's workers' compensation system compared to other states; the number of employers and employees participating in department-sponsored education and training; the timeliness of its permitting and licensing processes; and the number of apprentices in registered programs.

Labor and Industry**Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	\$1,633	\$238,596	\$10,795	\$251,023
Current Law Expenditures (FY 2014-15)	\$1,632	\$258,321	\$10,601	\$270,554
Governor's Recommended Expenditures (FY2014-15)	\$1,932	\$258,267	\$10,601	\$270,800
\$ Change from FY 2014-15 Current Law to Governor's Rec	\$300	(54)	\$0	\$246
% Change from FY 2014-15 Current Law to Governor's Rec	18%	0%	0%	0%

Labor and Industry**Sources and Uses**

(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$19,234		\$19,234
REVENUE		\$74,060	\$10,601	\$84,661
APPROPRIATION	\$1,932	\$187,112	\$0	\$189,044
SOURCES OF FUNDS	\$1,932	\$280,406	\$10,601	\$292,939
BALANCE FORWARD OUT		\$19,058		\$19,058
TRANSFERS OUT		\$3,080		\$3,080
EXPENDITURES	\$1,932	\$258,267	\$10,601	\$270,800
PAYROLL EXPENSE	\$1,448	\$65,113	\$7,877	\$74,439
OPERATING EXPENSES	\$484	\$41,247	\$2,662	\$44,393
OTHER FINANCIAL TRANSACTIONS		\$321	\$43	\$364
GRANTS, AIDS AND SUBSIDIES		\$151,584		\$151,584
CAPITAL OUTLAY-REAL PROPERTY		\$1	\$19	\$20
USES OF FUNDS	\$1,932	\$280,405	\$10,601	\$292,938

Labor and Industry

Governor's Changes

(Dollars in Thousands)

		FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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Child Labor Safety and Investigations

The Governor recommends adding a staff position to focus on compliance with child labor laws. The initiative will emphasize outreach, education, and enforcement to ensure that minors, parents, educators and employers understand what is appropriate and safe work for young Minnesotans. The initiative will focus on high schools and industries where children are most likely to be employed.

Performance Measures:

Success for this initiative can be measured by monitoring if fewer minors are injured in the workplace.

General Fund	Expenditure	150	150	300	150	150	300
	Net Change	150	150	300	150	150	300

Combative Sports Fee Increase

The Governor recommends increasing fees for combative sports activities. License fees and event fees will be increased to ensure program costs are covered.

Performance Measures:

A sufficient number of inspectors are necessary to monitor combatant safety and ensure that combatant deaths or serious injuries do not occur.

Other Funds	Revenue	44	44	88	44	44	88
	Net Change	(44)	(44)	(88)	(44)	(44)	(88)

Elevator Permit Fee Adjustment

The Governor recommends removing a cap on elevator inspection fees. The current fee structure caps elevator inspection fees at a level where inspection costs exceed fee revenue for hundreds of elevators per year. Removing the fee cap aligns fees with the inspection service provided.

Performance Measures:

Success will be measured by having all elevator inspections conducted within five days of request.

Other Funds	Revenue	366	366	732	366	366	732
	Net Change	(366)	(366)	(732)	(366)	(366)	(732)

Plumbing Inspection Fee Restructuring

The Governor recommends restructuring the plumbing fee schedule to better align fees with the inspection service provided. The proposed change would replace the current fee structure that is based on drainage fixture units with a permit fee of \$100 and a fee of \$25 per fixture.

Performance Measures:

Success will be measured when fee revenue covers services provided.

Other Funds	Revenue	254	254	508	254	254	508
	Net Change	(254)	(254)	(508)	(254)	(254)	(508)

Labor and Industry

Governor's Changes

(Dollars in Thousands)

	FY 14	FY 15	FY 14-15 Biennium	FY 16	FY 17	FY 16-17 Biennium
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Plumbing Plan Review - Removal of the Accelerated Process and Fees

The Governor recommends restructuring the plumbing plan review process to standardize response times. Currently, an applicant can pay double the standard application fee to have a plumbing plan reviewed more quickly. This results in other applicants having to wait longer to have their plans reviewed.

