

**Budget of the United States Government,
Fiscal Year 2008—Appendix**

DEPARTMENT OF LABOR

**EMPLOYMENT AND TRAINING
ADMINISTRATION**

Federal Funds

TRAINING AND EMPLOYMENT SERVICES

(INCLUDING CANCELLATIONS)

For necessary expenses of the Workforce Investment Act of 1998 (Public Law 105-220) (the "Act"), including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Act, \$4,494,411,000, plus reimbursements, is available. Of the amounts provided:

(1) for grants to States for adult employment and training activities, youth activities, and dislocated worker employment and training activities, \$2,455,439,000 as follows:

(A) \$712,000,000 for adult employment and training activities, which shall be available for the period October 1, 2008 through June 30, 2009;

(B) \$840,500,000 for youth activities, which shall be available for the period April 1, 2008 through June 30, 2009; and

(C) \$902,939,000 for dislocated worker employment and training activities, of which \$54,939,000 shall be available for the period July 1, 2008 through June 30, 2009, and of which \$848,000,000 shall be available for the period October 1, 2008 through June 30, 2009:

Provided, That notwithstanding the transfer limitation under section 133(b)(4) of such Act, up to 40 percent of such funds may be transferred by a local board if approved by the Governor:

Provided further, That notwithstanding sections 127(c) and 132(c) of the Act, for program year 2007 the Secretary shall reallocate from States for the youth, adult and dislocated worker formula fund programs under title I of the Act, the amounts by which the unexpended balance in a State for such program at the end of program year 2006 exceeds 30 percent of the total amount available for such program in such State for program year 2006 (including funds appropriated herein and funds appropriated for previous years that were available during program year 2006), to those States that did not have such unexpended balances for such program at the end of such year, and such reallocations shall be made using the formula applicable to such program for program year 2007 except that such formula shall only be applied to those States receiving reallocations for such program under this proviso:

Provided further, That notwithstanding sections 128(c) and 133(c) of the Act, for program year 2007 the Governor may reallocate from local workforce investment areas, for the youth, adult, and dislocated worker formula fund programs under title I of the Act, the amounts by which the unexpended balance in a local workforce investment area for any such program at the end of program year 2006 exceeds 30 percent of the total amount available for such program in such workforce investment area for such year (including the local funds appropriated for previous program years that were available during program year 2006), to those local workforce investment areas that did not have such unexpended balances for such program at the end of such year, and such reallocations shall be made using the formula applicable to such program for program year 2007 except that such formula shall only be applied to those local workforce investment areas receiving reallocations for such program under this proviso;

(2) \$150,000,000 to carry out the Community-Based Job Training Grants;

(3) for federally administered programs, \$1,829,372,000 as follows:

(A) \$212,000,000 for the dislocated workers assistance national reserve, which shall be available for the period October 1, 2008 through June 30, 2009;

(B) \$45,000,000 for Native American programs, which shall be available for the period July 1, 2008 through June 30, 2009;

(C) \$1,422,372,000 for Job Corps operations, of which \$831,372,000 shall be available for the period July 1, 2008

through June 30, 2009, and of which \$591,000,000 shall be available for the period October 1, 2008 through June 30, 2009;

(D) \$100,000,000 for construction, rehabilitation, and acquisition of Job Corps centers, which shall be available for the period October 1, 2008 through June 30, 2011; and

(E) \$50,000,000 for YouthBuild activities as described in section 173A of the Act;

(4) for national activities, \$59,600,000 as follows:

(A) \$39,600,000 for ex-offender activities, under the authority of section 171 of the Act, notwithstanding the requirements of sections 171(b)(2)(B) or 171(c)(4)(D), which shall be available for the period July 1, 2008 through July 30, 2009;

(B) \$13,000,000 for Pilots, Demonstrations, and Research, which shall be available for the period July 1, 2008 through June 30, 2009;

(C) \$7,000,000 for Evaluation, which shall be available for the period July 1, 2008 through June 30, 2009:

Provided further, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers.

Of the unexpended balances remaining from funds provided to States for Youth, Adult and Dislocated Worker formula programs under the Workforce Investment Act and available to States during program year 2006, \$335,000,000 is hereby cancelled: Provided, That the Secretary of Labor may apply any portion of a State's share of this cancellation to funds otherwise available to the State for such programs during program year 2007.

Of the amounts made available under this heading in Public Law 107-116 to carry out the activities of the National Skill Standards Board, \$44,063 is hereby cancelled.

Of the unexpended balances of the amounts provided to the Consortium for Worker Education from the Training and Employment Services account under Public Law 107-117, \$71,202 is hereby cancelled.

Of the unexpended balances provided to New York State from funds made available under Public Law 107-38, which were transferred pursuant to law to the Training and Employment Services account, \$3,589,568 is hereby cancelled.

Of the unexpended balances provided to the State of California and Los Angeles County from funds made available under Public Law 103-211, which were transferred pursuant to law to the Training and Employment Services account, \$834,168 is hereby cancelled.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 16-0174-0-1-504	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.01 Adult employment and training activities	857	861	712
00.03 Dislocated worker employment and training activities	1,410	1,292	1,115
00.05 Youth activities	942	946	841
00.07 Job corps	1,599	1,606	1,518
00.08 Ex-offender activities	20	20	40
00.10 Native Americans	54	54	45
00.11 Migrant and seasonal farmworkers	80	80	.....
00.13 National programs	245	246	218
00.14 Community-Based Job Training Grants	124	249	150
09.01 Reimbursable program	24	24	24
10.00 Total new obligations	5,355	5,378	4,663
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	999	873	898
22.00 New budget authority (gross)	5,212	5,403	4,304
22.10 Resources available from recoveries of prior year obligations	18	.....	.....
23.90 Total budgetary resources available for obligation	6,229	6,276	5,202
23.95 Total new obligations	-5,355	-5,378	-4,663
23.98 Unobligated balance expiring or withdrawn	-1	.....	.....
24.40 Unobligated balance carried forward, end of year	873	898	539

