MINUTES OF THE MEETING OF THE
ASSEMBLY COMMITTEE ON WAYS AND MEANS
AND
SENATE COMMITTEE ON FINANCE
SUBCOMMITTEES ON HUMAN SERVICES

Seventy-Eighth Session
March 18, 2015

The joint meeting of the Assembly Committee on Ways and Means and Senate Committee on Finance Subcommittees on Human Services was called to order by Chair James Oscarson at 8:10 a.m. on Wednesday, March 18, 2015, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website: www.leg.state.nv.us/App/NELIS/REL/78th2015. In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblyman James Oscarson, Chair
Assemblywoman Jill Dickman, Vice Chair
Assemblyman Derek Armstrong
Assemblywoman Maggie Carlton
Assemblyman John Hambrick
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman Michael C. Sprinkle
Assemblywoman Robin L. Titus

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Mark Lipparelli, Chair
Senator Ben Kieckhefer
Senator Aaron D. Ford

Minutes ID: 522

STAFF MEMBERS PRESENT:

Stephanie Day, Principal Deputy Fiscal Analyst
Brody Leiser, Program Analyst
Jennifer Ouellette, Program Analyst
Janice Wright, Committee Secretary
Cynthia Wyett, Committee Assistant

The Committee Assistant called the roll, and all members were present.

Chair Oscarson reminded the Subcommittees, witnesses, and audience members of the rules and protocol.

Chair Oscarson opened the hearing for public comment. Hearing no public comment, he closed the public comment portion of the hearing and opened the budget hearing for the Department of Employment, Training and Rehabilitation (DETR).

Don Soderberg, Director, Department of Employment, Training and Rehabilitation, introduced his staff and explained who would present each specific budget account. He noted that the Employment Security Division (ESD) provided unemployment insurance and employment services.

Mark Costa, Chief Financial Officer, Department of Employment, Training and Rehabilitation, provided a summary of the budget of DETR and presented Exhibit C, "2015-2017 Biennium Governor Recommends Executive Budget." He referred to slide 4 of Exhibit C that listed the divisions in DETR, the full-time-equivalent (FTE) positions, and the budget accounts. The agency was divided into four main units: the Rehabilitation Division, the Employment Security Division, the Nevada Equal Rights Commission, and Administrative Services. He pointed out that the Employment Security Division proposed to eliminate 50 FTE positions. The reduction of 36 FTEs would occur in fiscal year (FY) 2016, and an additional 14 FTEs would be eliminated in FY 2017.

Mr. Costa advised that slide 5 of Exhibit C provided an overview of the financial status of the entire Department. One new FTE position was requested in budget account (BA) 3270 for the Nevada P20 workforce information system, and one new FTE compliance investigator (for minor cases) was requested in BA 2580 for the Nevada Equal Rights Commission. The Employment Security Division requested 62 intermittent positions.

Mr. Costa explained slide 6 of Exhibit C showed that the State General Fund contributed 3.5 percent of the total revenue for DETR, and federal funding was contributed by the U.S. Department of Labor, Equal Employment Opportunity Commission, and the U.S. Department of Education and comprised 66.5 percent of DETR's revenues. A variety of other funds contributed 30 percent to DETR's revenues and would be discussed more specifically by each individual division representative. Mr. Costa referred to slide 7 of Exhibit C that showed how the funding was spent by DETR.

Mr. Costa reported that the Employment Security Division (ESD) spent 56 percent of the total DETR funding. Budget account 4770 was the main operating budget for ESD as shown on slide 9 of Exhibit C, and BA 4771 was the ESD special revenue account. Fifty full-time-equivalent (FTE) positions would be eliminated in the 2015-2017 biennium in ESD, and 62 intermittent positions would be hired as needed.

Mr. Costa advised that DETR reduced its request for intermittent positions by 126 positions. No General Funds were provided to BA 4770 or BA 4771. Budget account 4770 received grants from the U.S. Department of Labor and BA 4771 received $150,000 from Reed Act funds. Career enhancement program funds generated substantial revenue for BA 4770 and a variety of other revenue sources contributed funding for BA 4770 and BA 4771.

Mr. Costa referred to slide 10 of Exhibit C that showed details of BA 2580 for the Nevada Equal Rights Commission (NERC). The agency had 16 FTE positions and requested a new compliance investigator for minor cases position. The Commission received 72 percent of its funding from the General Fund. The agency also received $882,761 from a contract with the Equal Employment Opportunity Commission (EEOC) as reimbursement for the cases closed.

Mr. Costa referred to slide 11 of Exhibit C that showed details of BA 3272 for the Administrative Services, BA 3274 for the Information Development and Processing unit, and BA 3270 for the Nevada P20 Workforce Reporting project. Budget account 3272 and BA 3274 were funded from cost-allocation revenues. The Department eliminated eight FTE positions in BA 3272 and two FTE positions in BA 3274. Two FTE positions were transferred from BA 3272 to BA 3273, the Research and Analysis Bureau, to work with the private sector councils for the Governor's Workforce Investment Board. Budget account 3270 was the new Nevada P20 account that included the new FTE position requested.

In response to a question from Assemblywoman Titus about penalties in the amount of $1,240,031 in the Employment Security-Special Fund, BA 4771, Mr. Costa replied that the penalties and interest resulted from employers who filed late tax returns. Assemblywoman Titus wondered whether DETR did anything to remediate penalties, and Mr. Costa replied that Renee Olson would explain penalties, but the amount had been stable over the years.

In response to a question from Senator Ford about proposed legislation for equal pay enforcement, Mr. Soderberg clarified that the new FTE position would not perform equal pay enforcement duties but would work at the Nevada Equal Rights Commission (NERC) and specialize in youth problems.

Senator Ford said if a bill for equal pay was approved, he wondered whether DETR would return before the end of the 2015 Session to augment its request and add new FTE positions.

Mr. Soderberg replied DETR had a number of bills pending related to equal pay enforcement. If the bills were approved, it might increase DETR's workload, but he could not calculate the effect. He believed that DETR would not return during the 2015 Session to request more FTE positions. The passage of any bills would probably require 12 to 18 months for DETR to determine the effects of the new legislation and build the changes into the 2017-2019 biennium budget.