Performance Measures:

Success will be measured by having all plans reviewed within 15 working days of receipt of application.

Other Funds	Revenue	(458)	(458)	(916)	(458)	(458)	(916)
	Net Change	458	458	916	458	458	916

Wind Turbine Inspection Fee Alternative

The Governor recommends providing an alternative electrical inspection fee schedule for wind turbines. Wind farm turbine projects would be able to take advantage of a fee schedule that recognizes the economies of scale of large projects with many identical turbines.

Performance Measures:

Success will be measured by wind energy providers paying lower regulatory fees.

Other Funds	Expenditure	(27)	(27)	(54)	(27)	(27)	(54)
Other Funds	Revenue	(26)	(26)	(52)	(26)	(26)	(52)
	Net Change	(1)	(1)	(2)	(1)	(1)	(2)

Net All Change Items	General Fund	150	150	300	150	150	300
	Other Funds	(207)	(207)	(414)	(207)	(207)	(414)
	Net Change	(57)	(57)	(114)	(57)	(57)	(114)

Labor and Industry
All Funds FTE by Program - Rev

	Current	Forecast Base	Governor's Revised
Program	FY 2013	FY 2015	FY 2015
Program: Workers Compensation	116.3	116.3	116.3
Program: Workplace Safety	102.0	102.0	102.0
Program: Construction Codes & Services	146.8	151.0	151.0
Program: General Support Division	79.5	56.5	56.5
Program: Labor Standards & Apprenticesp	18.3	18.3	19.3
Labor and Industry	462.8	444.1	445.1

Labor and Industry
Revenue Summary
(Dollars in Thousands)

		Biennium FY14-15			
		General Fund	Other State Funds	Federal Funds	All Funds
Non Dedicated	FEDERAL GRANTS		0		0
	DEPARTMENTAL EARNINGS	4	1,152		1,156
	INVESTMENT INCOME		1,000		1,000
	ALL OTHER	54	190,702		190,756
	Subtotal	58	192,854		192,912
Dedicated	FEDERAL GRANTS		0	10,601	10,601
	DEPARTMENTAL EARNINGS		65,424		65,424
	INVESTMENT INCOME		282		282
	ALL OTHER		8,355		8,355
	Subtotal		74,060	10,601	84,661
Total		58	266,914	10,601	277,573

Labor and Industry

Workers' Compensation-DLI

<http://www.dli.mn.gov/WorkComp.asp>

Statewide Outcome(s):

Workers' Compensation supports the following statewide outcome(s).

Workers' Compensation supports the following statewide outcomes:

Strong and stable families and communities.

A thriving economy that encourages business growth and employment opportunities.

Context:

Workers' Compensation seeks to ensure that proper benefits and services are delivered to injured workers quickly, efficiently and at a reasonable cost to employers. This program promotes and enforces compliance with Minnesota's workers compensation laws. Workers' Compensation also administers the Special Compensation Fund, which provides benefits to injured workers whose employers failed to carry workers' compensation insurance. It also provides alternative dispute resolution services to parties involved in workers' compensation disputes in an effort to resolve disputes quickly and cost-effectively. Insurance companies, workers, attorneys, rehabilitation providers, employers and health care providers are among the customers of this program. Workers' compensation is funded by the Special Compensation Fund assessment with most of the funding directed to paying supplemental and second-injury benefits. The assessment also pays the operating expenses of this program, the workers' compensation portion of the Office of Administrative Hearings, the Workers' Compensation Court of Appeals and funds technical investigative and actuarial support from the Department of Commerce.

