

**Agency Purpose**

The mission of the Department of Labor and Industry (DLI) is to ensure Minnesota’s work and living environments are equitable, healthy, and safe. Its vision is to be a trusted resource and an impartial regulator for employers, employees, and property owners.

**At a Glance**

**Safety & Workers’ Compensation**

- Jurisdiction over more than 2.6 million Minnesota workers and 168,000 private and public-sector employers
- Conducts 4,200 safety and health inspections and consultations annually
- Responds (within 24 hours) to an average of 20 fatalities each year
- Provides annual outreach sessions impacting more than 20,000 employers and employees

**Construction Codes and Licensing**

- Reviews building plans on \$532 million worth of construction for code compliance each year
- Provides more than 450,000 code compliance inspections on about 200,000 construction projects annually

- Evaluates and issues 110,000 licenses to individuals and businesses in the construction industry, biannually.

**Labor Standards & Apprenticeship**

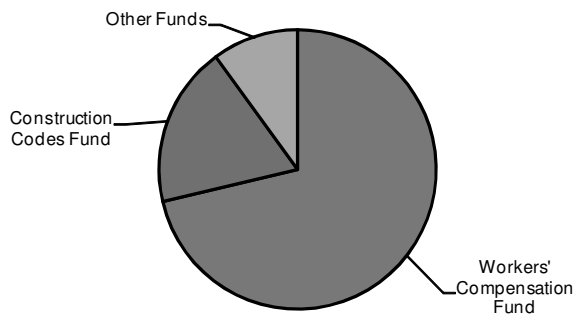
- Investigated 500 cases of labor law compliance and processed 1,106 wage claims
- Registered 11 new and monitored 300 current sponsors of apprenticeship training
- Managed 7,219 apprentices in training, including 1,130 women and people of color

**General Support**

- Facilitates nearly 5.3 million Web hits (CY 2009)
- Approximately 93% of DLI’s budget goes toward program expenditures, with 7% spent on general support.

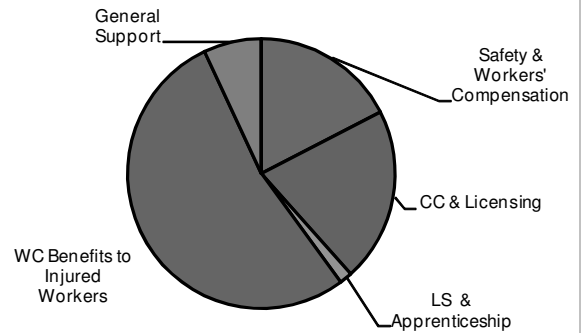
*\*Data is from 2010*

**Est. FY 2010-11 Expenditures by Fund**



Source: Consolidated Fund Statement.

**Est. FY 2010-11 Expenditures by Program**



Source: Minnesota Accounting & Procurement System (MAPS) as of August 31, 2010.

**Strategies**

Through outreach, education and compliance efforts, DLI strives to improve the quality of life for Minnesota workers and their families. DLI’s strategies are to:

- reduce and minimize the impact of workplace injuries and illnesses;
- help resolve workplace complaints and disputes;
- ensure compliance and awareness about workplace requirements; and
- assure quality construction, operation and maintenance of structures.

DLI continually strives to ensure that safer and healthier work environments are constructed in Minnesota.

## Operations

DLI's primary customers are Minnesota workers, employers, and building owners. Other stakeholders include builders, contractors, building officials, manufacturers of building products, insurers, attorneys, rehabilitation and health care providers, employment agencies, and boat owners. Services are provided through four DLI divisions.

The **Safety and Workers' Compensation Division** provides leadership, support, and a framework for operations relating to the safety and compensation of employees and employers through the following six activities.

- Special claims administration serves as a "safety net," by administering workers' compensation benefits to injured workers whose employers did not have workers' compensation insurance at the time of injury. DLI serves as the insurer and the staff manages these claims in a fashion similar to an insurance company.
- Dispute resolution resolves disputed issues among employers, insurers, injured workers, medical providers, and other parties to a workers' compensation claim. The focus is on early dispute resolution by providing mediators to staff the agency's phone hotline.
- Vocational rehabilitation provides vocational services to injured workers whose claims have been denied or whose claims are in dispute and are awaiting resolution in court.
- Assessment collection collects assessments through an insurer premium surcharge and self-insured assessment. This money funds ongoing obligations, including \$43 million in future benefits paid under the uninsured, second-injury and supplementary benefits programs. The assessment funds the operating budget for the Workers' Compensation Division, the Office of Administrative Hearings, the Workers' Compensation Court of Appeals and a portion of the Department of Commerce.
- MNOSHA Compliance conducts safety and health inspections of workplaces and issues citations for failure to comply with standards. It provides technical assistance, outreach, and education about safety and health issues. MNOSHA Compliance also develops partnerships with organizations and investigates allegations of adverse employment actions against employees who make safety and health complaints.
- MNOSHA Workplace Safety Consultation provides safety and health inspections, alliances, training and outreach sessions, and technical assistance to public and private-sector employers, primarily targeting small high-hazard industries. It also administers safety programs such as safety grants, labor-management safety committees, workplace violence prevention, ergonomics, and logger education.

The **Construction Codes and Services Division** assures construction standards, construction codes, and construction-related licensing complies with legal requirements through the following three activities.

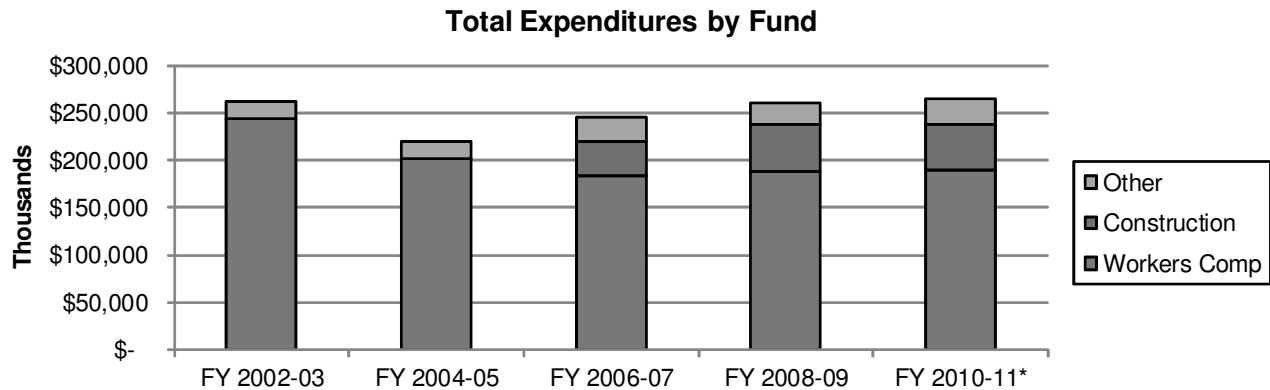
- Licensing and administrative services promulgates construction codes for building, accessibility, elevator, energy, manufactured structures, and boilers. It provides support for three authoritative boards relating to the electrical, plumbing, and high-pressure-piping codes. It also licenses all of the above industries and provides technical assistance and training programs for continued education.
- Inspection services provides code compliance inspections for electrical, plumbing, boiler, elevator, high-pressure piping and boats for hire.
- Plan review and regional services provides code compliance plan reviews and inspections for state-owned buildings, school district buildings, and state licensed facilities for various provisions of the state building code, particularly those contributing to life safety and accessibility. It also reviews plumbing plans for most commercial buildings for compliance with various health and sanitation provisions of the Minnesota Plumbing Code and provides regional services to municipalities by assisting them with administration of the codes and auditing their performance to ensure consistent application of all codes.

The **Labor Standards and Apprenticeship Division** enforces employment laws governing child labor, minimum wage, overtime, prevailing wage, and parental leave. It regulates, supervises, and promotes apprenticeship

programs that meet state standards. It also provides outreach and education to employers and employees, and issues licenses to fee employment agencies.

The **General Support Division** supports agency operations through communications, legislative relations, financial management, human resources, information technology, research and statistics, legal advice, rulemaking, and litigation.

**Budget Trends Section**



*\*FY 2010-11 is estimated, not actual. Source data for the previous chart is the Minnesota Accounting and Procurement System (MAPS) as of 08/31/2010.*

**External Factors Impacting DLI**

The Construction Codes and Licensing Division’s (CCLD) revenues are fees collected from licenses, permits and inspections of the construction industry. The construction industry has been especially hard hit by the recent economic downturn and CCLD dedicated fee revenues from permits and inspections have fallen significantly. For example, the electrical inspection revenues are down 11% or approximately \$1 million from SFY2009 to SFY2010. The building permit surcharge revenues are down 14% or approximately \$1 million from SFY2009 to SFY2010. CCLD continues to monitor revenues and will continue to adjust program activities as necessary.