HUMAN SERVICES
EMPLOYMENT, TRAINING AND REHABILITATION
DETR - EMPLOYMENT SECURITY (205-4770)
BUDGET PAGE DETR-42

Renee Olson, Administrator, Employment Security Division (ESD), Department of Employment, Training and Rehabilitation, presented budget account (BA) 4770. She explained that the penalties and interest projected in the budget were based on historic collection rates. The ESD had a good collection record with employers. Penalties and interest were charged when employers paid taxes late or had some other payment problem. A small amount of penalties resulted from benefit recipients who received overpayments and repaid the debt. The total amount of penalties varied slightly from year to year. During the recent recession, the penalties decreased slightly because ESD covered fewer employers, resulting in fewer penalties assessed. Ms. Olson believed improvement in the economy might result in an increase in employers.

Assemblywoman Titus expressed concern that penalties were expected and budgeted as a revenue source. She suggested that ESD not expect to earn penalties and look for ways to remediate the payment of penalties. If ESD performed its job correctly, then no employers would pay penalties. She thought that employers should be taught how to pay correctly, and ESD should not depend on an amount of penalties every year.

Ms. Olson referred to slide 15 of Exhibit C, "2015-2017 Biennium Governor Recommends Executive Budget," and stated that ESD was charged with two program responsibilities: the administration of the unemployment insurance (UI) program and workforce development services.

Ms. Olson said the UI program was a federal program established under the Social Security Act of 1935 operated by the states. The UI program was created to stabilize the economy by providing temporary cash benefits to individuals who were unemployed through no fault of their own, allowing them to pay for basic financial needs while searching for employment. The UI benefits helped maintain an individual's purchasing power and were spent on necessities such as food, fuel, and housing. The UI benefits provided an important stimulus to the local economy. Studies estimated that every $1 paid in UI benefits generated approximately $2 in economic activity. Since the start of the recent recession, federal and state UI benefits added approximately $8 billion to the economy. The ESD currently paid approximately $7 million per week to 30,000 claimants.

Ms. Olson said the two primary activities organized under the UI program were the collection of employer contributions deposited in the Unemployment Trust Fund and the payment of UI benefits from the Unemployment Trust Fund. The goal for the contributions activity was to create a fair and effective tax system for employers that ensured sufficient funds were available to pay benefits. The goal for the benefits activity was to provide timely and accurate payments of UI benefits for job seekers.

Ms. Olson noted the child support intercept program complemented the payment of UI benefits. The ESD collected child support payments due from parents identified by the child support enforcement unit of the Division of Welfare and Supportive Services, Department of Health and Human Services. The ESD compared the names of persons collecting UI benefits and intercepted some of the UI funds to pay for child support. The ESD also administered the state and national new hire database. Employers were required to report hiring activity, and ESD entered wage data into the database. Those two activities identified individuals who could return to work, start paying child support, and might no longer qualify for UI benefits.

Ms. Olson reported that ESD was given authority in 2013 to refinance the Unemployment Trust Fund debt by issuing special revenue bonds. The sale of those bonds was successful, and ESD collected special assessments from employers in the repayment phase. To date, a ten-person staff collected $157 million in bond assessments to cover principal, interest, and reserves from approximately 62,000 employers statewide. Approximately $26 million was paid in interest and $72 million was paid in principal payments. The remaining principal balance was $410 million. The maturity date of those bonds was June 1, 2018. There was a call feature on the last series of bonds to allow ESD to repay the bonds by December 1, 2017. The ESD was building the reserves needed to repay those bonds six months early.

In response to a question from Senator Kieckhefer about the bond payments, Ms. Olson responded that the bond payments were supposed to be incorporated into the UI modernization project. The ESD had not completed the tax portion of the project and learned that incorporating the bond payments required expensive programming. The ESD decided to manually process the payments.

In response to a question from Senator Kieckhefer about the costs of doing the work manually, Ms. Olson responded that ESD budgeted each year to support the ten FTEs to process bond payments. To date, ESD had spent $650,000 to process bond payments, and that expense had eroded the savings originally projected for employers. Ms. Olson regretted the reduction in savings as originally predicted, but she believed ESD was saving employers' money through the process.

Senator Kieckhefer asked about the estimate of savings at the end of the program when the bonds were fully repaid. He wondered about the comparison of the actual savings to what savings were originally anticipated.

Ms. Olson responded that the original estimates predicting the present value of savings was in the range of $24 million, and the actual savings might be closer to $18 million, but she agreed to follow up with data to the Subcommittees. The ESD requested authority from the Interim Finance Committee (IFC) to hire additional staff and estimated the cost of the bond collection over the next few years would be about $2 million under a worst-case scenario.

Chair Oscarson said ESD provided information on March 14, 2015, to the staff of the Fiscal Analysis Division, Legislative Counsel Bureau. He understood the two agencies worked well together. He asked for details about the base adjustment in The Executive Budget and an amendment to the budget that would reverse the adjustment.

Ms. Olson responded that The Executive Budget initially included a base adjustment to establish the amount of estimated federal revenues based on the most current notice of grant award. Each decision unit was then subsequently funded through an offset to the budget's reserve. The budget amendment would reverse this approach and identify the specific funding sources for each decision unit without using the reserve. The federal funding was reduced, and ESD was informed the original budget was not an appropriate presentation of how the funding worked. The amendment repositioned the funding throughout the decision units to account for the federal versus reserve funding.

Chair Oscarson asked when the final numbers would be provided to Fiscal staff.

Mark Costa, Chief Financial Officer, Department of Employment, Training and Rehabilitation, replied that the budget amendment was submitted on March 17, 2015, with the latest figures.

Ms. Olson continued by explaining a cooperative initiative existed between the main programmatic groups within ESD related to the reemployment eligibility assessment and the reemployment services programs. The ESD combined several workforce programs to create a workforce development and training services unit. The ESD provided integrated program services through Nevada JobConnect established by the Governor's Workforce Investment Board under the federal Workforce Reinvestment Act (WIA) of 1998 that was reauthorized July 2014 and was now called the Workforce Innovation and Opportunity Act (WIOA). The ESD worked with other state agency partners, the Office of the Governor, and state and local workforce boards to redesign and align services under the new federal law.

Ms. Olson explained JobConnect offices were located throughout the state and were part of the network branded by the U.S. Department of Labor as the American Job Center Network. The ESD was a partner in the American Job Center Network operated by a local workforce investment board in southern Nevada. The local JobConnect system maintained a statewide labor exchange created under the Wagner-Peyser Act of 1933, as amended by the

Workforce Investment Act of 1998. The Wagner-Peyser Act of 1933 funded a system of state employment offices throughout the country, and the services were provided at no charge to employers or job seekers. The goal was to connect employers with qualified employees through employer hiring events, job postings, candidate screenings for employers, and job referrals for job seekers.