TRAINING AND EMPLOYMENT SERVICES—Continued
(INCLUDING CANCELLATIONS)—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 16-0174-0-1-504	2006 actual	2007 est.	2008 est.
New budget authority (gross), detail:			
Discretionary:			
40.00	2,793	2,791	2,032
40.35	- 52		
40.36			- 5
40.36			- 335
43.00	2,741	2,791	1,692
55.00	2,463	2,463	2,463
55.35	- 148		
55.90	2,315	2,463	2,463
58.00	24		24
Mandatory:			
60.20	132	125	125
70.00	5,212	5,403	4,304
Change in obligated balances:			
72.40	3,585	3,597	3,637
73.10	5,355	5,378	4,663
73.20	- 5,279	- 5,338	- 4,954
73.40	- 46		
73.45	- 18		
74.40	3,597	3,637	3,346
Outlays (gross), detail:			
86.90	1,941	1,886	1,459
86.93	3,281	3,291	3,351
86.97	57	4	4
86.98		157	140
87.00	5,279	5,338	4,954
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00	- 23	- 23	- 23
88.40	- 1	- 1	- 1
88.90	- 24	- 24	- 24
Net budget authority and outlays:			
89.00	5,188	5,379	4,280
90.00	5,255	5,314	4,930

Summary of Budget Authority and Outlays

(in millions of dollars)

	2006 actual	2007 est.	2008 est.
Enacted/requested:			
Budget Authority	5,188	5,379	4,280
Outlays	5,255	5,314	4,930
Legislative proposal, not subject to PAYGO:			
Budget Authority			745
Outlays			178
Total:			
Budget Authority	5,188	5,379	5,025
Outlays	5,255	5,314	5,108

Enacted in 1998, the Workforce Investment Act (WIA) is the primary authorization for this appropriation account. WIA authorization expired on September 30, 2003. The Act is intended to revitalize the Nation's job training system to provide workers with the information, advice, job search assistance, and training they need to get and keep good jobs, and to provide employers with skilled workers. Funds appropriated for this account generally are available on a July to June program year basis, and substantial advance appropriation amounts are provided.

Adult employment and training activities.—Grants to provide financial assistance to States and territories to design

and operate training and employment assistance programs for adults, including low-income individuals and public assistance recipients.

Dislocated worker employment and training activities.—Grants to provide reemployment services and retraining assistance to individuals dislocated from their employment.

Youth activities.—Grants to support a wide range of activities and services to prepare low-income youth for academic and employment success, including summer jobs. The program links academic and occupational learning with youth development activities.

Job Corps.—A system of primarily residential centers offering basic education, training, work experience, and other support, typically to economically disadvantaged youth.

Reintegration of Ex-Offenders.—Supports activities to help individuals exiting prison make a successful transition to community life and long-term employment. The 2008 Budget merges the Prisoner Re-entry and Responsible Reintegration of Youthful Offenders programs into a single program that would provide mentoring and job training to promote the successful return of adult and juvenile ex-offenders into mainstream society.

Native Americans.—Grants to Indian tribes and other Native American groups to provide training, work experience, and other employment-related services to Native Americans.

National programs.—Provides program support for WIA activities and nationally administered programs for segments of the population that have special disadvantages in the labor market.

Community-Based Job Training Grants.—A competitive grant program for building training capacity and training workers through community and technical colleges.

Job Corps Transfer.—Provides the administration of the Job Corps transfer as shown in the Youth Services activity. By authority of section 102 of the Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act, 2006 (Public Law 109-149), the Secretary of Labor issued Secretary's Order 09-2006 which established the Office of Job Corps within the Office of the Secretary (OSEC) and delegated authority and assigned responsibility to the Director of the Office of Job Corps and other agency heads to ensure the effective administration of the Job Corps program. The management of Job Corps funding, appropriated to the Employment and Training Administration (ETA) in 2006, was transferred to OSEC via an allotment process. This funding mechanism continues in 2007 since a regular 2007 appropriation has not been enacted for this account at the time the budget was prepared. The 2008 budget proposes to transfer Job Corps program and administrative funding back to ETA.

Object Classification (in millions of dollars)

Identification code 16-0174-0-1-504	2006 actual	2007 est.	2008 est.
Direct obligations:			
23.1	1	1	1
25.2	1,239	1,244	1,080
25.3			
	9	9	8
25.5	3	3	3
41.0	3,897	3,914	3,387
99.0	5,149	5,171	4,479
99.0	24	24	24
Allocation Account—direct:			
Personnel compensation:			
11.1	70	70	61
11.3	3	3	3
11.5	4	4	3
11.9	77	77	67
12.1	23	23	20
21.0	3	3	3
22.0	1	1	1

23.3	Communications, utilities, and miscellaneous charges	8	8	7
25.2	Other services	21	21	18
25.3	Other purchases of goods and services from Government accounts	3	4	3
25.4	Operation and maintenance of facilities	1	1	1
25.6	Medical care	2	2	2
25.7	Operation and maintenance of equipment	1	1	1
26.0	Supplies and materials	29	29	25
31.0	Equipment	2	2	2
32.0	Land and structures	11	11	10
99.0	Allocation account—direct	182	183	160
99.9	Total new obligations	5,355	5,378	4,663

TRAINING AND EMPLOYMENT SERVICES
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16-0174-2-1-504	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.01	Adult employment and training activities		-712
00.03	Dislocated worker employment and training activities		-1,115
00.05	Youth activities		-841
00.06	Career Advancement Accounts		3,413
10.00	Total new obligations (object class 41.0)		745
Budgetary resources available for obligation:			
22.00	New budget authority (gross)		745
23.95	Total new obligations		-745
24.40	Unobligated balance carried forward, end of year		
New budget authority (gross), detail:			
Discretionary:			
40.00	Appropriation		745
55.00	Advance appropriation		
70.00	Total new budget authority (gross)		745
Change in obligated balances:			
73.10	Total new obligations		745
73.20	Total outlays (gross)		-178
74.40	Obligated balance, end of year		567
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority		178
Net budget authority and outlays:			
89.00	Budget authority		745
90.00	Outlays		178

Legislation will be proposed in 2007 to reform the Workforce Investment Act (WIA). The legislation would increase State flexibility to administer the programs, require that a greater percentage of resources are directed to training services for workers instead of to administrative overhead, increase individual choice by offering Career Advancement Accounts, and streamline the performance accountability system. The proposal would consolidate the Adult, Dislocated Worker, Youth Activities, Work Opportunity Tax Credit, Labor Market Information, and Employment Service State grants into a single State grant to facilitate coordination and eliminate duplication in the provision of services.