Safety and Workers’ Compensation is funded from an assessment on insurers and self insured employers. The assessment rate is analyzed and assessed annually to fund payments to injured workers and to support program operational activities. The assessment rate has been reduced during the past few years through DLI’s oversight and settlement of old claims. The amount collected each year is sufficient to make payments to injured workers.

**Contact**

For more information, contact DLI Communications at (651) 284-5313.

More than 2,800 visitors stop by the DLI Web site (<http://www.dli.mn.gov>) each day to learn more about Minnesota’s employment laws, construction codes and licensing, safety and health standards, work-related injuries, and worker training programs.

For information about department goals and results, visit the Accountability Minnesota Web site at <http://www.accountability.state.mn.us/Departments/LaborIndustry/index.htm>

Dollars in Thousands

	Current		Forecast Base		Biennium 2012-13
	FY2010	FY2011	FY2012	FY2013	
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	860	860	860	860	1,720
<b>Forecast Base</b>	<b>860</b>	<b>860</b>	<b>860</b>	<b>860</b>	<b>1,720</b>
Change		0	0	0	0
% Biennial Change from 2010-11					0%
<b>Workforce Development</b>					
Current Appropriation	1,029	1,029	1,029	1,029	2,058
<b>Forecast Base</b>	<b>1,029</b>	<b>1,029</b>	<b>1,029</b>	<b>1,029</b>	<b>2,058</b>
Change		0	0	0	0
% Biennial Change from 2010-11					0%
<b>Workers Compensation</b>					
Current Appropriation	20,871	20,871	20,871	20,871	41,742
<b>Forecast Base</b>	<b>20,871</b>	<b>20,871</b>	<b>20,871</b>	<b>20,871</b>	<b>41,742</b>
Change		0	0	0	0
% Biennial Change from 2010-11					0%
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	761	959	860	860	1,720
Workforce Development	875	1,183	1,029	1,029	2,058
Workers Compensation	19,641	22,101	20,871	20,871	41,742
<b>Open Appropriations</b>					
Workers Compensation	70,532	70,723	70,723	70,723	141,446
<b>Statutory Appropriations</b>					
State Government Spec Revenue	22,603	23,257	21,520	21,759	43,279
Miscellaneous Special Revenue	5,972	6,189	6,481	6,481	12,962
Federal	5,194	5,357	5,345	5,345	10,690
Federal Stimulus	24	142	0	0	0
Workers Compensation	3,403	3,242	2,934	2,934	5,868
Miscellaneous Agency	115	16	15	15	30
<b>Total</b>	<b>129,120</b>	<b>133,169</b>	<b>129,778</b>	<b>130,017</b>	<b>259,795</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	35,178	37,282	35,668	36,059	71,727
Other Operating Expenses	21,401	23,363	21,586	21,434	43,020
Payments To Individuals	70,377	70,506	70,506	70,506	141,012
Local Assistance	2,164	2,018	2,018	2,018	4,036
<b>Total</b>	<b>129,120</b>	<b>133,169</b>	<b>129,778</b>	<b>130,017</b>	<b>259,795</b>
<b><u>Expenditures by Program</u></b>					
Workers Compensation Division	92,747	94,270	93,360	93,360	186,720
Construction Codes & Services	26,013	26,709	25,051	25,290	50,341
General Support Division	8,599	9,934	9,366	9,366	18,732
Labor Standards & Apprenticesp	1,761	2,256	2,001	2,001	4,002
<b>Total</b>	<b>129,120</b>	<b>133,169</b>	<b>129,778</b>	<b>130,017</b>	<b>259,795</b>
<b>Full-Time Equivalent (FTE)</b>	<b>446.1</b>	<b>450.4</b>	<b>431.2</b>	<b>431.2</b>	

**Program Description**

The purpose of the Safety and Workers' Compensation Division is to make sure every worker in the state of Minnesota has a safe and healthful workplace and to assure in an equitable and impartial manner, the quick and efficient delivery of benefits to injured workers at a reasonable cost to employers.

**Services Provided**

This program includes the following budget activities:

- Workers' Compensation Division
- MNOSHA, Compliance & Consultation

# LABOR AND INDUSTRY DEPT

Program: WORKERS COMPENSATION DIVISION

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium
	FY2010	FY2011	FY2012	FY2013	2012-13
<b><u>Direct Appropriations by Fund</u></b>					
<b>Workers Compensation</b>					
Current Appropriation	14,890	14,890	14,890	14,890	29,780
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			(58)	(58)	(116)
<b>Forecast Base</b>	<b>14,890</b>	<b>14,890</b>	<b>14,832</b>	<b>14,832</b>	<b>29,664</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Workers Compensation	14,168	15,496	14,832	14,832	29,664
<b>Open Appropriations</b>					
Workers Compensation	70,346	70,467	70,467	70,467	140,934
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	82	31	31	31	62
Federal	5,041	5,105	5,096	5,096	10,192
Federal Stimulus	24	142	0	0	0
Workers Compensation	3,086	3,029	2,934	2,934	5,868
<b>Total</b>	<b>92,747</b>	<b>94,270</b>	<b>93,360</b>	<b>93,360</b>	<b>186,720</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	16,105	17,262	16,985	17,137	34,122
Other Operating Expenses	4,274	4,584	3,951	3,799	7,750
Payments To Individuals	70,377	70,506	70,506	70,506	141,012
Local Assistance	1,991	1,918	1,918	1,918	3,836
<b>Total</b>	<b>92,747</b>	<b>94,270</b>	<b>93,360</b>	<b>93,360</b>	<b>186,720</b>
<b><u>Expenditures by Activity</u></b>					
Workers Compensation	80,655	82,183	81,424	81,424	162,848
Osha Safety And Consultation	12,092	12,087	11,936	11,936	23,872
<b>Total</b>	<b>92,747</b>	<b>94,270</b>	<b>93,360</b>	<b>93,360</b>	<b>186,720</b>
<b>Full-Time Equivalents (FTE)</b>	<b>219.6</b>	<b>226.2</b>	<b>223.2</b>	<b>223.2</b>	

**Activity at a Glance**

- Resolved 6,936 disputes involving employees, insurers, employers, health care providers, and others
- Continued reduction in the self insured assessment rate from 25.7% in 2005 to 22.4% in 2010
- Conducted 1,045 mandatory coverage investigations and issued 663 penalties for failure to insure, collecting \$1,392,235
- Provided vocational services for an average of 383 injured workers each month, with an average length of services of 311 days, average cost of \$4,788 a client, 77% positive results, and a return-to-work wage restoration of 98%; collected \$561,196 in revenue from insurers
- Assessed 2,534 penalties and recovered \$3.08 million in additional benefits for injured workers
- Maintained more than 1.8 million workers' compensation claim files; imaged 3.1 million pages of mail

**Activity Description**

The Workers' Compensation Division exists to assure the quick and efficient delivery of indemnity and medical benefits to injured workers at a reasonable cost to the employers.

**Population Served**

The Workers' Compensation Division serves injured workers, employers, insurers, claims administrators, independent contractors, attorneys, health care and rehabilitation service providers, certified managed care organizations, the Office of Administrative Hearings, the Workers' Compensation Court of Appeals, the state Supreme Court, and other state agencies.

**Services Provided**

**Dispute resolution** resolves disputed issues among employers, insurers, injured workers, medical providers, and other parties to a workers' compensation claim. The focus is on early dispute-resolution by providing mediators to staff a hotline about the workers' compensation system, facilitate communication between the parties, and intervene to resolve situations that might otherwise grow into larger disputes. The Workers' Compensation Division's staff conducts administrative conferences for rehabilitation disputes and medical disputes for disputes of less than

\$7,500. At the conference, the parties are first given an opportunity to relay their position about the dispute and offer any documentation in support of their position. The mediator attempts to move the parties to a voluntary resolution of the issue. If an agreement is not possible, a decision and order is issued. Since 1983, the Workers' Compensation Division has provided mediation services, a powerful dispute-resolution tool. The dynamics involved when a neutral third-party mediator assists the parties in evaluating and framing their settlement position results in a very high resolution-rate.

**Assessment collection** collects assessments through an insurer premium surcharge and self-insured assessment. This money funds ongoing obligations, including \$60.6 million in future benefits paid under the uninsured, second-injury, and supplementary benefits programs, as well as funding the operating budget for the Workers' Compensation Division, MNOSHA, a portion of DLI general support, the Workers' Compensation portion of the Office of Administrative Hearings, the Workers' Compensation Court of Appeals, and a portion of the Department of Commerce.