Ms. Olson advised that ESD managed a veteran's employment and services program designed to assist veterans to overcome the most significant barriers to employment. Veterans received priority services in the local offices and could access any of the employment programs available. Silver State Works was a hiring and on-the-job training incentive program offered to employers who hired eligible workers, including veterans, UI benefit claimants, vocational rehabilitation clients, Temporary Assistance for Needy Families (TANF) recipients, older youth between 18 and 21 years of age, and ex-felons.

Ms. Olson said the career enhancement program (CEP) was an employer-funded reemployment and training program that provided job seekers job assistance, development skills, and reemployment services to return to work. The CEP program paid for staff in local offices that provided intensive employment services to job seekers, including individual reemployment plans, to overcome barriers to employment. Other services might include vocational and short-term training, resume development assistance, job search workshops, coaching, aptitude and skills proficiency testing, vocational guidance, counseling, and assistance with job-related expenses such as certifications, work permits, uniforms, and small tools. The CEP funds could also pay for workforce development programs and tools, including the Silver State Works program and the ACT National Career Readiness Certificate.

Ms. Olson referred to slide 16 of Exhibit C and said the reemployment assessment (REA) program and reemployment services (RES) program were two separate programs with separate funding sources that Nevada had merged to create one program (REA/RES). The federally funded portion of the program was the reemployment assessment program. After receiving UI benefits for one week, claimants were randomly selected to appear for a mandatory interview to review their UI eligibility. For example, the counselor might check on the progress of the claimants' work search. In addition to the eligibility review, counseling and assistance with the various reemployment services were offered through the Nevada JobConnect program. The reemployment focus was funded with career enhancement program funds.

Ms. Olson said the results of the Nevada-designed program were impressive. Last year, the investment of approximately $1.5 million saved the Unemployment Trust Fund $7.7 million by helping return claimants to work sooner. The Nevada program had been independently studied by IMPAQ International, LLC. That study concluded Nevada had a good evidence-based program that returned individuals to work faster than those not selected, and those who returned to work were more likely to earn more wages than would otherwise have been earned. The Nevada program received national recognition and was awarded a near top-tier status for evidence-based practices by the coalition for evidence-based policy. The program received an award in 2014 from the American Institute for Full Employment. Several other states studied the Nevada program and a couple of states had already copied Nevada's program. If the program was replicated in other states, it could earn Nevada a top-tier status award for an evidence-based program.

Ms. Olson stated ESD's newest initiative was an effort to help the long-term unemployed return to work. Long-term unemployed were defined as those individuals who had been unemployed more than 26 weeks. The long-term unemployed were persons from all occupations, representing every demographic and education level. The long-term unemployed could not find a job because they had been unemployed for too long. Before the recession, Nevada averaged less than 10,000 persons per year who were considered long-term unemployed. At the height of the recession, that number grew quickly. When Nevada's unemployment rate was over 14 percent, that number grew to 93,000 persons in Nevada who had been unemployed longer than 26 weeks. Nevada still had an estimated 41,000 long-term unemployed persons.

Ms. Olson mentioned that ESD was awarded the Job-Driven National Emergency Grant of approximately $1.8 million in July 2014 to pilot a program to help long-term unemployed persons return to work. The pilot program was called Platform to Employment (P2E), and 80 percent of participants returned to work. Several states had now implemented the pilot program.

Assemblyman Sprinkle understood the unemployment rates in Nevada were decreasing. He had heard that some long-term unemployed were no longer counted in the unemployment rates. He wondered whether ESD kept close tabs on the long-term unemployed and whether the numbers were accurate.

William D. Anderson, Chief Economist, Research and Analysis Bureau, Department of Employment, Training and Rehabilitation, testified that the number of long-term unemployed, defined as persons with at least 27 weeks of unemployment benefits, had declined from over 90,000 to about 40,000 persons. Mr. Anderson explained that a person had to be actively looking for work to be counted as part of the unemployment estimate. The estimates excluded discouraged workers who had given up their search for work. Discouraged workers were unemployed, but not included in the technical count because they were not looking for work. Inclusion of the discouraged workers would add roughly seven-tenths of a percentage point to the official unemployment rate. Mr. Anderson said the difference between the two rates was minor.

Assemblywoman Carlton wondered what demographic data was available for the 41,000 long-term unemployed. She wanted to know the ages, totals, and skill levels. She cited examples of workers in the construction industry who decided to remain in retirement believing the odds were against them finding future jobs. She requested a breakdown of the demographic data of the long-term unemployed.

Mr. Anderson responded that the total population of 41,000 was based on a monthly household survey that excluded the type of detail Assemblywoman Carlton requested. Mr. Anderson agreed to provide some general demographic information, but the data lacked skill-level details. He could only provide the skill levels of ESD clients who presented themselves to the ESD offices.

Ms. Olson noted the participants in the pilot program to help long-term unemployed persons return to work represented every occupation, every education level, and every type of industry in which they had worked. The participants reported the greatest barrier to getting a job was that they had been out of work for too long. Long-term unemployed persons represented a broad range from young to old workers. Ms. Olson agreed to provide some accurate figures for Assemblywoman Carlton.

Assemblywoman Carlton understood that 26 weeks was counted as long term, but she knew persons who had been unemployed for three years. Assemblywoman Carlton wanted to know how many of the 41,000 persons had been unemployed for 1 year, 1 1/2 years, 2 years, and over 2 years. It was important to understand the population of the long-term unemployed to address the problem.

Ms. Olson said she would research data from the ESD database. She explained that the JobConnect offices encouraged the long-term unemployed persons who had exhausted their UI benefits to participate in the program. The ESD identified those persons through UI records.

Assemblywoman Kirkpatrick provided the Subcommittees some background information. She was a member of the Governor's Workforce Investment Board. The Board discussed internships for persons who had been out of work for a long time. The internships provided six weeks of training and a certificate upon completion to help prospective employers know that the applicant's skills were current. The Board understood the need for recent experience and the difficulty of hiring a person who lacked updated skills. Assemblywoman Kirkpatrick agreed with Assemblywoman Carlton that after 60 days of being unemployed, employers want to know why. The Board knew that refreshing skills was an important consideration in getting persons back to work.

Mr. Anderson advised that DETR had contracted with a company called Burning Glass that provided a variety of workforce-related information dealing with skills and demand. In February 2015, Mr. Anderson had determined there were 12,262 online job postings statewide. The top four skills in demand were sales, scheduling, mathematics, and accounting. Burning Glass would be able to list the demand for specific skills on a real-time basis.

