

Budget Savings Options 2025

Dollars in Thousands

Agency: Labor & Industries

Agency Priority H, M, L	Impact 1-5	Program/Activity	GF-S					Other Funds					FTE Change					Brief Description and Rationale	Effective Date (MM/YY)	Impacts of Reductions and Other Considerations	Law/Reg. Change Required (cite)
			FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29				
H	1 and 3	010-Administration/A020-Admin and IT							(1,647)	(3,188)	(3,188)	(3,188)		(13.0)	(25.0)	(25.0)	(25.0)	Approach 1: Support Functions Identify redundancies, streamline processes, and maximize economies of scale in agency support services, which could include services such as human resources, maintaining supplies and facilities, project support. Assess existing common internal support services to identify redundancies, streamline processes, and maximize economies of scale. Develop and implement a structured approach that consolidates and/or eliminates services where appropriate.	1/26	Impacts identified as low are expected to have the least impact to direct customers and high will have a higher likelihood to impact direct customers.	None
M	1 and 3	010-Administration/A020-Admin and IT							(2,142)	(4,631)	(4,631)	(4,631)		(18.0)	(36.0)	(36.0)	(36.0)		1/26	To optimize resources and streamline operations, the agency is exploring strategic reductions and consolidations in agency-wide services. This approach aims to eliminate redundancies, enhance efficiencies, and prioritize high-impact services, ensuring that resources are allocated effectively to support core mission objectives. These changes may bring temporary challenges, including work reassignments, position eliminations, and a shift in specialized skills and institutional knowledge. Additionally, adjustments in service models may create short-term disruptions, workflow bottlenecks, and potential service delays. These reductions will also decrease capacity which may impact L&I's ability to respond to new and emerging issues. Acknowledging these impacts, we are committed to proactive planning, clear communication, and support structures to minimize disruptions and sustain service quality.	None
L	1 and 3	010-Administration/A020-Admin and IT							(1,817)	(2,834)	(2,834)	(2,834)		(14.0)	(25.0)	(25.0)	(25.0)		1/26	While resource realignment may require adjusting timelines for enterprise and legislative initiatives, focus will be on delivering strategic priorities. Any changes to employee development resources may impact engagement and retention; therefore, we will explore alternative approaches to maintaining a strong agency culture and fostering career growth opportunities.	None
H	1 and 3	All Programs/All Activities							(2,136)	(4,715)	(4,715)	(4,715)		(14.0)	(24.0)	(24.0)	(24.0)	Approach 2: Operational Functions Identify opportunities for efficiency gains and consolidation within service delivery by consolidating services and changes in organizational structure and management functions. Review operational service delivery models to identify opportunities for efficiency gains and consolidation. Assess areas where redundancies exist and determine functions that can be streamlined or eliminated without compromising service quality. Prioritize reductions that improve operational effectiveness, enhance resource allocation, and achieve cost savings while maintaining or improving direct services.	1/26	Impacts identified as low are expected to have the least impact to direct customers and high will have a higher likelihood to impact direct customers.	None
M	1 and 3	All Programs/All Activities		(140)	(140)	(140)	(140)		(461)	(867)	(867)	(867)		(4.0)	(7.0)	(7.0)	(7.0)		1/26	To enhance efficiency and improve service delivery, the agency is pursuing the streamlining and consolidation of operational functions. By reducing duplication and eliminating unnecessary processes, this approach will allow for a stronger focus on core services, ensuring that time and resources are dedicated to what matters most to our customers. Well-defined and more efficient service models will promote consistency, creating a seamless customer experience and driving higher satisfaction.	None
L	1 and 3	All Programs/All Activities							(273)	(498)	(498)	(498)		(3.0)	(6.0)	(6.0)	(6.0)		1/26	Consolidation efforts may lead to temporary service disruptions, and shifts in roles and responsibilities. Employees may experience uncertainty, and adjustments to service models could result in short-term declines in service quality or accessibility for some customers. Additionally, unforeseen implementation costs may arise.	None
L	3	All Programs/All Activities		(128)	(262)	(262)	(262)		(358)	(610)	(610)	(610)		(5.0)	(8.0)	(8.0)	(8.0)	Approach 3: Financial Functions Identify opportunities for efficiency gains and consolidation within financial functions To improve efficiency and optimize resource allocation, the agency will assess financial functions across divisions. This process will identify areas of duplication, opportunities for consolidation, and functions that may no longer be needed.	1/26	Impacts identified as low are expected to have the least impact to direct customers and high will have a higher likelihood to impact direct customers. The goal is to create a more cohesive, standardized approach that enhances financial oversight, reduces administrative burden, and ensures consistent, high-quality financial services across the agency. A phased implementation will support a smoother transition while minimizing disruption to services. This effort will require significant adjustments, including the consolidation of financial roles and responsibilities. As a result temporary workflow disruptions, and shifts in duties may occur. Implementation may lead to short-term inefficiencies as teams adapt to new structures and processes. There may be temporary impacts on financial reporting, processing times, and service responsiveness as changes take effect.	None
H	1	030-IT/A020-Admin and IT		(100)	(250)	(250)	(250)		(1,061)	(5,729)	(8,809)	(9,453)		(5.0)	(9.0)	(19.0)	(19.0)		1/26	Impacts identified as low are expected to have the least impact to direct customers and high will have a higher likelihood to impact direct customers.	None
M	1	030-IT/A020-Admin and IT							-	(1,000)	(2,000)	(2,000)		(2.5)	(5.0)	(5.0)	(5.0)		1/26	This approach is expected to improve efficiency, optimize resources, and streamline and	None