**Special claims administration** acts as a safety net, with staff members administering workers' compensation benefits to injured workers whose employers did not have workers' compensation insurance at the time of injury. DLI serves as the insurer and the staff manages these claims in a fashion similar to an insurance company. Recovery is pursued against the uninsured employer and actions taken to promote compliance with the mandatory coverage law. DLI also administers asbestosis medical claims and pays benefits to injured employees of certain self-insured employers that went bankrupt prior to the start of the Self-insured Security Fund (SISF). Insurers and employers are reimbursed for payments made to employees under the second-injury and supplementary benefits programs. Although these programs were discontinued for injuries occurring after 1995 and 1992, respectively, it is estimated payments under these programs will continue to be made on a declining basis until approximately 2050.

**Vocational rehabilitation** services are provided to injured workers: whose workers' compensation claims were denied; whose rehabilitation services were suspended; who qualify for services paid by insurance carriers or self-

## LABOR AND INDUSTRY DEPT

Program: **WORKERS COMPENSATION DIVISION**

Activity: **WORKERS COMPENSATION**

Narrative

insured employers; or who are awaiting a decision about eligibility for workers' compensation benefits. The division works with the injured worker, treating physician, and employer to determine eligibility. It works with eligible individuals in developing a return-to-work plan and coordinates activities with health care professionals. In addition, the division works with injured workers to develop job skills needed to return to work either to the same or new employer.

**Enforcement** carries out the statutes that provide for fines and penalties to be directed at noncompliant employers, insurers, vocational rehabilitation providers, and health care providers. Workers' compensation claims are audited to ensure compliance and assessment of a variety of penalties against parties in the workers' compensation system. Employers can be penalized for failing to obtain workers' compensation insurance, failing to post required information, failing to timely report an injury, and falsifying insurance information. Insurers can be penalized for failing to timely pay or deny benefits, failing to file required information, denying benefits without proper notice, failing to respond in a timely manner, and late filing or payment of assessments. Vocational and health care providers can be penalized for professional misconduct and failing to comply with the numerous rules defining their activities. Penalties may be directed at employers, insurers, vocational rehabilitation providers, and health care workers for failing to release requested medical data in a timely fashion. In addition to penalties, workers' compensation claims are reviewed for compliance in situations where penalties may not be appropriate. Insurance carriers are contacted regarding these files, resulting in \$3.08 million in additional benefits to injured workers. The following links provide detailed reports regarding enforcement:

[http://www.dli.mn.gov/WC/PDF/fines\\_penalties\\_report09.pdf](http://www.dli.mn.gov/WC/PDF/fines_penalties_report09.pdf) and [www.dli.mn.gov/WC/PDF/prompt09.pdf](http://www.dli.mn.gov/WC/PDF/prompt09.pdf)

**Insurance coverage** enforces the state's workers' compensation mandatory insurance coverage law through the investigation and assessment of appropriate penalties against employers that fail to comply with the law requiring workers' compensation insurance coverage. It provides research for both the public and internal claims management for pre- and post-1985 requests regarding insurance verification.

**Data management** maintains the workers' compensation electronic document system and processes requests for copies of workers' compensation files to authorized clientele.

**Vinland grant** is administered and overseen, a \$200,000 grant funded through the Special Compensation Fund to provide vocational evaluation, assessment, job placement, and other services at the Vinland Center, for injured workers referred by the DLI Vocational Rehabilitation unit.

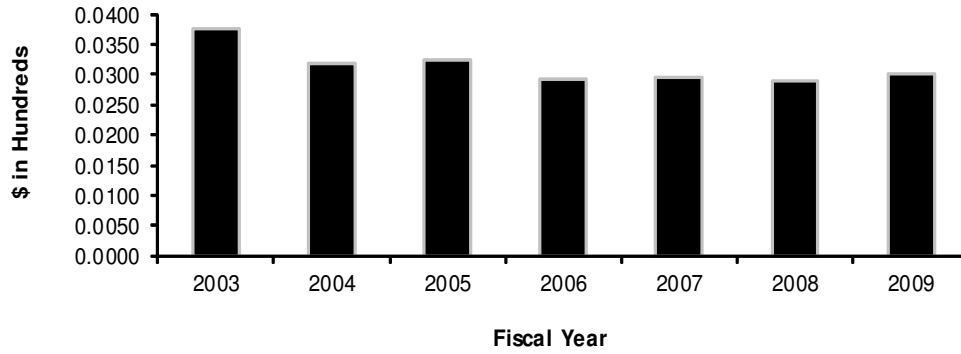
### Key Activity Goals & Measures

The Workers' Compensation Division focuses on the following goals:

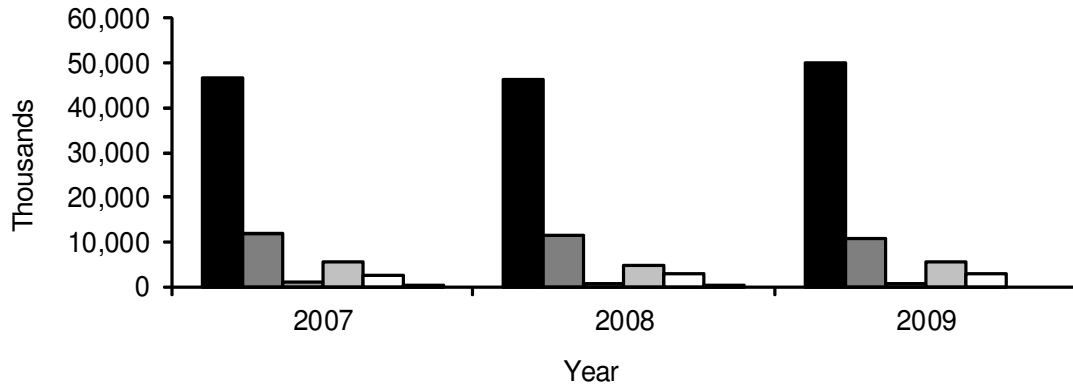
- efficient management of benefit dollars with a goal of continued decreases in the assessment rate;
- maximization of the impact of statutory compliance enforcement;
- developing timely and effective benefit resolution by identifying opportunities where alternative dispute-resolution strategies will have the greatest impact;
- promoting an understanding of the workers' compensation system in Minnesota's workplaces;
- ensuring employers have appropriate workers' compensation insurance; and
- continuing reduction in administrative expenses per \$100 of payroll, yearly.



**Workers' Compensation Administrative Expense per \$100 of Payroll, by Fiscal Year**

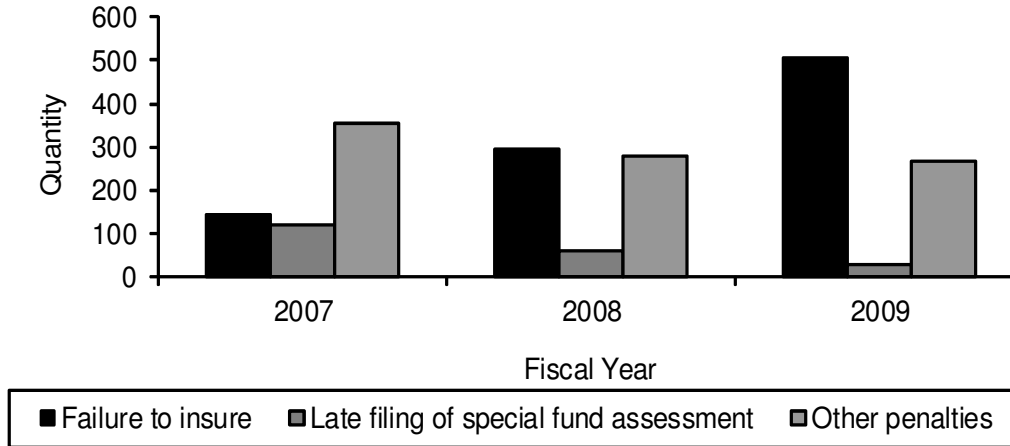


**Benefits Paid**

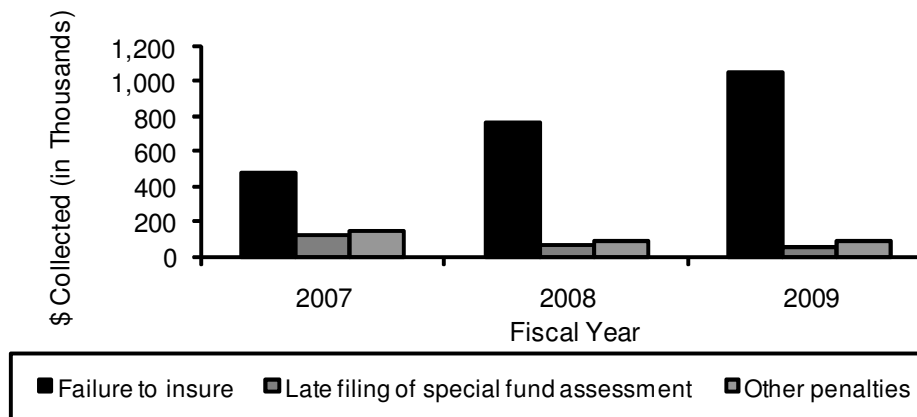


■ Supplementary benefits	■ Second Injury
■ Asbestos	■ Uninsured
■ Bankrupt Self Insured	■ Temporary Orders

**Penalties Issued**



**Penalties Collected**



**Historical Perspective**

The workers' compensation system continues to evolve since the major legislative changes in 1995. There has been a 34% decrease in workers' compensation claims, which equated to a 25% decrease in staffing levels. This, paired with the discontinuance of two major benefit programs and efficient claims administration, has allowed for the continued decrease in assessment rates employers pay on their workers' compensation insurance premiums, which fund the Special Compensation Fund.