Dennis Perea, Deputy Director, Department of Employment, Training and Rehabilitation, advised that the Nevada System of Higher Education (NSHE) paid for half the cost of the Burning Glass system. He explained that Burning Glass offered a whole series of modules that spanned five different areas. Burning Glass offered a focused career section of its system to help persons build resumes using recent national trends of what skills employers sought. The Burning Glass system would search resumes and match the open job listings in the state to the unemployed persons. The Governor referred to this system as the "Travelocity" of workforce programs, because workers could see all the relevant jobs that were available rather than just having a narrow focus on a few jobs.

Mr. Perea said the second component of the system would help employers build self-service online job postings. Employers would create screened or unscreened recruitments and search the database for qualified workers. The third portion of the system was the labor component that provided real-time labor market information. The fourth section of the module was a reporting function to generate real-time reports on the effectiveness of the workforce system.

Mr. Perea advised that the fourth component of the system was a self-service focus explorer module to allow persons to upload their resume with specific skills and review appropriate jobs. The system would point out any skills they lacked and where they could get the skills. The broad system offered a career pathway function. The system had a veteran component that allowed veterans to match their military occupational specialty (MOS) codes through a real-time translation of those codes to open job listings in the state.

Assemblywoman Carlton believed the system required a person to work on a computer to access the Burning Glass modules. Often when persons lost their jobs, they could not afford the Internet connections or computers.

Mr. Perea responded that the system had a focus-assist module for those persons who lacked the ability to access a computer or perform the work. The assist module allowed ESD staff to enter the data and help those persons navigate through the system.

Assemblywoman Carlton expressed concern about where the offices were located. She also worried that after a person lost his or her job, the computer might break, and the person might lack the money to replace it, but needed the computer to find another job. She was concerned that ESD was setting up a system that would not be efficient for job seekers.

Assemblywoman Kirkpatrick mentioned that the state had a broader plan. The state put the JobConnect offices near community colleges, city centers, city council chambers, and central locations to allow job seekers easy access to the offices. The system was designed to match employers to employees and allow DETR to track data to show where the demand existed in the state. The NSHE collaborated to offer classes on skills that employers needed.

Mr. Perea commented that DETR was working on the problems. The staff from Burning Glass met with DETR and NSHE to discuss the governance of the system and how to deploy the system to maximize the benefits. The Burning Glass system would not require the applicant to enter correct keywords. The system was designed to reference a large data model to build a resume with all the right words and skills.

Assemblyman Sprinkle believed there would be valuable information obtained as the system matured. The plan was to partner with NSHE to offer classes and training on the technical skills sought by employers. He wondered whether that partnership was part of the bigger plan.

Mr. Perea believed NSHE's goal was to provide training in the right skill sets using real-time data to deliver a curriculum to meet those skill gaps. The labor component of the Burning Glass system provided real-time data, and it was ready to be activated now. The other four modules would require more time for integration into the current database.

Assemblyman Sprinkle asked about the working environment between DETR and NSHE. He wondered whether it was a collaborative effort. He believed that NSHE should offer training on the skills sought by employers, which would result in a more educated workforce.

Mr. Perea responded that DETR's goal was to get workers back to work. The Department eliminated its workforce solutions unit and migrated that staff to the Research and Analysis Bureau. He commented that NSHE was involved in the industry sector councils. The Department used the labor market information that the Research and Analysis Bureau produced to make educated decisions. The goal was for those sector councils to be the starting point for delivering the skills training.

In response to a question from Chair Oscarson about how DETR would measure its success, Mr. Perea replied that the focus-reporting module of the system would allow DETR to measure the effectiveness of the workforce program. That module would help DETR assess whether it was spending the taxpayer dollars wisely and allocating those resources correctly. The five modules would provide valuable insight about the labor market. After a quick training session with Burning Glass, Mr. Anderson had already produced a snapshot of the 12,200 jobs that were available in the state. The Department lacked that data two months ago, and DETR had seen the value of the system already.

Assemblywoman Carlton wondered about the $300,000 per year cost of Silver State Works. She wanted to know about the progress of that program, because the funds were provided to employers to hire workers.

Ms. Olson responded that the $300,000 was in addition to the base budget amount for the Silver State Works program. The typical costs were in the range of $1.5 million to $1.6 million each year. The benefit used most often by employers was the $2,000 employer incentive for hiring individuals from designated groups approved by DETR. Those groups included unemployed persons, veterans, vocational rehabilitation participants, Temporary Assistance for Needy Families (TANF) participants, and others. The results showed over 90 percent of those persons retained their employment. She agreed to provide additional details for the Subcommittees.

Assemblywoman Carlton asked for a breakdown of data for the different groups and which employers used the program. She thought the program was a subsidy for employers. She commented that retention meant different things, and she wanted to know the value of those jobs, because employees might only earn $8.50 per hour and could not live on that salary. She expressed concern about subsidizing private employers and wanted to ensure the program gave the subsidy to the right employers for the right employees. A 90 percent retention rate sounded great, but she wanted to know what the employees were being trained in and what their career path might be. She asked for more information because state funds were used to pay for the program.

Ms. Olson agreed to provide a breakdown of the data requested. The program was open to all employers, and policies restricted who could receive the subsidy and how many employees could be subsidized. The subsidy was limited based on the number of employees in a company. Ms. Olson said the career enhancement program was an employer-funded program.

Assemblywoman Carlton noted that the funds used to pay for the program could be used to pay for other services for unemployed persons.

Ms. Olson said the dollar amounts shown on slide 17 of Exhibit C differed from what was in The Executive Budget because the numbers included the budget amendment adjustments. Decision unit Enhancement (E) 227 requested funding for mandatory independent verification and validation of the National Directory of New Hires performed every three years. The independent verification was required to ensure that the system operated correctly and that the data sent to the National Directory of New Hires was dependable, accurate, and protected. Decision unit E-229 requested authority to continue the long-term unemployed reemployment pilot program that began in 2015 using the Job-Driven National Emergency Grant. The first cohort contained 24 individuals. The program began with a five-week training class. The students learned new job search techniques, how to present themselves and their qualifications, and how to produce a good resume. Students also received some personal and financial counseling. After a five-week training class, the graduates began an eight-week paid employment period. Employers collaborated with ESD to hire those graduates, and the ESD used Platform to Employment (P2E) funds to reimburse employers for the wages paid for the first four-week period. During the second four-week period, employers were paid 50 percent of the wages from P2E funds, and the employer was required to pay the remaining wages. The program was in its early stages, and the results showed about 50 percent of the graduates returned to full-time work.

