

## **KH Talking Points for FY 2024 Operating Budget Request for DOL**

**November 15, 2022**

- Good afternoon, Director Cade, staff, and members of the public.
- I want to thank you for this opportunity to present the Department of Labor's Fiscal Year 2024 budget request.
- Our request, and discussion today will focus on the department's growing need for support in the areas of general stakeholder communication and outreach efforts to inform job seekers, workers, employers, and others about the opportunities available to them through utilization of our services.
- I would also like to share some information about emerging one-time and ongoing needs facing the Department
- Our mission at the department is to connect people to jobs, resources, monetary benefits, workplace protections and labor market information to promote financial independence, workplace justice and a strong economy for Delaware.
- We have done this reliably for decades benefitting workers and employers alike.
- But the last three years have created a significant upheaval in Delaware's employment climate.
- As Delawareans have begun to recover from a once-in-a-lifetime employment disruption – Delaware's employment landscape is faced with new and unexpected challenges.
- Many of those challenges facing our stakeholders and service population are connected to the unique combination of people simultaneously experiencing information overload about the employment arena AND a dearth of targeted and specific information that can help individuals navigate an often complex employment environment.
- As you know, there are more job openings than there are unemployed people to fill them in Delaware.
- Our job at the Delaware Department of Labor is to provide workplace education, information, and training services for stakeholders across the state.

- It is clear that DOL has a role in helping to bridge the gap between workers and the employers who need talent, and we take that role seriously.
- For years, DOL has been known as the Unemployment Office and during the pandemic, that notion was continually reinforced. DOL has so much more to offer to Delawareans in terms of upskilling for better jobs, providing worker protections, assisting with pardon and expungement services and securing employment for the disabled. Unfortunately, many just aren't aware of how we can help them. As a result, we are committed to increasing the level of communications, marketing, branding, and advertising capacity at the DOL to adequately address the challenges facing workers and employers.
- To that end, I'd like to share the details of our department's request.
  - We seek to increase the contractual line in the Office of Administration by \$120,900. These funds will be used to fill existing gaps in our cross divisional activities. The lions share of these funds would be used to assist in our communications and outreach efforts.
  - Our next requests reflect the need to support an increase in salary and other costs in the Division of Industrial Affairs. They are :
  - \$66,000 in general funds for the annualization of 3 FTE's that were added to the FY23 budget to support Senate Bill 35 in the Division of Industrial Affairs.
  - \$236,000 in Spending Authority, to address salary increases in the office of Workers Compensation.
  - \$23,500 to support Indirect Costs associated with the salary increases during the course of FY 2021, FY 2022 and FY 2023.
  - \$65,000 in Spending Authority to support the increase in fringe benefits as well as the reconstruction of pay tables that took effect for FY 2023.
  - And \$28,000 to support the additional costs associated with the increase of a state match.
  - In addition, we are requesting \$101.6 for a Deputy Director position that will be supported by NSF funding for the Division of Unemployment Insurance.

- Next, we request \$216.7 to help offset increases to state pay policy as expenditures have exceeded our spending authority totals for the past two years.
- Finally, we are seeking a Senior Accountant position Paygrade 11 to support Office of Administration, Office of the Secretary, OOLMI and the Division of Family and Medical Leave.

I would briefly like to address emerging requests for funding that are critically needed to ensure continued operations, some one-time, others are involving ongoing expenses. They are as follows:

- \$180,000 for Security Enhancements for Facilities
  - \$2,000,000 to fully replace furniture and failing electrical connectivity in the Newark, DE location
  - \$400,000 for Additional Contractual in the Office of Administration
  - \$640,000 for 6 NSF FTEs for Industrial Affairs supported by Contractor Registration fees (including a DAG)
  - \$282,000 for licenses for Unemployment Insurance for phone system and customer management system that managed increased customer contact.
- Once again, I thank you for the opportunity to share our Departmental requests and I look forward to answering any questions you may have.

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