**Activity Funding**

The Workers' Compensation Division is funded by an appropriation from the workers' compensation fund. Funding is collected from an insurer premium surcharge, self-insured assessment, recoveries from uninsured employers, fees for copy file review, and registration fees. Penalty dollars collected are deposited into the Assigned Risk Safety Account and are dedicated for workplace safety programs.

**Contact**

For more information, contact the Workers' Compensation Division by phone at (651) 284-5372 or toll-free at 1-800-DIAL-DLI (1-800-342-5354), via e-mail at [dli.workcomp@state.mn.us](mailto:dli.workcomp@state.mn.us) or online at <http://www.dli.mn.gov>.

# LABOR AND INDUSTRY DEPT

## Program: WORKERS COMPENSATION DIVISION

Activity: WORKERS COMPENSATION

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium
	FY2010	FY2011	FY2012	FY2013	2012-13
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Workers Compensation	9,998	11,323	10,659	10,659	21,318
<b>Open Appropriations</b>					
Workers Compensation	70,346	70,467	70,467	70,467	140,934
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	79	28	28	28	56
Workers Compensation	232	365	270	270	540
<b>Total</b>	<b>80,655</b>	<b>82,183</b>	<b>81,424</b>	<b>81,424</b>	<b>162,848</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	8,663	9,266	9,096	9,248	18,344
Other Operating Expenses	1,415	2,211	1,622	1,470	3,092
Payments To Individuals	70,377	70,506	70,506	70,506	141,012
Local Assistance	200	200	200	200	400
<b>Total</b>	<b>80,655</b>	<b>82,183</b>	<b>81,424</b>	<b>81,424</b>	<b>162,848</b>
<b>Full-Time Equivalents (FTE)</b>	<b>121.2</b>	<b>124.3</b>	<b>121.3</b>	<b>121.3</b>	

**Activity at a Glance**

- Jurisdiction of more than 2.6 million Minnesota workers and 168,000 private and public-sector employers
- Conducts 4,200 safety and health inspections and consultations annually
- Responds (within 24 hours) to an average of 20 fatalities each year
- Responds to an average of 500 complaints each year
- Provides annual outreach sessions impacting more than 20,000 employers and employees

**Activity Description**

More than 240 workers are injured at work each day in Minnesota. The Minnesota Occupational Safety and Health Administration (MNOSHA) is striving to eliminate workplace injuries, illnesses, and deaths, so all of Minnesota's workers can return home safely at the end of the workday. To support this vision, MNOSHA 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. MNOSHA compliance and consultation activities are focused toward industries with the highest injury and illness rates. Additionally, MNOSHA provides a network of occupational safety and

health services to assist employers and employees to voluntarily comply with the 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.

**Population Served**

Nearly all Minnesota workers and employers are served by MNOSHA compliance and consultation. With the exception of federal agencies and exclusive federal-jurisdiction properties, all public and private employers in Minnesota are covered under the MNOSHA program. MNOSHA compliance concentrates inspection efforts on high-hazard industries, companies with high workers' compensation injury rates, and employee complaints. MNOSHA consultation efforts focus on small- and medium-sized employers. The results of these combined efforts are demonstrated in the continued decline of Minnesota injury and illness rates.

**Services Provided**

**Inspections and consultations:** On average, MNOSHA compliance investigators conduct 2,500 inspections annually, 500 of these in response to employee complaints. Seventy percent of the inspections conducted result in violations. Approximately 75% of the violations issued are classified "serious." MNOSHA consultants conduct an average of 1,700 free and confidential on-site visits to aid employers in their compliance efforts, hazard recognition, and safety programs. MNOSHA investigates every workplace fatality that has an employer/employee relationship; on average, MNOSHA conducts 20 fatality inspections annually. Penalties are assessed in accordance with state law, including minimum penalties if the violation caused or contributed to the fatality. MNOSHA continues to create incentives for employers to address safety and health issues through strong, fair, and effective enforcement of safety and health regulations. MNOSHA focuses a major portion of its programmed (routine) inspections in emphasis industries identified to have the most impact in reducing injuries, illnesses, and fatalities.

**Discrimination prevention:** Employers are prohibited from discriminating against employees who exercise their rights under the MNOSHA Act. On average, the discrimination unit responds to 150 inquiries and allegations annually. Typically, five cases are found to have merit and are settled without litigation.

**Exemption and recognition programs:** The Minnesota STAR (MNSTAR) program and Minnesota Safety and Health Achievement Recognition Program (MNSHARP) are designed to recognize and promote effective, systematic safety and health management. A hallmark of both MNSTAR and MNSHARP is the principle that management, labor and OSHA work together in a spirit of cooperation and trust in pursuit of a safe and healthful workplace. MNSTAR and MNSHARP worksites have successfully designed, implemented, and continually improved their excellent safety and health management systems. Participants in MNSTAR and MNSHARP have injury and illness rates below the national average for their industry. MNSTAR and MNSHARP participants have reported workers' compensation claims savings of \$1.8 million and \$1.1 million, respectively.

**Outreach and training:** MNOSHA fulfills legislative intent by conducting and participating in workshops and safety conferences to educate employers and employees about workplace safety and health hazards, and the OSHA regulations addressing them. More than 20,000 employees and employers are impacted by more than 600

## LABOR AND INDUSTRY DEPT

**Program:** WORKERS COMPENSATION DIVISION

**Activity:** OSHA SAFETY AND CONSULTATION

Narrative

sessions annually. MNOSHA works closely with leading organizations in the field of workplace safety and health: the Minnesota Safety Council, the Midwest Center for Occupational Health and Safety, the Minnesota Health and Housing Alliance, the Associated General Contractors of Minnesota, Associated Builders and Contractors of Minnesota, and the American Society of Safety Engineers. In addition, MNOSHA conducts five Construction Breakfast seminars annually. The seminars provide a forum for members of the construction trades and their employers to discuss issues and experiences with the presenter, their peers, and MNOSHA investigators. A focus group consisting of representatives from the construction industry, insurance industry, safety directors, and safety consultants works with MNOSHA to select safety topics and presenters for each event. MNOSHA publishes *Safety Lines*, a quarterly newsletter that's online at [www.dli.mn.gov/OSHA/SafetyLines.asp](http://www.dli.mn.gov/OSHA/SafetyLines.asp). Subjects covered in the past year included most frequently cited standards, fatality cases, winter driving, heat stress, fall protection, mobile shelving systems, recordkeeping and statistics, and frequently asked questions.

**Homeland security:** MNOSHA continued to participate on the State Emergency Response Committee addressing topics including H1N1 outbreaks and spring flooding in northwest Minnesota. Revisions to the Minnesota Emergency Operations Plan are submitted annually. Recent editions clarified the responsibilities of MNOSHA and DLI's Construction Codes and Licensing Division.

**Stakeholder service:** Every business day, MNOSHA has three safety and health professionals on duty to answer questions received primarily through phone calls and e-mail. MNOSHA responded to approximately 2,500 phone calls and 4,100 written requests for assistance last year. A majority of these inquiries are answered within one day. Most inquiries were received from employers, consultants, or other individuals requesting safety and health information. The information requested covers a wide variety of topics, which is why MNOSHA continues to use its professional staff to answer these calls. MNOSHA also provides a variety of safety and health information on its Web pages at [www.dli.mn.gov](http://www.dli.mn.gov), including printable handouts and information about its audio-visual library. MNOSHA also provides links to other Web sites where safety and health regulations and other information can be accessed.

**LogSafe:** This program provides safety training to Minnesota loggers. On average, 2,800 employees are trained annually.

**Safety grants:** The Safety Hazard Abatement Grant Program allows businesses to receive matching grants to reduce the risk of injury and illness to its workers. Approximately 200 grants are awarded annually.

### Historical Perspective

In establishing OSHA, Congress specifically encouraged states to develop their own occupational safety and health programs to provide enforcement, research, and compliance assistance activities. The 1970 Occupational Safety and Health Act authorized states to administer a state-operated program for occupational safety and health, provided the programs are "at least as effective" as federal OSHA. Today, there are 27 states and territories that operate a state-plan program for workplace safety and health, and work together through the Occupational Safety and Health State Plan Association (OSHSPA). The MNOSHA program was established by the Minnesota Legislature in 1973, with final approval from federal OSHA in 1985.

