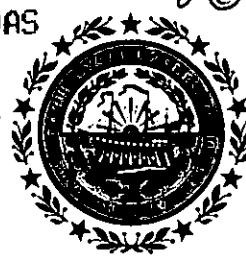


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GEORGE N. COPADIS, COMMISSIONER

RICHARD J. LAVERS, DEPUTY COMMISSIONER

May 20, 2019

His Excellency, Governor Christopher T. Sununu
 And the Honorable Council
 State House
 Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Employment Security to accept and expend funds in the amount of \$60,000 from the Department of Health and Human Services, Division of Client Services, to conduct an economic analysis of the "cliff effect" across New Hampshire, effective upon Governor and Council approval through June 30, 2020. 100% Other Funds. Funding to be budgeted as follows:

02-27-027-270010-80400000 EMPLOYMENT SECURITY

CLASS	ACCOUNT	CLASS TITLE	CURRENT AUTHORIZED BUDGET	REQUESTED ACTION	CURRENT ADJUSTED BUDGET
REVENUE					
001	484945	OTHER FUNDS	498,565	60,000	558,565
003	407549	REVOLVING FUNDS	11,875,693	-	11,875,693
007	406443	AGENCY INCOME	237,189	-	237,189
009	402338	AGENCY INCOME	718,871	-	718,871
000	404625	FEDERAL FUNDS	22,584,886	-	22,584,886
		TOTAL REVENUE	35,915,204	60,000	35,975,204
EXPENDITURE					
010	500100	PS PERMANENT	13,055,267	-	13,055,267
011	500126	PS UNCLASSIFIED	233,821	-	233,821
012	500128	PS UNCLASSIFIED	105,890	-	105,890
013	500132	PS UNCLASSIFIED	363,206	-	363,206
018	500106	OVERTIME	25,000	-	25,000
019	500105	HOLIDAY PAY	1,001	-	1,001
020	500200	CURRENT EXP	559,398	1,250	560,648
022	500248	RENTS	345,095	500	345,595
023	500291	UTILITIES	416,392	1,250	417,642
024	500225	MAINT NON B&G	235,803	750	236,553
026	500251	ORG DUES	25,000	-	25,000
027	582703	DOIT	4,260,358	-	4,260,358
028	582814	XFR TO GS	25,000	-	25,000
030	500301	EQUIPMENT	10,882	-	10,882
037	500172	TECH-HDWR	6,650	-	6,650
038	509038	TECH-SFTWR	1,791,666	500	1,792,166
039	500188	TELECOMM	515,524	750	516,274
040	500800	INDIRECT COSTS	241,362	-	241,362
041	500801	AUDIT FEE SET ASIDE	20,000	-	20,000
042	500620	ADDTL FRINGE BENEFIT	1,133,000	-	1,133,000
046	500466	CONSULTANTS	6,500	-	6,500
047	500240	OWN FORCES B&G	10,000	-	10,000
048	500226	CONTR MAINT B&G	249,000	500	249,500

CLASS	ACCOUNT	CLASS TITLE	CURRENT AUTHORIZED BUDGET	REQUESTED ACTION	CURRENT ADJUSTED BUDGET
049	584922	XFR TO OTHER AGENCY	2,027,830	-	2,027,830
050	500109	PS PART TIME	748,098	9,600	757,698
057	500534	BOOK/PUBS	11,300	-	11,300
059	500117	TEMP FULL TIME	693,670	-	693,670
060	500601	BENEFITS	8,097,392	4,400	8,101,792
061	500536	UNEMPLOYMENT COMP	5,000	-	5,000
062	500538	WORKERS COMP	125,000	-	125,000
065	500542	BOARD EXPENSES	15,000	-	15,000
066	500544	EMPLOYEE TRAINING	10,000	-	10,000
070	500704	IN STATE TRAVEL	108,400	-	108,400
080	500710	OUT OF STATE TRAVEL	37,000	-	37,000
102	500731	CONTR PROG SVC	125,000	40,000	165,000
103	500735	CONTR OPER SVC	239,603	500	240,103
229	500764	SHERIFF REIMB	8,000	-	8,000
230	500765	INTERPRETER	28,096	-	28,096
		TOTAL EXPENDITURE	35,915,204	60,000	35,975,204

EXPLANATION

The Department of Employment Security (NHES), Economic and Labor Market Information (ELMI) Bureau is requesting authorization to accept and expend \$60,000 from the Department of Health and Human Services (DHHS), to conduct an economic analysis of the "cliff effect" across New Hampshire. The cliff effect describes what happens when wages alone do not equally make up for the loss of public benefits for working families. The analysis is to be conducted by NHES ELMI Bureau, in partnership with technical experts from DHHS, in order to better understand the wage and benefits dynamics on a statewide level, as well as the unique challenges within each region. This analysis will then help to build the foundation from which informed policy recommendations can be developed in order to mitigate and possibly eliminate disincentives and barriers to employment.

NHES is requesting authorization to accept and expend \$20,000 in funds from DHHS, for NHES staffing related costs for conducting the analysis and then the remaining \$40,000 in funds from DHHS is reserved to contract with a private vendor to build upon the work done by NHES and make policy recommendations for moving forward. This contract would involve a competitive request for proposals process and would be submitted to Governor & Council for consideration.

NHES is requesting authorization to accept and expend \$60,000 in funds from DHHS, and to budget the funds as follows:

Class 020 Current Expenses will be used to support the portion of operating costs associated with the positions involved in the project.

Class 022 Rentals will be used to support the portion of operating costs associated with the positions involved in the project.

Class 023 Utilities will be used to support the portion of operating costs associated with the positions involved in the project.

Class 024 Maintenance, Other than Building & Grounds will be used to support the portion of operating costs associated with the positions involved in the project.

Class 038 Technology - Software will be used to support the portion of operating costs associated with the positions involved in the project.

His Excellency, Governor Christopher T. Sununu

And the Honorable Council

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Class 039 Telecommunications will be used to support the portion of operating costs associated with the positions involved in the project.

Class 048 Maintenance, Building & Grounds will be used to support the portion of operating costs associated with the positions involved with the project.

Class 050 Personal Services – Part Time will be used to support a portion of two (2) existing full-time permanent staff involved in the project.

Class 060 Benefits will be used to cover the benefits cost associated with the positions involved in the project.

Class 102 Contracts for Program Services will be used to support a contract with a private vendor to build upon the work done by NHES for the project.

Class 103 Contracts for Operational Services will be used to support the portion of operating costs associated with the positions involved with the project.

Respectfully submitted,



George N. Copadis
Commissioner

GNC/jdr
Attachments