Strategies:

The work of Workers' Compensation is divided into four areas:

- Compliance, Records and Training: educates employees and employers about their rights and responsibilities under Minnesota's workers' compensation laws; serves as the custodian of records pertaining to all workers' compensation injuries occurring in Minnesota; audits claim files and issues penalties against noncompliant insurance companies, employers, and others; regulates rehabilitation providers operating in Minnesota.
- Alternative Dispute Resolution: provides dispute resolution services, including mediation, to informally resolve workers' compensation disputes; conducts administrative conferences and renders decisions in rehabilitation disputes and medical disputes involving \$7,500 or less.
- Special Compensation Fund: provides workers' compensation benefits to injured workers whose employers did not have workers' compensation insurance at the time of the injury; reimburses insurance companies and self-insurers for supplemental and second-injury benefits; pursues recovery of expended funds from uninsured employers; educates newly-formed businesses about their rights and responsibilities under Minnesota's workers' compensation laws.
- Vocational Rehabilitation: provides rehabilitation services to injured workers whose workers' compensation claims were denied, whose rehabilitation services were suspended, and who otherwise qualify for rehabilitation services.

Each of these strategies helps ensure that injured workers receive the benefits to which they are entitled so that they and their families are financially stable and secure. The strategies also ensure that needed rehabilitation services are provided to injured workers so that they are able to once again become productive members of Minnesota's workforce.

Results:

DLI strives to create an environment where injured workers promptly receive quality benefits and services and where all the parties involved in the system operate efficiently and cost-effectively. This program strives to continually improve the services it provides and to utilize new technologies and processes to operate more efficiently. Are your strategies working? What are the results of the program or budget activity?

Performance Measures	Previous	Current	Trend
Minnesota's rating regarding key workers' compensation outcomes	A+	A+	Stable
Number of newly-organized businesses contacted and proactively advised of workers' compensation laws (New initiative and DLI has not provided this outreach in the past)	0	3,581	NA
Number of mandatory filings made electronically	13,935	13,913	Stable
Percentage of mediation sessions that result in dispute resolution	89%	85%	Stable
Number of injured workers receiving rehabilitation services through the Vocational Rehabilitation program	767	689	Decreasing

Performance Measures Notes:

*"State Report Cards for Workers' Compensation 2010", "State Report Cards for Workers' Compensation 2012", Work Loss Data Institute, <http://www.worklossdata.com/SRCMethods2010.htm>,

Other data compares FY 11 and FY 12 results.

Program: Workers Compensation**Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)		\$160,478		\$160,478
Current Law Expenditures (FY 2014-15)		\$164,673		\$164,673
Governor's Recommended Expenditures (FY2014-15)		\$164,673		\$164,673
\$ Change from FY 2014-15 Current Law to Governor's Rec		\$0		\$0
% Change from FY 2014-15 Current Law to Governor's Rec		0%		0%

Program: Workers Compensation**Sources and Uses**

(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$296		\$296
REVENUE		\$628		\$628
APPROPRIATION		\$164,156		\$164,156
SOURCES OF FUNDS		\$165,080		\$165,080
BALANCE FORWARD OUT		\$406		\$406
EXPENDITURES		\$164,673		\$164,673
PAYROLL EXPENSE		\$18,085		\$18,085
OPERATING EXPENSES		\$3,643		\$3,643
OTHER FINANCIAL TRANSACTIONS		\$77		\$77
GRANTS, AIDS AND SUBSIDIES		\$142,868		\$142,868
USES OF FUNDS		\$165,079		\$165,079

Labor and Industry

Workplace Safety

<http://www.dli.mn.gov/MnOsha.asp>

Statewide Outcome(s):

OSHA Compliance and Consultation supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

People in Minnesota are safe.

Context:

The Minnesota Occupational Safety and Health Administration (MN OSHA) strives to eliminate workplace injuries, illnesses, and deaths, so all of Minnesota's workers can return home safely at the end of the day. MN OSHA believes workplaces must be characterized by a genuine, shared commitment to workplace safety by employers and workers, with necessary training, resources and support systems devoted to achieving this outcome. MN OSHA Compliance and Consultation activities are focused toward industries with the highest injury and illness rates. Additionally, MN OSHA provides a network of occupational safety and health services to assist employers and employees to voluntarily comply with the Federal Occupational Safety and Health Act. These services assist in education, identification, and elimination of safety and health hazards, and the implementation of effective workplace safety and health programs.