As a state-plan state, Minnesota has been able to use a multidisciplinary approach to workplace safety and health to develop state-specific initiatives to enhance the protection of Minnesota workers. A few examples of these state specific initiatives include: A Workplace Accident and Injury Reduction (AWAIR) program (Minnesota Statutes 182.653 subd. 8; Minnesota Rules 5208.1500); Employee Right-to-Know (Minn. Rules Chapter 5206); employer-paid personal protective equipment (M.S. 182.655, subd. 10a); local emphasis programs – state-specific industry or activity targeting programs for compliance and consultation activities; 75/25 program – a penalty-reduction incentive program. MNOSHA has also developed rules about safety committees, recordkeeping, confined spaces in construction, lockout devices in construction, permissible exposure limits, process safety management, and powered industrial trucks.

### Key Activity Goals & Measures

MNOSHA's mission is to improve workplace safety and health by:

- reducing hazards through compliance and consultation inspections;
- reducing the rate of workplace fatalities, injuries, and illnesses across the state of Minnesota;

# LABOR AND INDUSTRY DEPT

**Program: WORKERS COMPENSATION DIVISION**

**Activity: OSHA SAFETY AND CONSULTATION**

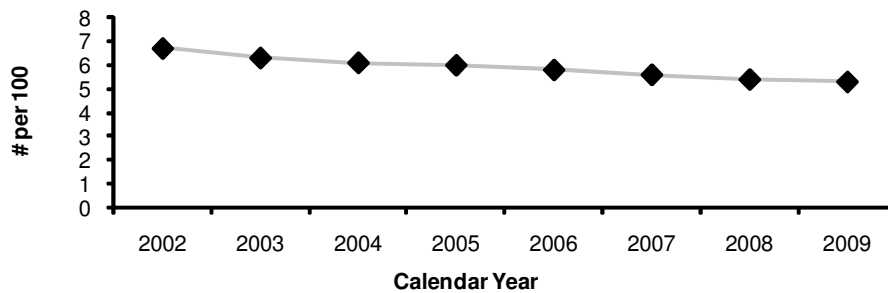
Narrative

- promoting safety and health through inspections, assistance, outreach, and cooperative programs; and
- strengthening effectiveness and efficiency by showing a reduction in injury and illness rates, continuing to increase public confidence.

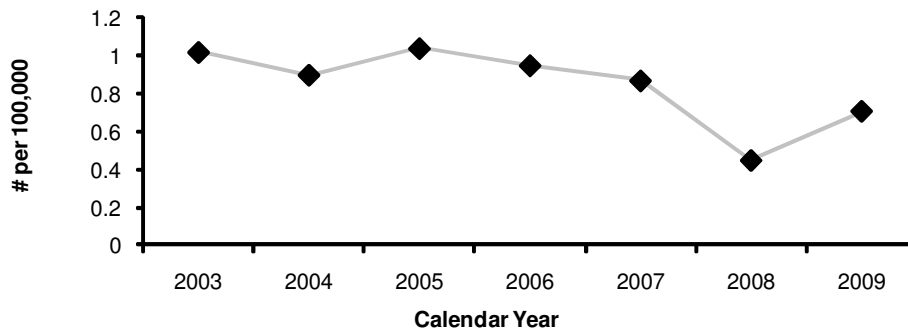
The MNOSHA strategic plan can be found at [www.dli.mn.gov/OSHA/PDF/09-13mnoshaplan.pdf](http://www.dli.mn.gov/OSHA/PDF/09-13mnoshaplan.pdf); MNOSHA's accountability measures can be found at [www.accountability.state.mn.us/Departments/LaborIndustry/Goals.htm](http://www.accountability.state.mn.us/Departments/LaborIndustry/Goals.htm).

The quantity of inspections conducted and the constituents provided with training are critical to the reduction in workplace injuries, illnesses, and fatalities.

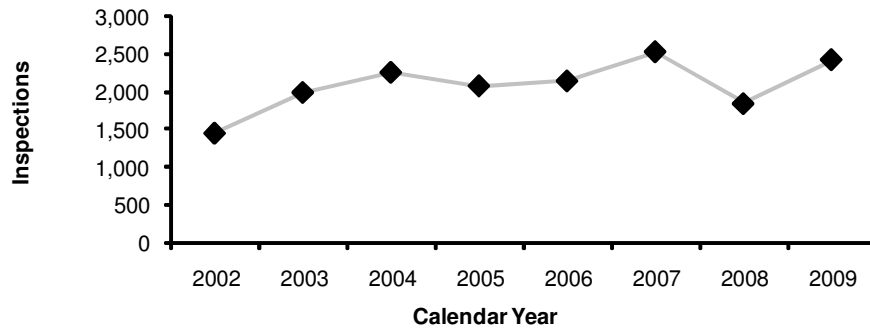
**Workers' Compensation Injuries and Illnesses per 100 Employees, by Year of Injury**



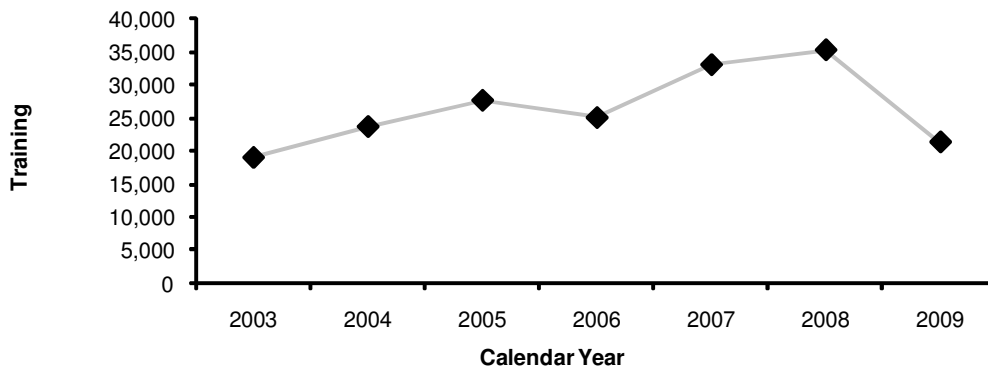
**Workplace Fatalities per 100,000 Jobs, by Calendar Year**



**Number of Programmed OSHA Compliance Inspections**



**Number of Individuals Receiving OSHA Training, by Calendar Year**



**Activity Funding**

Congress established a 50% funding level for states that operate their own OSHA program. There is a 90% federal funding level for states that operate their own consultation program. MNOSHA is financed by a federal grant that is matched with an appropriation from the workers' compensation fund. The Loggers' Safety Education program within consultation is funded by an assessment paid by wood mills. The activity generates non-dedicated revenue for the workers' compensation fund through penalties assessed on employers that are not in compliance with MNOSHA standards.

**Contact**

For more information about compliance, contact MNOSHA Compliance by phone at (651) 284-5050 or toll-free at 1-877-470-OSHA (1-877-470-6742), via e-mail at [osha.compliance@state.mn.us](mailto:osha.compliance@state.mn.us) or online at [www.dli.mn.gov](http://www.dli.mn.gov).

For more information about consultation, contact MNOSHA Workplace Safety Consultation by phone at (651) 284-5060 or toll-free at 1-800-DIAL-DLI (1-800-342-5354), via e-mail at [osha.consultation@state.mn.us](mailto:osha.consultation@state.mn.us) or online at [www.dli.mn.gov](http://www.dli.mn.gov).

# LABOR AND INDUSTRY DEPT

## Program: WORKERS COMPENSATION DIVISION

Activity: OSHA SAFETY AND CONSULTATION

Budget Activity Summary

<i>Dollars in Thousands</i>					
	Current		Forecast Base		Biennium 2012-13
	FY2010	FY2011	FY2012	FY2013	
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Workers Compensation	4,170	4,173	4,173	4,173	8,346
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	3	3	3	3	6
Federal	5,041	5,105	5,096	5,096	10,192
Federal Stimulus	24	142	0	0	0
Workers Compensation	2,854	2,664	2,664	2,664	5,328
<b>Total</b>	<b>12,092</b>	<b>12,087</b>	<b>11,936</b>	<b>11,936</b>	<b>23,872</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	7,442	7,996	7,889	7,889	15,778
Other Operating Expenses	2,859	2,373	2,329	2,329	4,658
Local Assistance	1,791	1,718	1,718	1,718	3,436
<b>Total</b>	<b>12,092</b>	<b>12,087</b>	<b>11,936</b>	<b>11,936</b>	<b>23,872</b>
<b>Full-Time Equivalents (FTE)</b>	<b>98.4</b>	<b>101.9</b>	<b>101.9</b>	<b>101.9</b>	



**Program at a Glance**

- Adopts 28 sets of rules that establish the minimum construction safety standards for the industry in Minnesota
- Reviews building plans on \$532 million worth of construction for code compliance each year
- Provides more than 450,000 code compliance inspections on about 200,000 construction projects annually
- Evaluates and issues 110,000 licenses to individuals and businesses in the construction industry, biannually

**Program Description**

The primary mission of the Construction Codes and Licensing Division (CCLD) is to promote safe, healthy, durable, and energy efficient living, working, and entertainment environments in Minnesota by establishing construction code standards, maintaining consistent administration of construction codes and licensing construction and code professionals. CCLD oversees and administers plan review, permitting, professional licensing, inspections, education, and enforcement activities for all facets of the building construction industry. The program responsibility also includes amusement ride regulation, building damage assessment after natural disasters, and inspection of boats for hire.