Ms. Olson advised that the second cohort of 26 students began in Reno in February and had just finished the five-week training class. Three of those graduates were already employed. Good results ensued from that program. The reemployment rate was 11 percent nationally for persons that received no help with their long-term unemployment. The ESD would reevaluate the return on investment of the program and look for ways to continue its success.

Ms. Olson reported that decision unit E-230 requested funding to hire 38.5 intermittent positions to perform duties in the bond unemployment insurance administration, career enhancement program, veterans' services, employer services, reemployment act services, and UI programs. Intermittent positions were used to address workload fluctuations that were experienced throughout the Division.

In response to a question from Chair Oscarson about the positions being eliminated, Ms. Olson clarified that 36 full-time-equivalent (FTE) permanent positions would be eliminated in fiscal year (FY) 2016 and 14 more permanent FTE positions would be eliminated in FY 2017, for a total of 50 positions.

Chair Oscarson asked what efforts had been made to place those 50 employees in new jobs, because the Subcommittees were frequently told that there were positions throughout the state that could not be filled. He thought the 50 employees should be qualified to fill some of those vacant positions.

Ms. Olson said some of the 50 positions were already vacant and ESD found other positions for some of the employees to fill. The Division worked to find other opportunities for the employees whose positions would be eliminated. The Department looked for every possible way to assist those employees and worked with the other state agency partners to fill positions in competitive recruitments or transfers.

In response to a question from Assemblywoman Dickman about the effect on services resulting from the elimination of positions, Ms. Olson replied that the positions were eliminated because the federal funding was reduced. The number of eliminated positions was based on how many positions ESD could afford to keep, and the number of eliminated positions was not based on workload or claims. The agency was limited by the amount of federal money to support the Division. The ESD had some reserves that would be used, but ESD was unable to afford the 50 positions being proposed for elimination. The decision was made to cut positions to live within the federal funding provided. The ESD tried to balance the effect of the fewer positions across the functional units in the Division. Ms. Olson agreed to provide a breakdown of the effects of the eliminated positions on the functional units.

As ESD adapted to fewer staff members, Ms. Olson expected call times would increase, but still encouraged persons to apply for their claims online. The agency would maintain the call centers as efficiently as possible. The ESD was unsure how reduced staff would affect the agency but would monitor the system closely.

Assemblyman Sprinkle stated his frustration about position eliminations because other state agencies were increasing travel, pay, and adding positions. The ESD was cutting positions at a time when DETR was working to get persons back to work. This was the first budget he saw that requested eliminating positions that would help persons get back to work, and he did not understand why that occurred. He realized the difficulty of decreased federal funding but he was upset by the cuts. The state needed to get persons back to work, educate and train its workforce, and help build industries in the state, but at the same time, ESD was requesting elimination of 50 positions. He thought there must be a way to preserve the positions to allow ESD to continue its vital functions.

Chair Oscarson understood that Assemblyman Sprinkle's concerns were valid, and reduced staff would limit services to the unemployed. He sensed the frustration of the constituents who tried to access the system and experienced delays. The Subcommittees needed to understand this problem.

Ms. Olsen replied that she understood the frustration of the Subcommittees. The ESD looked for every possible funding source and used its reserves to maintain as much staffing as possible in the programs. Unfortunately, ESD had a finite amount of federal funds. If the program was funded with federal dollars, then ESD had to live within those means. She knew the road ahead would be difficult for the remaining ESD employees. The Division had good staff that would do its best to get the job done. There was always talk about doing more with less, but she knew there would be some decreases in services.

Ms. Olson explained that funding was based on economic projections of Nevada's UI claim levels compared to other states. The federal government received what the employers paid in Federal Unemployment Tax Act (FUTA) taxes. The federal government allocated the FUTA taxes to each state based on an economic formula. The ESD decided how to provide services based on the federal funding received. Ms. Olson shared the frustration, but ESD had used every reserve dollar possible and was unable to find additional funding.

Mr. Soderberg added that although DETR shared the frustration of the Subcommittees, it was important to understand that the UI functions were highly micromanaged by the federal government. The ESD was dependent on the funding from the federal government and there were no General Funds provided. The ESD had different groups of staff that performed different functions. A certain group worked with applicants that applied for UI benefits and specific staff handled the UI claims. A different group helped claimants find jobs, and that staff was paid from state career enhancement program (CEP) funds. The elimination of positions was based on the decrease in funds from the federal government for UI services. At the same time, DETR was enhancing the efforts in other areas to spend CEP money on the Burning Glass contract to improve services to the unemployed.

Mr. Soderberg explained that the JobConnect staff provided good services to the unemployed. As an example, an unemployed food server could search every individual employer's website to see what jobs were available. That search could take hours, and JobConnect staff used their personal skills to help persons create a resume and application. The advantage of Burning Glass was that a person would only have to push one button. Every job opening that was available would now be at the fingertips of the applicant and the JobConnect staff, and the computer would automatically work to develop the resume.

The Department spent money to contract with Burning Glass to make improvements to functions.

Mr. Soderberg explained that it was unfortunate that one group in DETR was losing 50 employees and another group was increasing staff. The Department had highly micromanaged functions in which the federal government told DETR when it could hire staff. The federal government just allowed DETR to hire another 26 employees who would not work in the UI group. The agency attempted to move employees that were laid off to open positions.

Mr. Soderberg clarified that the efforts made by DETR did not limit the services to help the unemployed find jobs. The Department did everything it could to provide services that were more efficient. It was unfortunate that the UI situation was not within DETR's control, but the Department tried to mitigate the effects as much as possible. He said that a budget cut in one area did not result in a contraction in employment services.

HUMAN SERVICES
EMPLOYMENT, TRAINING AND REHABILITATION
DETR - EMPLOYMENT SECURITY - SPECIAL FUND (235-4771)
BUDGET PAGE DETR-55

Renee Olson, Administrator, Employment Security Division, Department of Employment, Training and Rehabilitation, presented budget account (BA) 4771. Ms. Olson said BA 4771 was called the Employment Security Division (ESD) Special Fund, but it was referred to as the penalty and interest account. She presented Exhibit C "2015-2017 Biennium Governor Recommends Executive Budget," and referred to slide 20, which listed the decision units for BA 4771. Decision unit Enhancement (E) 226 requested funding for credit card fees to allow credit cards to be used for unemployment insurance (UI) claimant overpayments and employer tax payments. The total cost of the credit card project was $65,700 in each year of the 2015-2017 biennium. The cost resulted from the fees charged to ESD on payments from claimants who opted to pay their overpayment debt with a credit card. The ESD offered the credit card option and did not want to discourage anyone from making the payments. The ESD would be charged a percentage of the payment by the banks for offering credit card services. The ESD decided to charge a $2.50 per transaction fee to persons making payments using credit cards. The rules mandated that ESD could not make a profit from the fees. The ESD had to periodically evaluate the system to ensure that it was not making a profit.