WELFARE-TO-WORK JOBS

This account included balances of funding for activities of the Welfare-to-Work Grants program, which was established by the Balanced Budget Act of 1997 (P.L. 105-33) appropriating funding for 1998 and 1999. Funds were made available for expenditure for up to 5 years after they were provided. Public Law 108-199 rescinded 1999 formula grant funding in this program that was unexpended on the date of enactment of the bill.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out title V of the Older Americans Act of 1965, as amended, \$350,000,000.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 16-0175-0-1-504	2006 actual	2007 est.	2008 est.	
Obligations by program activity:				
00.01	National programs	338	338	273
00.02	State programs	94	94	77
10.00	Total new obligations (object class 41.0)	432	432	350
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	432	432	350
23.95	Total new obligations	-432	-432	-350
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	436	432	350
40.35	Appropriation permanently reduced	-4		
43.00	Appropriation (total discretionary)	432	432	350
Change in obligated balances:				
72.40	Obligated balance, start of year	384	389	363
73.10	Total new obligations	432	432	350
73.20	Total outlays (gross)	-428	-458	-417
73.40	Adjustments in expired accounts (net)	1		
74.40	Obligated balance, end of year	389	363	296
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	73	82	67
86.93	Outlays from discretionary balances	355	376	350
87.00	Total outlays (gross)	428	458	417
Net budget authority and outlays:				
89.00	Budget authority	432	432	350
90.00	Outlays	428	458	417

This program provides part-time work experience in community service activities to unemployed, low-income persons aged 55 and over. On October 17, 2006, the President signed into law the Older Americans Act Amendments of 2006 (P.L. 109-365). This legislation reauthorized and reformed Title V of the Older Americans Act and provided for important program reforms, including increasing the percentage of funds available for skills training and related services, such as counseling, transportation, and temporary shelter.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I and section 246; and for training, allowances for job search and relocation, and related State administrative expenses under part II of chapter 2, title II of the Trade Act of 1974 (including the benefits and services described under sections 123(c)(2) and 151(b) and (c) of the Trade Adjustment Assistance Reform Act of 2002, Public Law 107-210), \$888,700,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 16-0326-0-1-999	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
Direct program:			

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 16-0326-0-1-999	2006 actual	2007 est.	2008 est.
00.01 Trade adjustment assistance benefits	549	558	606
00.02 Trade adjustment assistance training	259	260	260
00.05 Wage insurance demonstration	19	20	23
09.01 Reimbursable program	373	40	40
10.00 Total new obligations	1,200	878	929
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1,339	878	929
23.95 Total new obligations	-1,200	-878	-929
23.98 Unobligated balance expiring or withdrawn	-139		
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	966	838	889
69.00 Spending authority from offsetting collections: Offsetting collections (cash)	373	40	40
70.00 Total new budget authority (gross)	1,339	878	929
Change in obligated balances:			
72.40 Obligated balance, start of year	402	414	415
73.10 Total new obligations	1,200	878	929
73.20 Total outlays (gross)	-1,134	-877	-929
73.40 Adjustments in expired accounts (net)	-54		
74.40 Obligated balance, end of year	414	415	415
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	968	714	765
86.98 Outlays from mandatory balances	166	163	164
87.00 Total outlays (gross)	1,134	877	929
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-368	-40	-40
88.40 Non-Federal sources	-2		
88.90 Total, offsetting collections (cash)	-370	-40	-40
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credited to expired accounts	-3		
Net budget authority and outlays:			
89.00 Budget authority	966	838	889
90.00 Outlays	764	837	889

The Trade Adjustment Assistance Reform Act of 2002 (Division A of Public Law 107-210) was signed into law on August 6, 2002. This Act amended the Trade Act of 1974 to consolidate the previous Trade Adjustment Assistance (TAA) and NAFTA Transitional Adjustment Assistance (NAFTA-TAA) programs into a single, enhanced TAA program with expanded eligibility, services, and benefits, which includes adjustment assistance, including cash weekly benefits, training, job search and relocation allowances. Additionally, the Act provides for a demonstration program of Alternative Trade Adjustment Assistance (wage insurance) for older workers.

Legislation will be proposed at a later date to extend and improve the TAA and Alternative TAA programs. TAA will expire on September 30, 2007, and the Alternative TAA demonstration will expire in 2008.

Object Classification (in millions of dollars)

Identification code 16-0326-0-1-999	2006 actual	2007 est.	2008 est.
41.0 Direct obligations: Grants, subsidies, and contributions	827	838	889
99.0 Reimbursable obligations: reimbursable obligations	373	40	40
99.9 Total new obligations	1,200	878	929

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, \$78,001,000, together with not to exceed \$3,220,752,000 which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund ("the Trust Fund"), of which:

\$2,510,723,000 from the Trust Fund is for grants to States for the administration of State unemployment compensation laws as authorized under title III of the Social Security Act (including \$10,000,000 to conduct in-person reemployment and eligibility assessments in one-stop career centers of claimants of unemployment compensation), the administration of unemployment compensation for Federal employees and for ex-service members as authorized under sections 8501-8523 of title 5, United States Code, and the administration of trade readjustment allowances and alternative trade adjustment assistance under the Trade Act of 1974, and shall be available for obligation by the States through December 31, 2008, except that funds used for automation acquisitions shall be available for obligation by the States through September 30, 2010, and funds used for unemployment compensation workloads experienced by the States through September 30, 2008 shall be available for Federal obligation through December 31, 2008;

\$10,500,000 from the Trust Fund is for national activities necessary to support the administration of the Federal-State unemployment compensation system;

\$666,763,000 from the Trust Fund, together with \$22,016,000 from the General Fund of the Treasury, is for grants to States in accordance with section 6 of the Wagner-Peyser Act, and shall be available for Federal obligation for the period July 1, 2008 through June 30, 2009;

\$32,766,000 from the Trust Fund is for national activities of the Employment Service, including administration of the work opportunity tax credit under section 51 of the Internal Revenue Code of 1986, the administration of activities, including foreign labor certifications, under the Immigration and Nationality Act, and the provision of technical assistance and staff training under the Wagner-Peyser Act, including not to exceed \$1,228,000 that may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980;