**Population Served**

The division serves the citizens of Minnesota and construction industry stakeholders, such as contractors, design professionals, organized labor, building owners, building managers, and municipal officials.

**Services Provided**

CCLD provides the following services:

- **Licensing** administers, issues, and renews 52 types of construction licenses in eight occupational disciplines and provides exemption certificates to independent contractors in the construction industry. The division administers more than 10,000 examinations yearly and tracks fulfillment of continuing education requirements by the appropriate licensees.
- **Enforcement** investigates complaints regarding people licensed by the agency or matters subject to the agency's authority. The division works to resolve complaints and takes disciplinary action against both licensees and unlicensed individuals when violations are proven. The division investigates and monitors proper code enforcement at the local level.
- **The recovery fund** administers the residential contractor recovery fund. This account is funded by a surcharge on licenses for residential contractors and can be accessed to reimburse homeowners who have been harmed by the actions of licensed residential contractors where other means of reimbursement have failed.
- **Inspection** inspects boilers, pressure vessels, high-pressure piping, plumbing systems, electrical systems, elevators, amusement facilities, building components, and state-owned or licensed facilities and schools. Inspections are performed through a permit process to assure safe design, operation, and installation of equipment and piping.
- **Plan review** reviews construction documents for state-owned or licensed facilities, schools, and plumbing systems to ensure compliance of minimum safety standards.
- **Manufactured structures** regulates manufactured housing (mobile homes) and prefabricated commercial and residential structures, and performs plant and dealer lot inspections. The division is the state administrative authority for the federal Department of Housing and Urban Development (HUD).
- **Code development** adopts recognized national codes and standards, and amends specific sections to address industry, legislative, and geographic requirements. The division assists municipalities in code adoption, interpretation, enforcement, and training needs. The division uses stakeholder advisory committees to assist in updating the codes.
- **Training and education** delivers training and educational seminars across the state for stakeholders in the construction industry. The division has responsibility for instructor and program approval when continuing education credit is required for a license category.
- **Boards** provide funding and administrative support to three authoritative industry boards that have authority to adopt rules regulating the plumbing, electrical, and high-pressure-piping industries.
- **Amusement rides** verifies annual inspections of more than 600 amusement rides and inspects more than 400 carnivals and fairs.
- **Natural disaster assistance** conducts damaged building safety evaluations in communities that have undergone a natural wind or flood event, upon request from a local jurisdiction.

**Historical Perspective**

CCLD is the result of a 2005 five-executive-agency consolidation of construction-related codes and licensing activities to provide a one-stop shop for the construction industry in Minnesota. The goals of the consolidation were to improve the effectiveness of state services in the regulation of businesses and individuals through the reduction of duplication and improved coordination in permitting, building plan review, construction inspections, code development, industry education, enforcement, and licensing processes across the entire construction industry. Early post-consolidation efforts involved the elimination of many redundancies by aligning similar functional activities through organizational restructuring and the implementation of a uniform dedicated fee for service funding structure to support all program activities. More recent efforts involve the implementation of integrative automated systems and the complete statutory restructuring of licensing fees and processes to be effective Jan. 1, 2012. These efforts are intended to provide greater transparency, accountability, and service efficiency to regulated entities and citizens. Improved program service capabilities are evolving during a period of severe economic stress in the construction industry.

Current economic conditions have resulted in funding reductions because CCLD relies on dedicate fees from construction activity. Accordingly, CCLD has reprioritized and downsized its program activities. CCLD has focused diminishing resources on critical inspection, plan review, code enforcement, licensing activities, and efficiency improvements to assure citizen safety and continued quality construction in Minnesota while absorbing reductions through program cutbacks and layoffs.

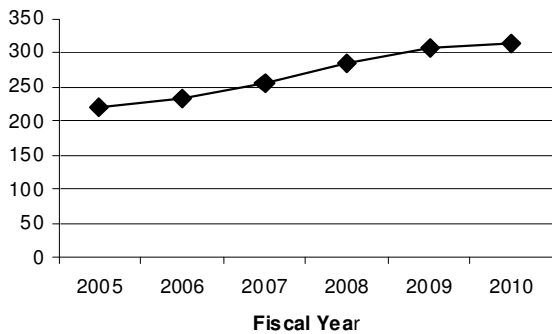
**Key Program Goals & Measures**

CCLD's mission is to:

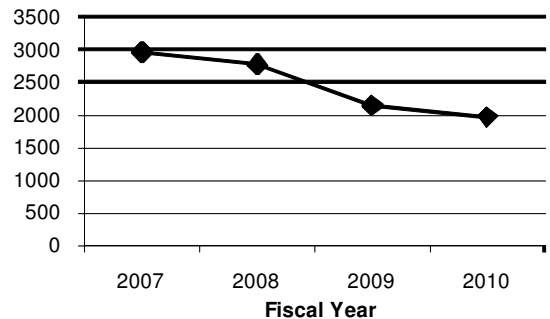
- ensure, through a quality licensure program, that individuals and businesses performing construction and critical building maintenance activities in Minnesota are qualified to deliver high compliance with laws, codes, and standards for occupant health and safety, energy efficiency, and cost effectiveness;
- respond to and resolve formal complaints against the regulated construction industry and licensed individuals to assure construction codes standards are followed and violators are effectively dealt with according to law;
- provide comprehensive plan reviews in a timely basis so buildings and their subsystems are designed to comply with applicable safety codes while contributing to cost-effective construction schedules;
- provide timely inspection of installations to enable related construction and operation to proceed on schedule; and
- provide training to the regulated construction industries to keep them abreast of adopted standards and improve uniformity of compliance and enforcement.

The charts below show the number of plans reviewed.

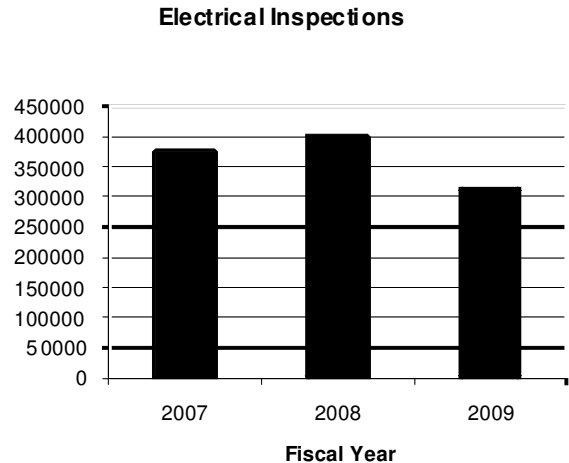
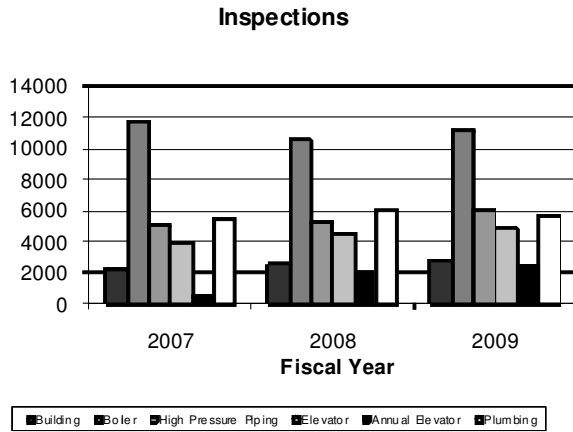
**Building Plans Reviewed**



**Plumbing Plans Reviewed**



The charts below show the number of inspections made. The annual elevator inspection program began in 2007. Electrical inspections are performed under professional technical contracts and not by state employees. Although the number of inspections vary, the administrative/support work by state employees remains more constant.



Boiler inspections are primarily performed on existing objects and are impacted more by the general economy than by construction economy trends.

**Program Funding**

CCLD is funded through a special revenue fund and operates on a fee-for-service model. Fees are collected from the industry stakeholders and deposited in the Construction Code Fund established in the state treasury. Fees collected are used to fund the direct services provided.