Fifty percent of MN OSHA's Compliance program is funded by a grant from the federal government; 90 percent of consultation costs are similarly funded by a federal grant. The remainder of MN OSHA's costs is funded by an appropriation from the Workers' Compensation Fund. The Loggers' Safety Education program within Consultation is funded by an assessment paid by wood mills. OSHA penalties generate non-dedicated revenue for the Workers Compensation Fund

Strategies:

MN OSHA accomplishes its goals through the following activities:

- MN OSHA Compliance conducts about 2,000 inspections annually at employers in industries with the highest injury and illness rates. Approximately 500 more inspections are conducted each year in response to employee complaints.
- 70 percent of the inspections conducted result in findings of violations. Penalties are assessed in accordance with state law. If a violation is found to have caused or contributed to a fatality, a non-negotiable penalty of \$25,000 is assessed.
- MN OSHA Consultation conducts an average of 1,700 free and confidential site visits annually to aid employers in their compliance efforts, hazard recognition and safety programs.
- Employers are prohibited from discriminating against employees who exercise their rights under the MN OSHA Act. The discrimination unit responds to 150 inquiries and allegations annually.
- MN OSHA exemption and recognition programs, MN STAR (Minnesota Star) and MN SHARP (Minnesota Safety and Health Recognition Program), recognize and promote effective, cooperative and systematic safety and health management.
- LogSafe provides safety training to Minnesota loggers.
- The Safety Hazard Abatement Grants Program allows qualifying businesses to receive small matching grants to reduce the risk of injury and illness to their workers.
- MN OSHA conducts and participates in workshops and safety conferences to educate employers and employees about workplace safety and health hazards and the OSHA regulations addressing them.

Results:

The success of the MN OSHA program is reflected by workers going home safe at the end of the day. Consultation and Compliance programs complement each other to achieve maximum effectiveness.

Performance Measures	Previous	Current	Trend
Reduction in fatality rate from previous five-year average rate	15%	23%	Improving
Number of workplace injury and illness cases per 100 FTEs	3.8	3.9	Stable
Percentage of consultations conducted with small employers	90%	96%	Stable

Performance Measures Notes:

Performance measures compare data from federal fiscal years 2010 and 2011, except the comparison of workplace injury and illness cases which reflects data from calendar years 2009 and 2010.

<http://www.worklossdata.comSRCMETHODS2012.htm> (based on OSHA Bureau of Labor Statistics data).

Program: Workplace Safety**Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)		\$5,497	\$10,479	\$15,976
Current Law Expenditures (FY 2014-15)		\$13,725	\$10,283	\$24,007
Governor's Recommended Expenditures (FY2014-15)		\$13,725	\$10,283	\$24,007
\$ Change from FY 2014-15 Current Law to Governor's Rec		\$0	\$0	\$0
% Change from FY 2014-15 Current Law to Governor's Rec		0%	0%	0%

Program: Workplace Safety**Sources and Uses**

(Dollars in Thousands)

Biennium FY14-FY15				
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$4,155		\$4,155
REVENUE		\$5,721	\$10,283	\$16,004
APPROPRIATION		\$8,308	\$0	\$8,308
SOURCES OF FUNDS		\$18,184	\$10,283	\$28,467
BALANCE FORWARD OUT		\$4,458		\$4,458
EXPENDITURES		\$13,725	\$10,283	\$24,007
PAYROLL EXPENSE		\$8,215	\$7,617	\$15,832
OPERATING EXPENSES		\$2,073	\$2,603	\$4,677
OTHER FINANCIAL TRANSACTIONS			\$43	\$43
GRANTS, AIDS AND SUBSIDIES		\$3,436		\$3,436
CAPITAL OUTLAY-REAL PROPERTY		\$1	\$19	\$20
USES OF FUNDS		\$18,183	\$10,283	\$28,465

Labor and Industry

Construction Codes and Licensing Division

<http://www.dli.mn.gov/ccld.asp>

Statewide Outcome(s):

Construction Codes and Licensing Division supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

People in Minnesota are safe.