\$55,985,000 from the General Fund is to provide workforce information, national electronic tools, and one-stop system building under the Wagner-Peyser Act and shall be available for Federal obligation for the period July 1, 2008 through June 30, 2009:

Provided, That to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 2008 is projected by the Department of Labor to exceed 2,629,000, an additional \$28,600,000 from the Trust Fund shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) to carry out title III of the Social Security Act: Provided further, That funds appropriated in this Act that are allotted to a State to carry out activities under title III of the Social Security Act may be used by such State to assist other States in carrying out activities under such title III if the other States include areas that have suffered a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act: Provided further, That funds appropriated in this Act which are used to establish a national one-stop career center system, or which are used to support the national activities of the Federal-State unemployment compensation or immigration programs, may be obligated in contracts, grants, or agreements with non-State entities: Provided further, That funds appropriated under this Act for activities authorized under title III of the Social Security Act and the Wagner-Peyser Act may be used by States to fund integrated Unemployment Compensation and Employment Service automation efforts, notwithstanding cost allocation principles prescribed under the Office of Management and Budget Circular A-87.

In addition, \$40,000,000 from the Employment Security Administration Account of the Unemployment Trust Fund shall be available to conduct in-person reemployment and eligibility assessments in one-stop career centers of claimants of unemployment compensation: Provided, That not later than 180 days following the end of the current fiscal year, the Secretary shall submit an interim report to the Congress that includes available information on expenditures, number of individuals assessed, and outcomes from the assessments: Provided further, That not later than 18 months following the end of the fiscal year, the Secretary of Labor shall submit to the Congress a final report containing comprehensive information on the estimated savings

that result from the assessments of claimants and identification of best practices.

Of the unobligated funds provided under this heading in Public Law 107-117 for emergency expenses, \$4,100,000 is hereby cancelled.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 16-0179-0-1-999	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.01 State UI administration	2,500	2,498	2,547
00.02 UI national activities	10	10	10
00.10 ES grants to States	750	716	689
00.11 ES national activities	33	33	33
00.12 One-stop career centers	76	74	56
00.13 Work incentive grants	28	23	.....
09.01 Reimbursable program	20	10	10
10.00 Total new obligations	3,417	3,364	3,345
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	97	127	127
22.00 New budget authority (gross)	3,419	3,364	3,345
22.10 Resources available from recoveries of prior year obligations	28	.....	.....
23.90 Total budgetary resources available for obligation	3,544	3,491	3,472
23.95 Total new obligations	-3,417	-3,364	-3,345
24.40 Unobligated balance carried forward, end of year	127	127	127
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	125	120	78
40.35 Appropriation permanently reduced	-1	.....	.....
40.36 Unobligated balance permanently reduced .....	.....	.....	-4
43.00 Appropriation (total discretionary)	124	120	74
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)	2,933	3,244	3,271
58.10 Change in uncollected customer payments from Federal sources (unexpired)	362	.....	.....
58.90 Spending authority from offsetting collections (total discretionary)	3,295	3,244	3,271
70.00 Total new budget authority (gross)	3,419	3,364	3,345
Change in obligated balances:			
72.40 Obligated balance, start of year	187	163	-153
73.10 Total new obligations	3,417	3,364	3,345
73.20 Total outlays (gross)	-3,599	-3,680	-3,430
73.40 Adjustments in expired accounts (net)	-12	.....	.....
73.45 Recoveries of prior year obligations	-28	.....	.....
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-362	.....	.....
74.10 Change in uncollected customer payments from Federal sources (expired)	560	.....	.....
74.40 Obligated balance, end of year	163	-153	-238
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2,254	2,326	2,370
86.93 Outlays from discretionary balances	1,345	1,354	1,060
87.00 Total outlays (gross)	3,599	3,680	3,430
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-20	-10	-10
88.00 Trust Fund sources	-3,464	-3,234	-3,261
88.90 Total, offsetting collections (cash)	-3,484	-3,244	-3,271
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-362	.....	.....
88.96 Portion of offsetting collections (cash) credited to expired accounts	551	.....	.....
Net budget authority and outlays:			
89.00 Budget authority	124	120	74
90.00 Outlays	115	436	159

Summary of Budget Authority and Outlays

	(in millions of dollars)		
	2006 actual	2007 est.	2008 est.
Enacted/requested:			
Budget Authority	124	120	74
Outlays	115	436	159
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	-61
Outlays .....	.....	.....	-16
Total:			
Budget Authority	124	120	13
Outlays	115	436	143

Unemployment compensation.—State administration amounts provide administrative grants to State agencies which pay unemployment compensation to eligible workers and collect State unemployment taxes from employers. These agencies also pay unemployment benefits to former Federal personnel and ex-servicemembers as well as trade readjustment allowances to eligible individuals. State administration amounts also provide administrative grants to State agencies to improve the integrity and financial stability of the unemployment compensation program through a comprehensive performance management system, UI Performs. The purpose is to effect continuous improvement in State performance and related activities designed to assess and reduce errors and prevent fraud, waste, and abuse in the payment of unemployment compensation benefits and the collection of unemployment taxes. National activities relating to the Federal-State unemployment insurance programs are conducted through contracts or agreements with the State agencies or with non-state entities. A workload reserve is included in State administration to meet increases in the costs of administration resulting from increases in the number of claims filed and claims paid. The appropriation automatically provides additional funds whenever unemployment claims workload increases above budgeted levels.

The request for additional funding for in-person reemployment and eligibility assessments of claimants of unemployment compensation builds upon the success of a number of States in reducing improper payments and speeding reemployment using these assessments. Because most unemployment claims are now filed by telephone or Internet, in-person assessments conducted in the One-Stop Career Centers can help determine continued eligibility for benefits and adequacy of work search, verify the identity of beneficiaries where there is suspicion of possible identity theft, and provide referral to reemployment assistance to those who need additional help. The \$40 million requested for additional reemployment and eligibility assessments is estimated to provide benefit savings of \$205 million.