**Contact**

For more information, contact CCLD by phone at (651) 284-5012 or 1-800-DIAL-DLI (1-800-342-5354), via e-mail at [dli.communications@state.mn.us](mailto:dli.communications@state.mn.us) or online at [www.dli.mn.gov](http://www.dli.mn.gov).

# LABOR AND INDUSTRY DEPT

Program: CONSTRUCTION CODES & SERVICES

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2012-13
	FY2010	FY2011	FY2012	FY2013	
<b><u>Expenditures by Fund</u></b>					
<b>Statutory Appropriations</b>					
State Government Spec Revenue	22,603	23,257	21,520	21,759	43,279
Miscellaneous Special Revenue	3,093	3,239	3,531	3,531	7,062
Workers Compensation	317	213	0	0	0
<b>Total</b>	<b>26,013</b>	<b>26,709</b>	<b>25,051</b>	<b>25,290</b>	<b>50,341</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	10,923	11,250	9,914	10,153	20,067
Other Operating Expenses	15,027	15,459	15,137	15,137	30,274
Local Assistance	63	0	0	0	0
<b>Total</b>	<b>26,013</b>	<b>26,709</b>	<b>25,051</b>	<b>25,290</b>	<b>50,341</b>
<b><u>Expenditures by Activity</u></b>					
Construction Codes & Services	26,013	26,709	25,051	25,290	50,341
<b>Total</b>	<b>26,013</b>	<b>26,709</b>	<b>25,051</b>	<b>25,290</b>	<b>50,341</b>
<b>Full-Time Equivalent (FTE)</b>	<b>129.9</b>	<b>127.1</b>	<b>112.9</b>	<b>112.9</b>	

**Program at a Glance**

- Provides support to approximately 460 agency employees located statewide
- Administers \$134 million budget (FY 2010)
- Facilitates nearly 5.3 million Web hits (CY 2009)
- Maintains workplace injury survey response rate of 100%
- Responds to 120 requests for statistical data annually
- Represents DLI programs in more than 480 legal cases annually

**Program Description**

The General Support Division supports internal customers in the following management areas

- policy development, research and statistics;
- information technology;
- legal advice and litigation;
- financial management;
- communications; and
- human resources.

**Population Served**

This division serves agency programs that focus on the needs of workers, builders, building owners, and employers in Minnesota.

**Services Provided**

The **Policy Development, Research and Statistics** unit collects, analyzes, and reports workplace safety, workers' compensation, and workplace standards data. To assist in creating safer workplaces, it surveys employers to estimate work-related injury and illness rates. The unit annually produces three major statistical reports and conducts performance measurement, customer satisfaction surveys, and policy research.

The **Information Technology Services** unit provides technology to support agency operations. With the security of department data a priority, work includes hardware and software support of the agency's major applications and the equipment used by employees. The unit works cooperatively with the Office of Enterprise Technology and other state agencies to accomplish technological efficiencies.

The **Office of General Counsel** provides legal services primarily to the Commissioner's Office and other agency staff members to ensure: decision-making is legally informed; information the agency disseminates is legally accurate; proposed rules and legislation comply with the law, are clearly drafted, and are reasonable; the agency's investigations are conducted in accordance with applicable law; the agency's enforcement actions are resolved effectively, whether by settlement or litigation; and the workers' compensation fund's liabilities for second-injury, supplementary benefits, and uninsured claims are appropriately defended. The *Office of General Counsel* also provides legal advice to the Plumbing Board, the Board of Electricity, and the Board of High Pressure Piping Systems.

The **Financial Services** unit provides financial management services, including budgeting, accounts payable, accounts receivable, cashier, payroll, purchasing, and financial reporting. Fee reviews are conducted to ensure proper collection of revenues and expenditures. The unit also collects the annual assessment and pays all benefits for the workers' compensation fund.

The **Communications** unit manages the agency's communications program, including all internal and external publications, media relations, and Internet/intranet pages.

The **Human Resources** unit manages the following functions to ensure a productive and inclusive workforce and work environment exists: workforce and strategic planning; organizational development consultation; performance management; labor relations; contract administration and negotiation; employee development, recruitment and staffing; job evaluation and classification; compensation; benefits administration; employee safety and health; workers' compensation; and equal employment and affirmative action.

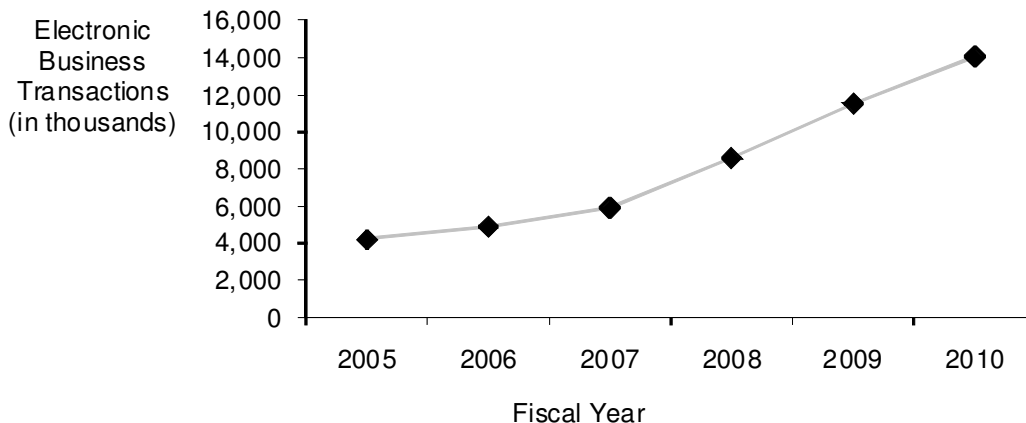
**Key Program Goals & Measures**

The General Support Division provides leadership and support to agency programs so they can be successful. Activities are customized to meet the unique needs of each activity while assuring adherence to statewide and agency standards for performance, management, and documentation of decisions made. Critical goals are to

- develop and adhere to operating policies and services that meet or exceed statewide standards and policies;

- create and offer utility services within the agency to meet particular program goals as efficiently as possible while adhering to accepted audit standards;
- manage agency resources in as transparent a manner as possible to assure stakeholders our stewardship of their investments is sound; and
- create opportunities for electronic government transactions to assure existing resources can meet the unique needs of citizens.

**Expanding Electronic Business Transactions**



**Program Funding**

The General Support Division is financed by an appropriation from the workers' compensation fund and indirect cost revenue recovered from the agency's other programs. The program also administers two federal research grants from the Bureau of Labor Statistics.

**Contact**

For more information, contact DLI Communications by phone at (651) 284-5313 or 1-800-DIAL-DLI (1-800-342-5354), via e-mail at [dli.communications@state.mn.us](mailto:dli.communications@state.mn.us) or online at <http://www.dli.mn.gov>.

# LABOR AND INDUSTRY DEPT

Program: GENERAL SUPPORT DIVISION

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium
	FY2010	FY2011	FY2012	FY2013	2012-13
<b><u>Direct Appropriations by Fund</u></b>					
<b>Workers Compensation</b>					
Current Appropriation	5,981	5,981	5,981	5,981	11,962
<b>Technical Adjustments</b>					
Approved Transfer Between Appr			58	58	116
<b>Forecast Base</b>	<b>5,981</b>	<b>5,981</b>	<b>6,039</b>	<b>6,039</b>	<b>12,078</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
Workers Compensation	5,473	6,605	6,039	6,039	12,078
<b>Open Appropriations</b>					
Workers Compensation	186	256	256	256	512
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	2,797	2,919	2,919	2,919	5,838
Federal	143	154	152	152	304
<b>Total</b>	<b>8,599</b>	<b>9,934</b>	<b>9,366</b>	<b>9,366</b>	<b>18,732</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	6,992	7,383	7,383	7,383	14,766
Other Operating Expenses	1,607	2,551	1,983	1,983	3,966
<b>Total</b>	<b>8,599</b>	<b>9,934</b>	<b>9,366</b>	<b>9,366</b>	<b>18,732</b>
<b><u>Expenditures by Activity</u></b>					
General Support Division	8,599	9,934	9,366	9,366	18,732
<b>Total</b>	<b>8,599</b>	<b>9,934</b>	<b>9,366</b>	<b>9,366</b>	<b>18,732</b>
<b>Full-Time Equivalent (FTE)</b>	<b>80.0</b>	<b>80.5</b>	<b>79.5</b>	<b>79.5</b>	

**Program at a Glance**

FY 2009

- Investigated 487 cases of labor law compliance and processed 1,106 wage claims
- Responded to 24,177 calls and e-mail messages
- Registered 11 new and monitored 300 current sponsors of apprenticeship training
- Managed 7,219 apprentices in training, including 1,130 women and people of color
- Worked with 95 approved veterans receiving GI benefits

**Program Description**

The Labor Standards and Apprenticeship unit administers and enforces Minnesota laws affecting employee wages, child labor, prevailing wage, and fee employment agencies. The unit promotes, develops, approves, and monitors registered apprenticeship training programs in Minnesota workplaces. This unit provides education and outreach activities to the population served. The unit ensures employers pay employees for all hours worked, ensures accurate and timely prevailing-wage rates are set for state-funded construction projects, and ensures fee employment agencies comply with the laws governing them. It also conducts yearly technical assistance visits to training sites to make certain that apprenticeship programs are meeting agreed-upon training standards while producing a highly

skilled workforce. The authority for these activities comes from Minnesota Statutes Chapter 177 (Minnesota Fair Labor Standards Act), M.S. Chapter 181 (Employment), M.S. Chapter 181A (Child Labor Standards Act), M.S. Chapter 184 (Employment Agency), and M.S. Chapter 178 (Apprentice Training).