The average payment was around $1,000 on a credit card. The ESD studied Oregon to see how that state designed its credit card program. The ESD would be charged 1.9 percent of the transaction by the bank, and a $1,000 debt would result in a $19 charge to the claimant. That charge seemed excessive and ESD did not want to deter persons from paying back money that was owed. The $2.50 fee was an option selected by ESD to allow claimants to repay the debt using a credit card.

Ms. Olson explained decision unit E-236 requested funding of $160,000 in each year of the 2015-2017 biennium to provide continued programmer support to the UI modernization (UInv) project. Contract staff was necessary to provide knowledgeable programmers to maintain and support critical applications and to transition tasks to DETR permanent staff. The funding would enable DETR to support the modernization project after completion. Programming changes could be required after completion of a project or enhancements could be needed that fell outside the warranty, so ESD needed help from contractors with the system.

In response to a question from Chair Oscarson about the timing of the UInv project, Ms. Olson replied that contractors would be hired on an as-needed basis. The funding would provide support to the existing ESD programmers, support for modernization, and some knowledge transfer to the programmers. She agreed to provide additional information about the work processes and productivity to the Fiscal Analysis Division staff, Legislative Counsel Bureau.

Assemblywoman Carlton commented that the state paid a material amount of money to banks and credit card companies for the convenience of allowing persons to use credit cards for payments. There had been numerous discussions about transaction fees. She wondered whether the $2.50 fee would be assessed on transactions of any size, whether a small repayment from an overpayment of a claimant or a large tax payment from an employer.

Ms. Olson responded that the $2.50 fee applied to the claimants repaying small overpayment debts. An employer paying a large amount of taxes using a credit card would be charged the 1.9 percent of the transaction that ESD was charged by the banks. The ESD expected to break even on the transactions and not make a profit.

Assemblywoman Carlton encouraged more state agencies to copy the process of ESD because those dollars might pay for education, autism, or public safety, and too much money was spent on credit card fees in the state. She appreciated ESD's approach to the credit card problem.

In response to a question from Assemblywoman Kirkpatrick about overpayments, Ms. Olson replied ESD had made progress collecting the debts. Slide 20 of Exhibit C showed the uses of the revenues. The cost of the credit card program was $65,700 per year and $7,500 of that cost would be reimbursed by the $2.50 fee. The ESD would analyze credit card fees quarterly to make necessary adjustments. The ESD had made progress and fewer overpayments occurred, but the debts were not completely repaid.

Chair Oscarson expressed concern about the use of reserves and wondered about a long-term plan to replenish the reserves. He thought ESD would draw down reserves to levels of $1.3 million in FY 2016 and $1 million in FY 2017 and believed that the reserve balance might be insufficient.

Ms. Olson responded that ESD decided to use the reserves and only retain a minimum level. The Division had to continue to reduce expenses of the UI program to fund it at the level of the federal funds received. When ESD no longer needed to use its reserves, then those reserves would grow to a more fiscally sound level.

HUMAN SERVICES
EMPLOYMENT, TRAINING AND REHABILITATION
DETR – EQUAL RIGHTS COMMISSION (101-2580)
BUDGET PAGE DETR-62

Don Soderberg, Director, Department of Employment, Training and Rehabilitation, introduced Kara Jenkins, Administrator, Nevada Equal Rights Commission, Department of Employment, Training and Rehabilitation. Ms. Jenkins stated that the Nevada Equal Rights Commission (NERC) oversaw the equal employment opportunity program and processed complaints of discrimination in housing and places of public accommodation. The jurisdiction of NERC extended to fostering equal enjoyment in schools.

Ms. Jenkins referred to slide 22 in Exhibit C, "2015-2017 Biennium Governor Recommends Executive Budget." Decision unit Enhancement (E) 226 requested funds for a full-time-equivalent (FTE) position for a new compliance investigator of school bullying. The position supported the Governor's antibullying initiatives and would assist in all investigations, but had a primary focus on discrimination cases involving minors. The position would assist the administrator in mediation, outreach, and training to prevent discrimination in schools statewide.

Assemblywoman Dickman wondered whether the new compliance investigator position would be needed if Senate Bill 204 failed.

Ms. Jenkins replied that the new FTE position was needed for other duties within NERC and was not intended to facilitate any proposed legislation. The position was needed to respond to the increase in youth bullying cases. The increase in cases was noted in many high-profile cases of youth in protected categories being bullied. The agency was mandated to process complaints filed in a timely manner. Ms. Jenkins stated that NERC must be prepared to investigate discrimination complaints at any time.

In response to a question from Senator Kieckhefer about training for the new position, Ms. Jenkins replied she anticipated the position would be filled by October 1, 2015, after a fair and open recruitment. The person would work closely with her to provide training and outreach related to antibullying efforts in all school districts.

In response to a question from Senator Kieckhefer about the level of the new FTE position, Ms. Jenkins replied that NERC had received complaints dealing with minors. Those investigations were of a sensitive nature because of the potential of having minors as witnesses of discrimination in schools. Sensitive cases were assigned to management-level compliance investigators. The NERC had a small staff of 16 employees. Some staff were trained to work with sensitive cases involving children, and Ms. Jenkins wanted to ensure the new investigator was equipped and trained to handle sensitive cases when they arose.

Ms. Jenkins believed bullying problems would not subside anytime soon, especially with minors and cyberbullying. The NERC had to be careful about contacting witnesses to investigate who was there, who saw what, and who heard what. She said investigators needed to be respectful and ensure the parents were involved in a confidential investigation. The agency had been criticized for timeliness problems, even though NERC closed 684 cases for contract credit. The new FTE position would improve the timeliness of investigating cases. The investigator's work would include contacting witnesses, making sure that defendants knew their position, and investigating those cases.

Ms. Jenkins looked forward to hiring a new investigator with special expertise focused on children. The position would not supervise any staff, but would report directly to her. The investigator would conduct quarterly training and outreach to schools statewide to prevent bullying and discrimination based on protected categories that included sexual orientation, race, religion, gender, gender identity, or gender expression.

Assemblyman Sprinkle asked about the working relationship with the different school districts. He said that bullying had become a public problem and was rising in importance in the schools, and many school districts were working to combat bullying. He wondered about reports of bullying provided to NERC and questioned the need for the new position and how NERC would enhance the response of school districts.