It is important that this integrity initiative and other new enforcement investments be fully funded. The Administration is proposing to fund them as contingent appropriations. To ensure full funding of reemployment and eligibility assessments, the Administration proposes to employ a budget enforcement mechanism that allows for an adjustment by the Budget Committees to the section 302(a) allocation to the Appropriations Committees found in the concurrent resolution on the budget. In addition, the Administration will seek to establish statutory spending limits, as defined by section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, and to adjust them for this purpose. To ensure full funding of the increases, either of these adjustments would only be permissible if the base level for reemployment and eligibility assessments was funded at \$10 million and if the use of the funds was clearly restricted to the specified purpose. The maximum allowable adjustment to the 302(a) allocation and/or the statutory spending limit would be \$40 million for 2008 (see chapter 15 in Analytical Perspectives).

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE
OPERATIONS—Continued

UNEMPLOYMENT COMPENSATION PROGRAM STATISTICS

	2005 actual	2006 est.	2007 est.	2008 est.
Staff years	32,794	34,058	34,078	34,166
Basic workload (in thousands):				
Employer tax accounts	7,240	7,370	7,454	7,509
Employee wage items recorded	602,297	617,284	632,030	645,178
Initial claims taken	17,728	16,751	16,829	17,656
Weeks claimed	141,959	134,351	130,050	134,677
Nonmonetary determinations	7,633	7,299	7,123	7,396
Appeals	1,411	1,326	1,223	1,190
Covered employment	129,377	131,337	133,059	134,412

Employment service.—The public employment service is a nationwide system providing no-fee employment services to individuals who are seeking employment and to employers who are seeking workers. State employment service activities are financed by allotments to States distributed under a demographically based funding formula established under the Wagner-Peyser Act, as amended. Employment service allotments are funded on a program year basis running from July 1 through June 30 of the following year.

Employment service activities serving national needs, which includes certification of aliens for employment-based visas, are conducted through specific reimbursable agreements between the States and the Federal Government under the Wagner-Peyser Act, as amended, and other legislation. Funding is provided here to support State administration of the Work Opportunity Tax Credit and the Welfare-to-Work tax credit. Funding is also provided for amortization payments for States which had independent retirement plans prior to 1980 in their State employment service agencies.

One-stop career centers.—These funds are used to support the joint Federal-State efforts to improve the comprehensive One-Stop system created under the Workforce Investment Act (WIA). This system provides workers and employers with quick and easy access to a wide array of enhanced career development and labor market information services.

Work incentive grants.—These funds have provided competitive grants to improve access to and coordination of information, benefits, and services to enable individuals with disabilities to return to work. Work incentive grants have successfully demonstrated approaches to improve the accessibility to One-Stop services for job seekers with disabilities. States and localities are now expected to finance these approaches through their base resources for One-Stop Career Centers.

EMPLOYMENT SERVICE PROGRAM STATISTICS

	2005	2006 est.	2007 est.	2008 est.
Total participants (thousands)	13,237	13,000	13,000	12,500
Entered employment (thousands)	6,600	6,300	6,300	5,900
Cost per participant	\$59	\$55	\$55	\$55

Object Classification (in millions of dollars)

Identification code 16-0179-0-1-999	2006 actual	2007 est.	2008 est.
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges	110	121	.....
41.0 Grants, subsidies, and contributions	3,287	3,233	3,335
99.0 Direct obligations	3,397	3,354	3,335
99.0 Reimbursable obligations	20	10	10
99.9 Total new obligations	3,417	3,364	3,345

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE
OPERATIONS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16-0179-2-1-999	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.10 ES Grants to States			– 689
00.11 ES national activities			– 18
00.12 One-stop career centers			– 39
10.00 Total new obligations (object class 41.0)			– 746
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			– 746
23.95 Total new obligations			746
24.40 Unobligated balance carried forward, end of year
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			– 61
Spending authority from offsetting collections:			
58.00 Offsetting collections (cash)			– 151
58.10 Change in uncollected customer payments from Federal sources (unexpired)			– 534
58.90 Spending authority from offsetting collections (total discretionary)			– 685
70.00 Total new budget authority (gross)			– 746
Change in obligated balances:			
73.10 Total new obligations			– 746
73.20 Total outlays (gross)			167
74.00 Change in uncollected customer payments from Federal sources (unexpired)			534
74.40 Obligated balance, end of year			– 45
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			– 167
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Trust Fund sources			151
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)			534
Net budget authority and outlays:			
89.00 Budget authority			– 61
90.00 Outlays			– 16

Legislation will be proposed in 2007 to reform the Workforce Investment Act (WIA). The legislation would increase State flexibility to administer the programs, require that a greater percentage of resources be directed to training services for workers instead of administrative overhead, increase individual choice by offering "Career Advancement Accounts," and streamline the performance accountability system. The proposal would consolidate the Adult, Dislocated Worker, Youth Activities, Work Opportunity Tax Credit, labor market information, and Employment Service State grants into a single State grant to facilitate coordination and eliminate duplication in the provision of services. The new consolidated grant will be shown in the Training and Employment Services account.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to

the "Federal unemployment benefits and allowances" account, to remain available until September 30, 2009, \$437,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2008, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 16-0327-0-1-600	2006 actual	2007 est.	2008 est.
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	71	91	91
22.00 New budget authority (gross)	20		
23.90 Total budgetary resources available for obligation	91	91	91
24.40 Unobligated balance carried forward, end of year	91	91	91
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	20		
Net budget authority and outlays:			
89.00 Budget authority	20		
90.00 Outlays			

Summary of Budget Authority and Outlays

(in millions of dollars)

	2006 actual	2007 est.	2008 est.
Enacted/requested:			
Budget Authority	20		
Outlays			
Legislative proposal, not subject to PAYGO:			
Budget Authority			2,752
Outlays			2,752
Total:			
Budget Authority	20		2,752
Outlays			2,752

This account provides repayable advances to the Black Lung Disability Trust Fund for making payments from that fund whenever its balances prove insufficient. The funding requested in this appropriation for 2008 is entirely for Black Lung. This spending authority is presented as authority to borrow in the Black Lung Disability Trust Fund.