**Population Served**

This unit serves Minnesota employees and employers, labor organizations, schools, state agencies, and local units of government preparing clients for entry in employment. The unit also assists community-based organizations receiving Labor Education Advancement Program (LEAP) grants to promote apprenticeship opportunities to women and people of color.

**Services Provided**

The primary activities of the unit are enforcement, education, licensing, and surveying for wage data.

- Enforcement methods include investigation, mediation, on-site inspection, and issuance of penalties and fines.
- Education methods include interpreting statutes and rules; providing brochures and posters to employers and employees; and participating in speaking engagements and outreach activities to employee and employer organizations, schools, and other state agencies. Telephone calls, correspondence, and e-mail to the unit can result in either an enforcement action or an educational opportunity.
- Employment agencies complete a process for licensing.
- Three surveys are conducted to set prevailing-wage rates.
- The unit also provides consultative services to all employers interested in developing and maintaining apprenticeship training standards in Minnesota. The unit provides technical assistance to registered apprentices, assists apprentices in maintaining the agreed upon condition of their employment throughout the training program, and promotes the concept of apprentice training to all employers wishing to use the apprenticeship model to train current and future employees.

**Key Program Goals & Measures**

The unit goals are to ensure workplaces operate within the requirements of Minnesota labor laws and apprenticeship training grows as an effective work-to-learn strategy.

The four key performance measures in the Labor Standards and Apprenticeship program are:

- 1) the number of complaints investigated (prevailing wage, minimum wage, overtime, child labor);
- 2) the number of wage claims processed;
- 3) the number of customer contacts; and
- 4) the number of apprentices in training and apprenticeship completions.



# LABOR AND INDUSTRY DEPT

Program: LABOR STANDARDS & APPRENTICESP

Narrative

1. To ensure the timely and accurate payment of wages for all hours worked by employees in Minnesota, the unit investigates complaints in accordance with the Minnesota Fair Labor Standards Act (M.S. Chapter 177). It also ensures the safety and well being of employed minors; the unit investigates complaints and issues penalty violations in accordance with the Minnesota Child Labor Standards Act (M.S. Chapter 181A).

Key measure (1)	FY 2006	FY 2007	FY 2008	FY 2009
Cases opened	236	343	463	456
Cases closed	215	331	466	487

2. The unit ensures timely payment of wage claims (final paycheck disputes) in accordance with M.S. Chapter 181.

Key measure (2)	FY 2006	FY 2007	FY 2008	FY 2009
Wage claims opened	142	728	1,097	1,110
Wage claims closed	132	647	1,090	1,106

3. To ensure employers and employees know and understand their responsibilities and the rights of employees in the workplace, the unit responds to telephone calls, e-mail messages, and correspondence, and conducts education and outreach activities.

Key measure (3)	FY 2006	FY 2007	FY 2008	FY 2009
Telephone calls and e-mail messages	24,725	26,445	26,292	24,177
Education and outreach activities (presentations, etc.)	121	112	102	80
Distribution of all (including translated) informational materials	53,000	60,260	69,562	59,102

4. The unit ensures participants in registered apprenticeship programs are provided the technical support in maintaining the apprenticeship agreement to maximize the opportunity for completion of the apprenticeship-training program.

Key measure (4)	FY 2006	FY 2007	FY 2008	FY 2009
Total apprentices in training	8,359	9,103	9,429	7,219
Total apprenticeship completions	1,343	1,517	1,326	1,163

## Program Funding

The Labor Standards activity is financed by an appropriation from the general fund. The activity collects revenue from:

- the licensing of fee employment agencies; and
- fines assessed for violations of the Child Labor Act and Minnesota Fair Labor Standard Act.

The activity also collects back-wages owed to employees by employers. These funds are remitted to the employees.

The Apprenticeship activity is funded from an appropriation from the workforce development fund.

## Contact

For more information, contact Labor Standards and Apprenticeship by phone at (651) 284-5005 or 1-800-DIAL-DLI (1-800-342-5354), by e-mail at [dli.laborstandards@state.mn.us](mailto:dli.laborstandards@state.mn.us) or online at <http://www.dli.mn.gov>.

# LABOR AND INDUSTRY DEPT

Program: LABOR STANDARDS & APPRENTICESP

Program Summary

<i>Dollars in Thousands</i>					
	<b>Current</b>		<b>Forecast Base</b>		<b>Biennium</b>
	<b>FY2010</b>	<b>FY2011</b>	<b>FY2012</b>	<b>FY2013</b>	<b>2012-13</b>
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	860	860	860	860	1,720
<b>Forecast Base</b>	<b>860</b>	<b>860</b>	<b>860</b>	<b>860</b>	<b>1,720</b>
<b>Workforce Development</b>					
Current Appropriation	1,029	1,029	1,029	1,029	2,058
<b>Forecast Base</b>	<b>1,029</b>	<b>1,029</b>	<b>1,029</b>	<b>1,029</b>	<b>2,058</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	761	959	860	860	1,720
Workforce Development	875	1,183	1,029	1,029	2,058
<b>Statutory Appropriations</b>					
Federal	10	98	97	97	194
Miscellaneous Agency	115	16	15	15	30
<b>Total</b>	<b>1,761</b>	<b>2,256</b>	<b>2,001</b>	<b>2,001</b>	<b>4,002</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	1,158	1,387	1,386	1,386	2,772
Other Operating Expenses	493	769	515	515	1,030
Local Assistance	110	100	100	100	200
<b>Total</b>	<b>1,761</b>	<b>2,256</b>	<b>2,001</b>	<b>2,001</b>	<b>4,002</b>
<b><u>Expenditures by Activity</u></b>					
Labor Standards & Apprenticesp	1,761	2,256	2,001	2,001	4,002
<b>Total</b>	<b>1,761</b>	<b>2,256</b>	<b>2,001</b>	<b>2,001</b>	<b>4,002</b>
<b>Full-Time Equivalents (FTE)</b>	<b>16.6</b>	<b>16.6</b>	<b>15.6</b>	<b>15.6</b>	

**LABOR AND INDUSTRY DEPT**

Agency Revenue Summary

*Dollars in Thousands*

	<b>Actual FY2010</b>	<b>Budgeted FY2011</b>	<b>Current Law</b>		<b>Biennium 2012-13</b>
			<b>FY2012</b>	<b>FY2013</b>	
<b><u>Non Dedicated Revenue:</u></b>					
<b>Departmental Earnings:</b>					
General	4	2	2	2	4
Workers Compensation	633	576	576	576	1,152
<b>Other Revenues:</b>					
General	14,019	27	27	27	54
State Government Spec Revenue	1	0	0	0	0
Workers Compensation	94,570	95,857	95,857	95,857	191,714
<b>Total Non-Dedicated Receipts</b>	<b>109,227</b>	<b>96,462</b>	<b>96,462</b>	<b>96,462</b>	<b>192,924</b>
<b><u>Dedicated Receipts:</u></b>					
<b>Departmental Earnings:</b>					
State Government Spec Revenue	24,187	24,521	22,812	23,012	45,824
Miscellaneous Special Revenue	3,443	3,300	3,510	3,510	7,020
Workers Compensation	3,537	3,084	3,084	3,084	6,168
<b>Grants:</b>					
Federal	5,167	5,345	5,345	5,345	10,690
Federal Stimulus	24	142	0	0	0
<b>Other Revenues:</b>					
State Government Spec Revenue	89	96	96	96	192
Miscellaneous Special Revenue	2,198	2,977	2,977	2,979	5,956
Workers Compensation	34	50	50	50	100
Miscellaneous Agency	114	10	15	15	30
<b>Total Dedicated Receipts</b>	<b>38,793</b>	<b>39,525</b>	<b>37,889</b>	<b>38,091</b>	<b>75,980</b>
<b>Agency Total Revenue</b>	<b>148,020</b>	<b>135,987</b>	<b>134,351</b>	<b>134,553</b>	<b>268,904</b>