Ms. Jenkins responded that NERC would not usurp any authority or take anything away from the schools' priorities in ensuring the students were educated and respectful and adhered to a code of conduct. The focus of NERC was to be the contact for persons who were denied equal enjoyment in places of public accommodation. When a person filed a complaint, NERC would investigate the allegations. Bullying included teasing and being nasty. The jurisdiction of NERC included bullying that was based on protected categories. Any bullying coupled with hints of racism or sex discrimination would be investigated.

Ms. Jenkins explained NERC would interact with the school district to investigate a bullying complaint. The proactive approach of NERC was to ensure persons understood the policies of the state relating to equal enjoyment of all persons regardless of color, race, religion, sexual orientation, gender, or gender identity. Outreach and training was provided at no cost to employers and schools. Outreach would include speaking about bullying to principals, teachers, students, and youth rallies and events.

Ms. Jenkins commented that cyberbullying was a growing problem, and parents should know their children's computer and telephone passwords and have access to their various accounts. As a state agency, NERC would not interfere with a school doing its job teaching and educating the children. The role of NERC related to persons who felt they had been denied equal enjoyment in places of public accommodation. Under the law, a place of public accommodation was a private university, school, or any place open to the public. If a person felt he or she had been denied equal opportunity to sit somewhere because they were constantly teased and bullied based on their differences, NERC would protect them.

In response to a question from Assemblywoman Dickman about a vacant compliance investigator position, Ms. Jenkins replied NERC had a vacant compliance investigator position. The agency was in the process of filling that position and anticipated hiring by the end of March.

Senator Ford was surprised NERC did not have a compliance investigator position devoted to youth bullying problems. The theme of his doctoral dissertation written 15 years ago was student-on-student sexual harassment. He saw case law relating to same sex student sexual harassment in the schools that involved NERC. He believed bullying would not subside anytime soon. He questioned whether one FTE position was sufficient to deal with the bullying problem that had been steadily increasing since 2001 when he wrote his dissertation.

Ms. Jenkins replied that NERC was conservative in its request for one FTE position. Last year, NERC received 39 complaints of public accommodation discrimination. Two complaints were based in schools, but both rose to the level of litigation that gained significant attention of the Governor and the public. She anticipated more case filings, but it was hard to predict the caseload based on the current economic climate for employment. Persons needed to know that NERC was a service agency to investigate complaints of student or school discrimination. The goal of NERC was to have one FTE position to address bullying problems. The NERC wanted to be prepared to handle bullying problems as they arose. The agency was able to process complaints, but had received criticism about lack of timeliness. If a sudden surge of bullying complaints developed, Ms. Jenkins was unsure how the agency would handle the workload, but she wanted to start with one new FTE position.

Don Soderberg, Director, Department of Employment, Training and Rehabilitation, said the caseload related to bullying was unknown. In today's economic environment with the stress on the State General Fund, NERC took a conservative approach and requested one new position. He said it would be irresponsible to overshoot knowing that the Interim Finance Committee (IFC) could hear any concerns during the interim.

Chair Oscarson stated that 36 discrimination cases were too many, and he thanked NERC staff for its efforts to address those important problems.

HUMAN SERVICES
EMPLOYMENT, TRAINING AND REHABILITATION
DETR – ADMINISTRATION (101-3272)
BUDGET PAGE DETR-75

Don Soderberg, Director, Department of Employment, Training and Rehabilitation, introduced Dennis Perea, Deputy Director, Department of Employment, Training and Rehabilitation. Mr. Perea testified that budget account (BA) 3272 funded the activities of the Director's office, including the functions of human resources, finance, and operations.

Mr. Perea presented Exhibit C, "2015-2017 Biennium Governor Recommends Executive Budget," and referred to slide 25 that showed a summary of the decision units. Decision unit Enhancement (E) 230 requested funds for a new fleet services [Fleet Services Division, Department of Administration] vehicle lease. The 1997 vehicle had over 225,000 miles on it, and the maintenance costs were more than the cost of a new lease. The Department wanted to scrap the vehicle and replace it with a leased vehicle.

Mr. Perea explained that decision unit E-600 was the elimination of eight full-time-equivalent (FTE) positions to reduce administration costs in proportion to cuts in service delivery in the unemployment insurance (UI) unit. Decision unit E-905 transferred two FTE positions from BA 3272 into BA 3273 for workforce solutions duties. The Department eliminated the workforce solutions unit and transferred the work to the Research and Analysis Bureau. Mr. Perea believed the elimination would not affect services to the industry sector councils and thought the services would be enhanced.

Assemblywoman Kirkpatrick expressed concern about the elimination of the workforce solutions unit. The sector councils had developed good working relationships with the unit and changes could interrupt the flow of information. She wondered about the new federal requirements for sector councils.

Mr. Perea responded that the sector councils seem to be most effective when driven by labor market information. The Research and Analysis Bureau staff already had an economist represented on the sector councils. It seemed logical for the Research and Analysis Bureau staff to work with the sector councils that were driven by the data. The partnerships with the Governor's Office of Economic Development (GOED) and others would enhance the work, and the Department of Employment, Training and Rehabilitation (DETR) would glean even more refined data from the sector councils.

Assemblywoman Kirkpatrick agreed that the services of Burning Glass and real-time data would make the sector councils even more successful.

Mr. Perea anticipated that the use of Burning Glass services in the sector council meetings would improve the knowledge about what skills were needed by employers.

Chair Oscarson asked whether any requests for replacement equipment could be deferred, because DETR had reduced the number of staff.

Mr. Perea responded that the equipment replacement request was based on the computer replacement schedule, and DETR would run the risk of outdated equipment failures. The Department had made conservative equipment requests.

HUMAN SERVICES
EMPLOYMENT, TRAINING AND REHABILITATION
DETR – INFORMATION DEVELOPMENT AND PROCESSING (101-3274)
BUDGET PAGE DETR-81

Don Soderberg, Director, Department of Employment, Training and Rehabilitation, introduced David A. Haws, Administrator, Information Development and Processing Division, Department of Employment, Training and Rehabilitation. Mr. Haws testified that the Information Development and Processing Division provided technology support to the Department of Employment, Training and Rehabilitation (DETR) and was responsible for maintaining and enhancing Nevada's workforce technology systems and automated applications. Those applications supported hundreds of thousands of Nevada's workforce constituents, including employers, job seekers, and the state's unemployed. The Division's biggest challenges were to provide adequate technical support to DETR's initiatives and ensure adequate computing equipment, processing capacity, and systems to sustain DETR's ongoing business demands.