Context:

The Construction Codes and Licensing Division (CCLD) works to protect the health, safety, and welfare of the public by providing reasonable, and uniform standards for Minnesota's buildings and construction professionals. CCLD oversees construction-related activities in the areas of licensing, plan review, education, code development, enforcement and inspection in Minnesota. CCLD administers almost 110,000 licenses in construction-related activities such as electrical, high-pressure piping, plumbing, boilers, manufactured homes and residential contracting. It also issues more than 110,000 permits to perform electrical work resulting in more than 250,000 electrical inspections annually. CCLD has responsibility for ensuring the safety of state owned and state licensed facilities through plan review and inspection and is also responsible for developing and administering the Minnesota State Building Code. CCLD uses a fee-for-service model receiving revenues from licensing, permitting, and plan review fees paid by construction industry professionals and contractors.

Strategies:

The work of CCLD is divided into seven functions:

- Code Adoption and Administration: Assure building safety through a comprehensive and effective process of code adoption and uniform statewide code administration.
- Licensing: Assess the qualifications of construction professionals and protect consumers and workers through contractor licensing.
- Plan Review: Review construction plans for state owned and state licensed facilities, plumbing installations and manufactured structures in a timely manner to ensure safe, code complying construction that results in a value to the owner.
- Construction Permitting: Expedite safe building construction through the efficient processing of permits.
- Inspection Services: Provide for the inspections of electrical installations, inspect all building construction work under the authority of the state, and ensure the integrity of elevators and boilers.
- Enforcement: Provide fair and balanced enforcement to achieve compliance with licensure and code requirements.
- Outreach and Education: Foster and promote safe, accessible and energy efficient, building design and construction through outreach and education to construction professionals and the public.

Results:

CCLD continues to improve efficiencies in the delivery of its services to its construction industry stakeholders to provide value under this fee-for-service program.

Performance Measures	Previous	Current	Trend
Electrical Permits Issued online (New Initiative)	0	13,755	NA
Percentage of licenses renewed online	10.4%	25.4%	Improving
Building and plumbing plans not reviewed within 30 days	156	214	Worsening

Performance Measures Notes:

Permits and plan reviews compares CY 10 and CY 11, Licenses compares FY 11 and FY12

Program: Construction Codes & Services**Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)		\$51,506		\$51,506
Current Law Expenditures (FY 2014-15)		\$58,424		\$58,424
Governor's Recommended Expenditures (FY2014-15)		\$58,370		\$58,370
\$ Change from FY 2014-15 Current Law to Governor's Rec		(54)		(54)
% Change from FY 2014-15 Current Law to Governor's Rec		0%		0%

Program: Construction Codes & Services**Sources and Uses**

(Dollars in Thousands)

Biennium FY14-FY15				
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$12,865		\$12,865
REVENUE		\$60,671		\$60,671
SOURCES OF FUNDS		\$73,536		\$73,536
BALANCE FORWARD OUT		\$12,136		\$12,136
TRANSFERS OUT		\$3,030		\$3,030
EXPENDITURES		\$58,370		\$58,370
PAYROLL EXPENSE		\$27,209		\$27,209
OPERATING EXPENSES		\$25,877		\$25,877
OTHER FINANCIAL TRANSACTIONS		\$244		\$244
GRANTS, AIDS AND SUBSIDIES		\$5,040		\$5,040
USES OF FUNDS		\$73,536		\$73,536

Labor and Industry General Support

<http://www.dli.mn.gov/OverviewGS.asp>

Statewide Outcome(s):

General Support supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

Strong and stable families and communities.

People in Minnesota are safe.