This account may also provide advances to several other accounts to pay unemployment compensation to eligible individuals under various Federal and State unemployment compensation laws whenever the balances in the accounts prove insufficient or whenever legislation allows reimbursements to be made. Advances made to the Federal Employees Compensation Account in the Unemployment Trust Fund and to the Federal Unemployment Benefits and Allowances account are nonrepayable, as are certain reimbursements to the Extended Unemployment Compensation Account (EUCA), as allowed by law. All other advances made to the Federal Unemployment Account and to EUCA (both in the Unemployment Trust Fund) are repaid, with interest, to the general fund of the Treasury.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16-0327-2-1-600	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.01 Prepayment premium			2,752
10.00 Total new obligations (object class 41.0)			2,752
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			2,752

23.95 Total new obligations			-2,752
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			2,752
Change in obligated balances:			
73.10 Total new obligations			2,752
73.20 Total outlays (gross)			-2,752
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			2,752
Net budget authority and outlays:			
89.00 Budget authority			2,752
90.00 Outlays			2,752

The revenues of the Black Lung Disability Fund (BLDTF), which are derived primarily from coal excise taxes, are insufficient to repay the \$10 billion debt BLDTF owes to the Treasury or to service the interest on that debt. See discussion under the Black Lung Disability Trust Fund account for a full description of the Administration's proposal to remedy this problem. As part of this proposal, the Administration will propose legislation that will provide for a one-time appropriation shown in the Advances account to permit the BLDTF to compensate the Treasury general fund for lost interest income.

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, \$121,255,000, together with not to exceed \$94,907,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 16-0172-0-1-504	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.01 Adult services	51	53	54
00.02 Youth services	38	40	40
00.03 Workforce security	88	89	104
00.04 Apprenticeship training, employer and labor services	22	21	22
00.05 Executive direction	9	8	9
10.00 Total new obligations	208	211	229
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	4	6	6
22.00 New budget authority (gross)	211	211	229
23.90 Total budgetary resources available for obligation	215	217	235
23.95 Total new obligations	-208	-211	-229
23.98 Unobligated balance expiring or withdrawn	-1		
24.40 Unobligated balance carried forward, end of year	6	6	6
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	117	116	121
40.35 Appropriation permanently reduced	-1		
43.00 Appropriation (total discretionary)	116	116	121
58.00 Spending authority from offsetting collections: Offsetting collections (cash)	82	82	95
Mandatory:			
60.20 Appropriation (special fund)	13	13	13
70.00 Total new budget authority (gross)	211	211	229
Change in obligated balances:			
72.40 Obligated balance, start of year	26	48	27
73.10 Total new obligations	208	211	229

PROGRAM ADMINISTRATION—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 16-0172-0-1-504	2006 actual	2007 est.	2008 est.
73.20 Total outlays (gross)	-184	-232	-229
73.40 Adjustments in expired accounts (net)	-2		
74.40 Obligated balance, end of year	48	27	27
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	157	187	204
86.93 Outlays from discretionary balances	18	29	12
86.97 Outlays from new mandatory authority	5	12	12
86.98 Outlays from mandatory balances	4	4	1
87.00 Total outlays (gross)	184	232	229
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Trust fund sources	-82	-82	-95
Net budget authority and outlays:			
89.00 Budget authority	129	129	134
90.00 Outlays	102	150	134

This account provides for the Federal administration of all Employment and Training Administration programs.

Adult services.—Provides leadership, policy direction and administration for a decentralized system of grants to State and local governments as well as federally administered programs for job training and employment assistance for low income adults and dislocated workers; provides for training and employment services to special targeted groups; provides for the settlement of trade adjustment petitions; and includes related program operations support activities.

Youth services.—Provides leadership, policy direction and administration for a decentralized system of grants to State and local governments as well as federally administered programs for job training and employment assistance for youth, including the Job Corps.

Workforce security.—Provides leadership and policy direction for the administration of the comprehensive nationwide public employment service system; oversees unemployment insurance programs in each State; administers foreign labor certification programs; supports a one-stop career center network, including a comprehensive system of collecting, analyzing and disseminating labor market information; and includes related program operations support activities.

Apprenticeship training, employer and labor services.—Promotes and provides leadership and policy direction for the administration of apprenticeship as a method of skill acquisition through a Federal-State apprenticeship structure. Employer and labor services will facilitate the understanding and responsiveness of workforce investment systems to the training needs of employers and the interest of labor organizations in training programs.

Executive direction.—Provides leadership and policy direction for all training and employment services programs and activities and provides for related program operations support, including research, evaluations, and demonstrations.

Job Corps Transfer.—Provides the administration of the Job Corps as shown in the Youth Services activity. By authority of section 102 of the Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act, 2006 (Public Law 109-149), the Secretary of Labor issued Secretary's Order 09-2006 which established the Office of Job Corps within the Office of the Secretary (OSEC) and delegated authority and assigned responsibility to the Director of the Office of Job Corps and other agency heads to ensure the effective administration of the Job Corps program. The management of Job Corps funding, appropriated to the Employment and Training Administration (ETA) in FY 2006,

was transferred to OSEC via an allotment process. This funding mechanism continues in FY 2007 since a regular 2007 appropriation has not been enacted for this account at the time the budget was prepared. The FY 2008 budget proposes to transfer Job Corps program and administrative funding back to ETA.

Object Classification (in millions of dollars)

Identification code 16-0172-0-1-504	2006 actual	2007 est.	2008 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	90	96	99
11.3 Other than full-time permanent	1	1	2
11.5 Other personnel compensation	3	3	3
11.9 Total personnel compensation	94	100	104
12.1 Civilian personnel benefits	24	25	26
21.0 Travel and transportation of persons	4	4	4
23.1 Rental payments to GSA	11	12	12
23.3 Communications, utilities, and miscellaneous charges	3	2	2
25.1 Advisory and assistance services	35	29	38
25.2 Other services	3	1	1
25.3 Other purchases of goods and services from Government accounts	17	19	20
25.7 Operation and maintenance of equipment	13	15	18
26.0 Supplies and materials	1	1	1
31.0 Equipment	3	3	3
99.9 Total new obligations	208	211	229

Employment Summary

Identification code 16-0172-0-1-504	2006 actual	2007 est.	2008 est.
Direct:			
1001 Civilian full-time equivalent employment	1,079	1,172	1,192
Reimbursable:			
2001 Civilian full-time equivalent employment	4	4	4