Mr. Haws said budget account (BA) 3274, decision unit Enhancement (E) 236, related to decision unit E-236 in BA 4771. A total of $160,000 in each year of the 2015-2017 biennium would maintain the Unemployment Insurance modernization (UInv) project. The funds ensured that experts who understood new applications would assist DETR staff in maintaining the system. The permanent staff worked with millions of lines of code and required additional expertise. Mr. Haws said decision unit E-600 eliminated two full-time-equivalent (FTE) information technology positions in response to the reduction in federal funding.

In response to a question from Senator Kieckhefer about the cost of service credit and terminal leave payout in decision unit E-600, Mr. Haws replied one of the eliminated FTE positions was vacant, and the other position would be vacant after a retirement in May 2015. The eliminations reflected a reduction in staff caused by the reduction in federal funding.

Chair Oscarson about whether any equipment replacements could be deferred, and Mr. Haws replied the equipment had to be replaced. The DETR complied with the established replacement schedule approved by the Division of Enterprise Information Technology Services (EITS), Department of Administration. He said that DETR worked hard to keep the technology systems viable as it continued with the UInv efforts. Much of the equipment had reached the end of its life, according to the EITS replacement schedule. It was necessary to provide adequate equipment to the programmers for them to remain as productive as possible.

HUMAN SERVICES
EMPLOYMENT, TRAINING AND REHABILITATION
DETR – NEVADA P20 WORKFORCE REPORTING (101-3270)
BUDGET PAGE DETR-93

Dennis Perea, Deputy Director, Department of Employment, Training and Rehabilitation, testified that budget account (BA) 3270 was a new budget account to fund the state longitudinal data system developed by the Department of Education. The budget funded one full-time-equivalent (FTE) position and the associated costs of the state longitudinal data system. The state longitudinal data system would be transferred from the Department of Education to the

Research and Analysis Bureau of the Department of Employment, Training and Rehabilitation (DETR). The system was a hosted system and included software licensing costs. The system would allow DETR, the Nevada System of Higher Education (NSHE), and the Department of Education to link aggregate data.

Assemblywoman Kirkpatrick asked about the coordination with the Department of Education; she was worried about a duplication of effort. She believed that the state lacked data for 150 years and now every agency was working to collect the same data. She wondered who would be responsible for and manage all the various data projects.

Mr. Perea said the state longitudinal data system was developed by the P20 workforce council. The Department of Education obtained a federal grant to create the program to coordinate the data between K-12 schools, DETR, and NSHE. The contract with Burning Glass would provide data relating to the demand for services and skills. A program in K-12 would teach those skills that would later translate to wages from employment. The agencies would be able to make management decisions based on real data. The system would be transferred to the Research and Analysis Bureau because the tasks related to the Bureau's existing work.

Assemblywoman Kirkpatrick said that NSHE also had an FTE positon to manage the data. The state longitudinal data system would be housed at DETR with the P20 account, but she was worried about duplication of efforts.

Glenn Meyer, Information Technology Director, Department of Education, explained that the state longitudinal data system was not a new database or a new system. It was a hub or connectivity piece that allowed DETR, NSHE, and the Department of Education to exchange data between the agencies for research purposes. The transfer to DETR was logical, because the system was a research and reporting engine. Agreements existed between DETR, NSHE, and the Department of Education to exchange information for certain reporting requirements. Examples of reports were the college and career readiness reports and the college remediation reports that had been completed manually. The new system would allow the agencies to connect the systems together. The reports would be automated and exchanged, and data would be matched to reduce the error rate. The new system would be more accurate and simplify the process.

In response to a question from Assemblywoman Kirkpatrick about the availability of data, Mr. Meyer replied specific data would be queried to provide reports of requested information.

Assemblywoman Carlton asked about the information technology (IT) professional position that would be hired at a step 10 rather than a step 1 for the P20 workforce program. She was curious about the time frames and she understood that DETR had difficulty hiring IT professionals. She suggested that the hiring might be done October 1, 2015, to obtain a qualified IT professional at a step 10.

Mr. Perea responded DETR was performing user testing in May and June, and the system would be activated in July. The agency needed the IT professional by July 1, 2015, to manage the system. He believed an IT professional 3 at step 10 would have the right level of skills necessary to manage the program.

Chair Oscarson asked about the anticipated needs for BA 3270 in the 2017-2019 biennium.

Mr. Meyer replied there would be little change to the budget other than the ongoing maintenance costs and a small amount of development costs. Additional costs would arise if DETR decided to expand the system to include additional agencies or expand the number of reports produced.

HUMAN SERVICES
EMPLOYMENT, TRAINING AND REHABILITATION
DETR - REHABILITATION ADMINISTRATION (101-3268)
BUDGET PAGE DETR-8

HUMAN SERVICES
EMPLOYMENT, TRAINING AND REHABILITATION
DETR - VOCATIONAL REHABILITATION (101-3265)
BUDGET PAGE DETR-17

Chair Oscarson said the Subcommittees would reschedule budget account (BA) 3268 and BA 3265 for Friday because the interpreters were unable to attend today's hearing. He said anyone could testify now or return on Friday to testify on those two budget accounts. Chair Oscarson apologized for the inconvenience. Hearing no further testimony, he closed the budget hearings.

Don Soderberg, Director, Department of Employment, Training and Rehabilitation, stated he was impressed with the amount of assistance provided by the staff of the Fiscal Analysis Division, Legislative Counsel Bureau. He appreciated the collaboration with the Fiscal staff and the Department of Administration.

Chair Oscarson agreed and stated the resources and institutional knowledge of Fiscal staff were invaluable. He appreciated all their efforts and said Fiscal staff needed to be recognized for its good work. Assemblywoman Dickman joined in thanking Fiscal staff.

Chair Oscarson thanked Mr. Soderberg for his presentation and opened the public comment section of the hearing. Hearing no public comment, Chair Oscarson closed the hearing and adjourned the meeting at 10:22 a.m.

RESPECTFULLY SUBMITTED:

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Janice Wright
Committee Secretary

APPROVED BY:

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Assemblyman James Oscarson, Chair

DATE: __________________________

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Senator Mark Lipparelli, Chair

DATE: __________________________

EXHIBITS

Committee Name: Subcommittees on Human Services

Date: March 18, 2015 **Time of Meeting: 8:10 a.m.**

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Don Soderberg, Director, Department of Employment, Training and Rehabilitation	2015-2017 Biennium Governor Recommends Executive Budget