Context:

General Support serves agency programs that focus on the needs of workers, builders, building owners and employers in Minnesota. It does this by developing and maintaining essential information technology; by collecting, analyzing and reporting on workplace safety, workers' compensation and labor standards' data; by attracting and retaining highly qualified staff; by providing legal advice and representation; by protecting the department's financial resources; and by effectively communicating the services provided by the department and the rights and responsibilities of its stakeholders. The customers of this program include department staff, employers, employees, insurance companies, attorneys, members of the construction trades, and the general public. This program is funded by a direct appropriation from the Workers' Compensation Fund and by assessing an indirect cost to other DLI programs.

Strategies:

General Support strives to provide effective and efficient services and offer creative solutions to support other agency programs. It does this through:

- Research and Statistics: collects, analyzes and reports workplace safety, workers' compensation and workplace standards data to inform decision-makers;
- Office of the General Counsel: provides legal advice to the department and advocates the department's position in legal and administrative proceedings;
- Financial Services: protects and ensures accountability for the financial resources entrusted to the department;
- Human Resources: recruits, develops and retains a high-performance workforce.
- Communication: communicates the work of and services provided by the department.
- These strategies provide the talent and means by which the department carries out its mission and by which it supports the statewide outcomes identified above.

Results:

This program recently began emphasizing the use of LEAN principles throughout the department to continually improve processes and services, and it measures its success in this area by the number of participants in various LEAN initiatives and courses. This program also works to ensure that all employers respond to the annual workplace safety survey, which is used to inform decision-makers of workplace trends and areas of needed focus. The effectiveness of the program's technology services is measured by the number of online functions available and the number of annual visits to the department's website; the number of services available online with a focus on user-friendliness has been a priority of the department in recent years. The effectiveness of the financial services staff is measured by whether they timely provide essential financial information to managers and supervisors in a timely manner.

Performance Measures	Previous	Current	Trend
The number of staff who have participated in Lean 101, Kaizen training or Kaizen event.	4	65	Increasing
Workplace injury survey response rate.	100%	100%	Stable
The number of electronic self-service processes and on-line functions available to customers The number of electronic self-service processes and online functions available to customers	26	33	Increasing
The percentage of monthly financial reports available online for timely review by staff	100%	90%	Worsening
The number of visits to DLI website	1.1 million	1.2 million	Increasing

Performance Measures Notes:

These measures compare data from FY11 and FY12.

Program: General Support Division

Current, Base and Governor's Recommended Expenditures - Rev

(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)		\$18,801	\$315	\$19,116
Current Law Expenditures (FY 2014-15)		\$19,098	\$318	\$19,416
Governor's Recommended Expenditures (FY2014-15)		\$19,098	\$318	\$19,416
\$ Change from FY 2014-15 Current Law to Governor's Rec		\$0	\$0	\$0
% Change from FY 2014-15 Current Law to Governor's Rec		0%	0%	0%

Program: General Support Division**Sources and Uses**

(Dollars in Thousands)

Biennium FY14-FY15				
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$1,918		\$1,918
REVENUE		\$6,610	\$318	\$6,928
APPROPRIATION		\$12,590	\$0	\$12,590
SOURCES OF FUNDS		\$21,118	\$318	\$21,436
BALANCE FORWARD OUT		\$1,970		\$1,970
TRANSFERS OUT		\$50		\$50
EXPENDITURES		\$19,098	\$318	\$19,416
PAYROLL EXPENSE		\$10,026	\$260	\$10,286
OPERATING EXPENSES		\$9,072	\$58	\$9,130
USES OF FUNDS		\$21,118	\$318	\$21,436

Labor and Industry

Labor Standards and Apprenticeship

<http://www.dli.mn.gov/LaborLaw.asp>, <http://www.dli.mn.gov/OverviewALS.asp>

Statewide Outcome(s):

Labor Standards and Apprenticeship supports the following statewide outcome(s).

A thriving economy that encourages business growth and employment opportunities.

Context:

There are approximately 140,000 employers and 2.44 million employees in Minnesota who are subject to the Minnesota Fair Labor Standards Act. Through its Labor Standards program, DLI works to protect Minnesota's economy by ensuring that workers are paid correctly and that workplace rights and responsibilities are enforced. DLI conducts outreach and investigations to ensure that employers comply with Minnesota's labor standards laws including minimum wage, prevailing wage and child labor. In 2011, the Labor Standards Division answered approximately 25,000 inquiries regarding wage and hour laws, conducted almost 500 investigations, and recovered almost \$1million in total wages for more than 2,500 workers.