WORKERS COMPENSATION PROGRAMS

Program and Financing (in millions of dollars)

Identification code 16-0170-0-1-806	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.01 Workers Compensation Programs	50		
10.00 Total new obligations (object class 41.0)	50		
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	-70		
22.10 Resources available from recoveries of prior year obligations	120		
23.90 Total budgetary resources available for obligation	50		
23.95 Total new obligations	-50		
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	50		
40.35 Appropriation permanently reduced	-120		
43.00 Appropriation (total discretionary)	-70		
Change in obligated balances:			
72.40 Obligated balance, start of year	122	50	42
73.10 Total new obligations	50		
73.20 Total outlays (gross)	-2	-8	-10
73.45 Recoveries of prior year obligations	-120		
74.40 Obligated balance, end of year	50	42	32
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2		
86.93 Outlays from discretionary balances		8	10
87.00 Total outlays (gross)	2	8	10

Net budget authority and outlays:			
89.00	Budget authority	-70	
90.00	Outlays	2	8 10

Workers Compensation Programs.—Section 5011 of Public Law 109–148 made \$50,000,000 available to the New York State Uninsured Employers Fund for reimbursement of claims related to the September 11, 2001, terrorist attacks on the United States and for reimbursement of claims related to the first response emergency services personnel who were injured, were disabled, or died due to such terrorist attacks.

FOREIGN LABOR CERTIFICATION PROCESSING

Special and Trust Fund Receipts (in millions of dollars)

Identification code 16-5507-0-2-505	2006 actual	2007 est.	2008 est.
01.00	Balance, start of year		
01.99	Balance, start of year		
Receipts:			
02.00	Foreign labor certification processing fee—legislative proposal subject to PAYGO		65
04.00	Total: Balances and collections		65
Appropriations:			
05.00	Foreign labor certification processing—legislative proposal subject to PAYGO		-65
07.99	Balance, end of year		

FOREIGN LABOR CERTIFICATION PROCESSING

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16-5507-4-2-505	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.01	National programs		60
00.02	State programs		5
10.00	Total new obligations		65
Budgetary resources available for obligation:			
22.00	New budget authority (gross)		65
23.95	Total new obligations		-65
New budget authority (gross), detail:			
Mandatory:			
60.20	Appropriation (special fund)		65
Change in obligated balances:			
73.10	Total new obligations		65
73.20	Total outlays (gross)		-65
Outlays (gross), detail:			
86.97	Outlays from new mandatory authority		65
Net budget authority and outlays:			
89.00	Budget authority		65
90.00	Outlays		65

The Administration will propose legislation to establish a new fee for applications under the permanent foreign labor certification program. Fee proceeds would offset the costs of administering the permanent program, but not backlog reduction in regional offices. Upon enactment of the fee, funding for these activities now included in the Program Administration account will be reviewed and adjusted.

Object Classification (in millions of dollars)

Identification code 16-5507-4-2-505	2006 actual	2007 est.	2008 est.
Direct obligations:			

11.1	Personnel compensation: Full-time permanent		11
12.1	Civilian personnel benefits		3
23.1	Rental payments to GSA		1
23.3	Communications, utilities, and miscellaneous charges		1
25.1	Advisory and assistance services		31
25.2	Other services		1
25.3	Other purchases of goods and services from Government accounts		2
25.7	Operation and maintenance of equipment		9
31.0	Equipment		1
41.0	Grants, subsidies, and contributions		5
99.9	Total new obligations		65

Employment Summary

Identification code 16-5507-4-2-505	2006 actual	2007 est.	2008 est.
Direct:			
1001	Civilian full-time equivalent employment		120

Trust Funds

UNEMPLOYMENT TRUST FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 20-8042-0-7-999	2006 actual	2007 est.	2008 est.
01.00	Balance, start of year	53,418	65,357 78,766
01.99	Balance, start of year	53,418	65,357 78,766
Receipts:			
02.00	Deposits by Federal agencies to the Federal employees compensation account, Unemployment trust fund	828	830 807
02.01	Unemployment trust fund, Interest and profits on investments in public debt securities	2,656	3,270 3,927
02.20	CMIA interest, Unemployment trust fund	2	
02.21	Interest on unemployment insurance loans to States, Federal unemployment account, Unemployment trust fund	19	
02.60	General taxes, FUTA, Unemployment trust fund	7,394	7,323 6,183
02.61	General taxes, FUTA, Unemployment trust fund—legislative proposal subject to PAYGO		1,341
02.62	Unemployment trust fund, State accounts, Deposits by States	35,938	37,574 37,584
02.63	Unemployment trust fund, Deposits by Railroad Retirement Board	88	88 95
02.99	Total receipts and collections	46,925	49,085 49,937
04.00	Total: Balances and collections	100,343	114,442 128,703
Appropriations:			
05.00	Unemployment trust fund	-3,630	-3,592 -3,637
05.01	Unemployment trust fund	38	
05.02	Unemployment trust fund	-43,232	-31,994 -34,238
05.03	Unemployment trust fund	11,926	
05.04	Unemployment trust fund—legislative proposal not subject to PAYGO		685
05.05	Railroad unemployment insurance trust fund	-16	-16 -17
05.06	Railroad unemployment insurance trust fund	-77	-76 -83
05.07	Railroad unemployment insurance trust fund	-101	-106 -108
05.08	Railroad unemployment insurance trust fund	106	108 122
05.99	Total appropriations	-34,986	-35,676 -37,276
07.99	Balance, end of year	65,357	78,766 91,427

Program and Financing (in millions of dollars)

Identification code 20-8042-0-7-999	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.01	Benefit payments by States	30,386	31,072 33,363
00.02	Federal employees' unemployment compensation	800	842 793
00.03	State administrative expenses	3,276	3,234 3,261
Federal administrative expenses:			
00.10	Direct expenses	164	165 179
00.11	Reimbursements to the Department of the Treasury	76	77 79
00.20	Veterans employment and training	193	193 197
00.21	Interest on refunds	3	3 3
10.00	Total new obligations	34,898	35,586 37,875
Budgetary resources available for obligation:			
22.00	New budget authority (gross)	34,898	35,586 37,875