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			FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29				
L	1	030-IT/A020-Admin and IT		(16)	(16)	(16)	(16)		(999)	(1,728)	(1,728)	(1,728)		(5.5)	(11.0)	(11.0)	(11.0)	reducing hardware lease and software costs. Evaluate agency-wide technology functions to identify duplication, opportunities for consolidation, and efficiencies within existing operations. Assess potential technology improvements that enhance automation, integration, and overall performance. Determine which functions can be streamlined, integrated, or eliminated to optimize resources, reduce costs, and improve service delivery.	1/26	consolidate technology functions. By reducing hardware lease expenses, software costs, and redundant systems the expected result is a more integrated and consolidated structure that drives efficiency, improve automation, and improves alignment with agency priorities. This effort will require adjustments to current practices, and may include changes to technology management, system integrations, and potential role reassignments. As a result, workflow disruptions and shifts in responsibilities may occur. The transition may also lead to short-term inefficiencies as teams adapt to changes. During the phased-in implementation, technology service delivery may temporarily slow, potentially impacting response times and customer experience. Additionally, while cost savings are expected long-term, upfront investments in technology upgrades, process realignment, and training are expected.	None
L	1	080-Crime Victims/A026 Crime Victims		(400)	(400)	(400)	(400)		-	-	-	-		-	-	-	-	CVC for Medical Exams for Suspected Victims of Domestic Violence Currently the claims for this new benefit are low. CVC for Medical Exams for Suspected Victims of Domestic Violence.	7/25	Current projections are \$50K through the first 2 quarters, minimal impacts expected.	None
L	1	All Programs/All Activities		(15)	(15)	(15)	(15)		(2,856)	(2,857)	(2,857)	(2,857)		-	-	-	-	Reduce costs through prioritization and efficiencies in agency central service costs. Items to consider could include motor pool, attorney costs, printing, postage, audit	7/25	A comprehensive review of agency central service costs is expected to identify opportunities for savings by optimizing the vehicle fleet, reducing reliance on physical mailings, and streamlining other central service expenses.	None
L	1	060-Labor Standards-Public Safety-Field Support/A025 Apprenticeship		(300)	(300)	(300)	(300)							-	-	-	-	Reduce the amount of funding that will be used to issue Aerospace Grants. Current funding is \$2 million GF-S per year.	7/25	Reduction will reduce the level of potential employees entering into the Aerospace field.	None

Priority:

L = Low priority agency activity or program
M = Medium priority agency activity or program
H = High priority agency activity or program

Impact:

1 = Allows continuation of the program/activity at a reduced level
2 = Eliminates the ability to perform program objectives
3 = Eliminates agency function
4 = Long term implications (moves the problem to next biennium)
5 = Short term (reduction to one time increase)