DLI's Apprenticeship program supports Minnesota's economy by fostering and promoting work-based career development through registered apprenticeship programs that provide structured skills and safety training and develop a professional workforce for Minnesota employers. There are approximately 8,000 registered apprentices in Minnesota, a majority of which are currently in the construction trades.

Strategies:

- Protect the rights of workers through enforcement of wage and hour, wage payment, and other labor standards laws.
- Ensure that all construction workers on state funded projects are paid the appropriate prevailing wages through outreach, compliance, and enforcement activities.
- Protect the health and welfare of children by fostering, promoting and enforcing child labor laws.
- Educate and train employers, workers and the public to understand and comply with Minnesota labor standards and child labor laws.
- Develop and oversee registered apprenticeship programs including the portability and career development of apprentices and graduates.
- Promote workforce diversity through registered apprenticeship programs.

Results:

The Labor Standards program continues to serve a greater number of workers and employers with its limited resources. The number of apprentices has declined in recent years with the downturn in the construction industry; however the percentages of women and minorities in apprenticeship programs have remained stable.

Performance Measures	Previous	Current	Trend
Employees served by Labor Standards Program	69,502	75,804	Increasing
Investigations Completed	1,592	1,825	Increasing
Wage Recovered	\$918,063	\$1,044,709	Increasing
Percentage of registered apprentices that are women and minorities	16.6%	16.2%	Stable

Performance Measures Notes:

Comparisons are CY 10 to CY 11.

Program: Labor Standards & Apprenticesp**Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)	\$1,633	\$2,127		\$3,759
Current Law Expenditures (FY 2014-15)	\$1,632	\$2,098		\$3,730
Governor's Recommended Expenditures (FY2014-15)	\$1,932	\$2,098		\$4,030
\$ Change from FY 2014-15 Current Law to Governor's Rec	\$300	\$0		\$300
% Change from FY 2014-15 Current Law to Governor's Rec	18%	0%		8%

Program: Labor Standards & Apprenticesp**Sources and Uses**

(Dollars in Thousands)

	Biennium FY14-FY15			
	General Funds	Other State Funds	Federal Funds	Total Funds
REVENUE		\$40		\$40
APPROPRIATION	\$1,932	\$2,058		\$3,990
SOURCES OF FUNDS	\$1,932	\$2,098		\$4,030
EXPENDITURES	\$1,932	\$2,098		\$4,030
PAYROLL EXPENSE	\$1,448	\$1,331		\$2,779
OPERATING EXPENSES	\$484	\$527		\$1,011
GRANTS, AIDS AND SUBSIDIES		\$240		\$240
USES OF FUNDS	\$1,932	\$2,098		\$4,030

Labor and Industry Office of Combative Sports

<http://www.dli.mn.gov/Csac.asp>

Statewide Outcome(s):

Office of Combative Sports supports the following statewide outcome(s).

People in Minnesota are safe.

Context:

The Office of Combative Sports (OCS) ensures that three sports: boxing, mixed martial arts and “tough person” competitions are conducted safely and fairly in Minnesota. These three sports are inherently dangerous as combatants can suffer serious injuries and long-term health consequences. The OCS licenses sport participants including combatants, promoters, referees, and trainers and also establishes regulatory safeguards for the protection of fighters to ensure fairness and safety.

Effective July 1, 2012, the OCS was transferred to DLI and a Combative Sports Advisory Council was created. The OCS is 100 percent funded through participant license and event fees.

