

Louisiana Streamlining Commission

Suggested Recommendations to Advisory Committee Chairmen

Preamble:

The following comments on this cover sheet have been prepared at the Mercatus Center by Hon. Maurice McTigue. The purpose of the analysis was to identify issues that the committee might pursue and finally develop into recommendations to the full commission.

- The suggested recommendations are based on very limited information and the committee's local knowledge may determine that the suggestions are not viable. In that case the Committee should discard the suggested recommendation.
- If the Committee thinks the suggestion has merit then they should refer it to officials for their analysis.
- Some of our suggestions may be recommending a practice that is already in place, in which case the recommendation may be put aside or may be worded to endorse that practice or to extend it further than is the current practice.

Labor Programs Unit

- It is unclear if this program protects minors from exploitation and unfair labor practices. Is the incidence non compliance significant and is it getting better or worse.
- Definition of the Med Pay program is unclear. It appears the Med Pay program is expending \$100,000 to recover \$24,000, a rather large imbalance.
- These programs should be looked at to determine if a complaints system would function more cost effectively.

Savings: Total Budget \$1.5 million

- This is a very small amount of money and the results are problematic so we would recommend cancelling these three programs and including these obligations in the mainstream of labor market activity.



In preparation for your presentation to the Streamlining Government Commission, please complete the following worksheet and return to prathert@legis.state.la.us by August 27, 2009. Thank you for your cooperation.

Department name: Labor Programs Unit
State in one sentence the core business of your department: The Labor Programs Unit is a worker protection unit which strives to ensure compliance with statutory regulations designed to protect the interests and safety of minors in the workplace, the interests of employees charged placement fees for job procurement and the interests of employees/applicants charged certain costs as a condition of employment.

For each program managed by your agency, provide the following information. Please limit your answers for each program to no more than half a page and simply write "unknown" next to each program question you are unable to answer.

- **Program name:** 1.) Child Labor Program
2.) Med Pay Program
3.) Private Employment Service Program
- **Outcome addressed by this program:** 1.) Compliance with statutory regulations covered under Revised Statutes, Title 23, Chapter 3
2.) Compliance with statutory regulations covered under Revised Statutes 23:897
3.) Compliance with statutory regulations covered under Revised Statute 23:101
- **How many members of the public are directly involved in or impacted by this program:**
1.) Approximately 60,000 minors per year and any and all employers that hire employees under 18 years of age
2.) Unknown

3.) Approximately 20 employers and unknown number of employees

- How much money was expended on this program in the last fiscal year:
 - 1.) Approximately \$900,000.00
 - 2.) Approximately \$100,000.00
 - 3.) Approximately \$150,000.00

Measure used to determine success: 1.) Lack of injuries and/or fatalities of minors in the workplace and decrease in number of violations committed by employers employing minors under 18 years of age.

2.) Full reimbursement to those affected employees/applicants and a decrease in the number of infractions committed by the employing community

3.) Decrease in number of overcharges to employees

- Level of success during each of the last three years: 1.) Zero fatalities and substantial decrease in number of violations cited.
 - 2.) Fiscal year 06-07, 450 persons reimbursed a total of \$28,818. Fiscal year 07-08, 73 persons reimbursed a total of \$7568. Fiscal year 08-09, 856 persons reimbursed a total of \$24,920.
 - 3.) Zero instances of overcharging of employees

- The societal issue addressed by this program is getting *better, remaining static, or deteriorating*:
 - 1.) Getting better
 - 2.) Remaining static
 - 3.) Getting better