Strategies:

The Office of Combative Sports strives to ensure that combative events are conducted to minimize injuries and ensure fair competition. It does this through:

- Pre-Competition: combatants are medically tested for conditions that may increase the chance of injury or transmission of communicable disorders to their opponents. Promoters are required to post a performance bond guaranteeing combatant payout and provide insurance to cover combatant injuries.
- During Competition: ringside physicians are present to treat injuries, and all combatants are inspected for proper safety equipment. Referees are used to ensure each match is conducted safely and fairly and judges ensure that the outcome is decided using objective criteria.
- Post-Competition: combatants are examined by a ringside physician prior to being released. Payments by promoters to combatants are monitored by OSC to ensure the terms of the contest agreement are followed.

Results:

The effectiveness of the OCS is measured by its ability to protect the health and safety of combatants.

Performance Measures	Previous	Current	Trend
The percentage of contests monitored for combatant's safety	100%	100%	Stable
The number of combatant deaths or serious injuries	0	0	Stable

Performance Measures Notes:

Notes: the above measurements compare FY11 and FY12 data.

Program: Office of Combative Sports**Current, Base and Governor's Recommended Expenditures - Rev**

(Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)		\$188		\$188
Current Law Expenditures (FY 2014-15)		\$303		\$303
Governor's Recommended Expenditures (FY2014-15)		\$303		\$303
\$ Change from FY 2014-15 Current Law to Governor's Rec		\$0		\$0
% Change from FY 2014-15 Current Law to Governor's Rec		0%		0%

Program: Office of Combative Sports**Sources and Uses**

(Dollars in Thousands)

Biennium FY14-FY15				
	General Funds	Other State Funds	Federal Funds	Total Funds
BALANCE FORWARD IN		\$0		\$0
REVENUE		\$390		\$390
SOURCES OF FUNDS		\$390		\$390
BALANCE FORWARD OUT		\$88		\$88
EXPENDITURES		\$303		\$303
PAYROLL EXPENSE		\$248		\$248
OPERATING EXPENSES		\$55		\$55
USES OF FUNDS		\$391		\$391

Federal Program (\$ in Thousands)	Related SFY 2012 Spending	Primary Purpose	SFY 2012 Revenues	SFY 2013 Revenues	Estimated SFY 2014 Revenues	Estimated SFY 2015 Revenues
OSHA Compliance	\$4,088	SO	\$3,420	\$4,123	\$4,123	\$4,123
OSHA Consultation	990	SO	964	1,018	1,018	1,018
Bureau of Labor Statistics	95	SO	96	117	117	117
OSHA Survey	50	SO	53	42	42	42
Agency Total	\$5,233		\$4,533	\$5,300	\$5,300	\$5,300

Key:

Primary Purpose

SO = State Operations

GPS = Grants to Political Subdivision

GI = Grants to Individuals

GCBO = Grants to Community Based Organizations

The OSHA Compliance and OSHA Consultation grants are essential to continue the downward trend in occupational fatalities, injuries, and illnesses, and thereby reduce the suffering of workers and families and contain workers' compensation costs. The Bureau of Labor Statistics and OSHA Survey grants provide the funding necessary to conduct surveys to collect, analyze, and report data on workplace injuries.

Federal funding contributes to 4% of the agencies expenditures. Federal funds received through the OSHA Compliance and Bureau of Labor Statistics programs require matching state funds of 50%. The OSHA Consultation program requires matching state funds of 10%. The required state match is provided by the Workers' Compensation fund. The OSHA Survey program is 100% federally funded.

Program Name Federal or State or Both (citation)	Purpose	Recipient Type (s) Eligibility Criteria	Budgeted FY 2013	Most Recent Federal Award (cite year)
Safety Hazard Abatement State M.S. 79.253	To make grants or loans to employers for the cost of implementing safety recommendations.	Employers	\$998,000	N/A
Labor Education and Advancement Program State Laws of 2011, 1 st Special Session, Chapter 4, Article 1, Section 5, Subd 3	To facilitate the participation of women and minorities in apprenticeship trades and occupations.	Community-based organizations	\$100,000	N/A
Vinland Center State Laws of 2011, 1 st Special Session, Chapter 4, Article 1, Section 5, Subd 2	To provide specialized rehabilitation services for injured and disabled workers.	Vinland Center	\$200,000	N/A