UNEMPLOYMENT TRUST FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 20-8042-0-7-999	2006 actual	2007 est.	2008 est.
23.95 Total new obligations	-34,898	-35,586	-37,875
24.40 Unobligated balance carried forward, end of year			
New budget authority (gross), detail:			
Discretionary:			
40.26 Appropriation (trust fund)	3,630	3,592	3,637
40.37 Appropriation temporarily reduced	-38		
43.00 Appropriation (total discretionary)	3,592	3,592	3,637
Mandatory:			
60.26 Appropriation (trust fund)	43,232	31,994	34,238
60.45 Portion precluded from obligation	-11,926		
62.50 Appropriation (total mandatory)	31,306	31,994	34,238
70.00 Total new budget authority (gross)	34,898	35,586	37,875
Change in obligated balances:			
72.40 Obligated balance, start of year	1,407	1,201	1,040
73.10 Total new obligations	34,898	35,586	37,875
73.20 Total outlays (gross)	-35,104	-35,747	-37,894
74.40 Obligated balance, end of year	1,201	1,040	1,021
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2,585	2,634	2,691
86.93 Outlays from discretionary balances	1,244	1,119	965
86.97 Outlays from new mandatory authority	31,275	31,994	34,238
87.00 Total outlays (gross)	35,104	35,747	37,894
Net budget authority and outlays:			
89.00 Budget authority	34,898	35,586	37,875
90.00 Outlays	35,104	35,747	37,894
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities: Par value	54,806	66,213	79,000
92.02 Total investments, end of year: Federal securities: Par value	66,213	79,000	91,000

Summary of Budget Authority and Outlays

(in millions of dollars)

	2006 actual	2007 est.	2008 est.
Enacted/requested:			
Budget Authority	34,898	35,586	37,875
Outlays	35,104	35,747	37,894
Legislative proposal, not subject to PAYGO:			
Budget Authority			-685
Outlays			-145
Total:			
Budget Authority	34,898	35,586	37,190
Outlays	35,104	35,747	37,749

The financial transactions of the Federal-State and railroad unemployment insurance systems are made through the Unemployment Trust Fund. All State and Federal unemployment tax receipts are deposited in the Trust Fund and invested in Government securities until needed for benefit payments or administrative expenses. The portion of the Trust Fund funded with Federal taxes provides repayable advances (loans) to the States when the balances in their individual State accounts are insufficient to pay benefits. The Trust Fund may receive repayable advances from the general fund when it has insufficient balances to make advances to States or to pay the Federal share of extended unemployment benefits.

State payroll taxes pay for all regular State unemployment benefits. During periods of high State unemployment, extended benefits, financed one-half by State unemployment taxes and one-half by the Federal unemployment payroll tax, are also paid out of the Trust Fund. In addition, the Federal

unemployment tax pays the costs of Federal and State administration of the unemployment insurance system, veterans employment services, surveys of wages and employment, and about 97 percent of the costs of the Employment Service.

The Federal Employees Compensation Account (FECA) provides funds to States for unemployment compensation benefits paid to eligible former Federal civilian personnel, Postal Service employees, and ex-servicemembers. In turn, the various Federal agencies reimburse FECA for benefits paid to their former employees. Any additional resources necessary to assure that the FECA account can make the required payments to States will be provided from the Advances to the Unemployment Trust Fund and Other Funds Account.

Both the benefit payments and administrative expenses of the separate unemployment insurance program for railroad employees are paid from the Unemployment Trust Fund, and receipts from the tax on railroad payrolls are deposited into the Trust Fund to meet expenses.

Status of Funds (in millions of dollars)

Identification code 20-8042-0-7-999	2006 actual	2007 est.	2008 est.
Unexpended balance, start of year:			
0100 Balance, start of year	54,831	66,563	79,811
0199 Total balance, start of year	54,831	66,563	79,811
Cash income during the year:			
Current law:			
Receipts:			
1200 Deposits by Federal agencies to the Federal employees compensation account, Unemployment trust fund	828	830	807
1201 Unemployment trust fund, interest and profits on investments in public debt securities	2,656	3,270	3,927
Offsetting receipts (proprietary):			
1220 CMA interest, Unemployment trust fund	2		
1221 Interest on unemployment insurance loans to States, Federal unemployment account, Unemployment trust fund	19		
Offsetting governmental receipts:			
1260 General taxes, FUTA, Unemployment trust fund	7,394	7,323	6,183
1262 Unemployment trust fund, State accounts, Deposits by States	35,938	37,574	37,584
1263 Unemployment trust fund, Deposits by Railroad Retirement Board	88	88	95
Offsetting collections:			
1280 Railroad unemployment insurance trust fund	29	26	28
1299 Income under present law	46,954	49,111	48,624
Proposed legislation:			
Offsetting governmental receipts:			
2261 General taxes, FUTA, Unemployment trust fund			1,341
2299 Income under proposed legislation			1,341
3299 Total cash income	46,954	49,111	49,965
Cash outgo during year:			
Current law:			
4500 Unemployment trust fund	-35,104	-35,747	-37,894
4501 Railroad unemployment insurance trust fund	-102	-100	-97
4599 Outgo under current law (-)	-35,206	-35,847	-37,991
Proposed legislation:			
5500 Unemployment trust fund			145
5599 Outgo under proposed legislation (-)			145
6599 Total cash outgo (-)	-35,206	-35,847	-37,846
7645 Railroad unemployment insurance trust fund	-15	-15	-15
7645 Railroad unemployment insurance trust fund	-1	-1	-2
7699 Total adjustments	-16	-16	-17
Unexpended balance, end of year:			
8700 Uninvested balance (net), end of year	350	811	913
8701 Invested balance, end of year	66,213	79,000	91,000
8799 Total balance, end of year	66,563	79,811	91,913

Object Classification (in millions of dollars)

Identification code 20-8042-0-7-999	2006 actual	2007 est.	2008 est.
Direct obligations:			
25.3 Reimbursements to Department of the Treasury	76	77	79
42.0 Federal unemployment benefits	800	842	793
42.0 State unemployment benefits	30,386	31,072	33,363

43.0	Interest and dividends	3	3	3
94.0	ETA-PA and BLS	159	159	173
94.0	Veterans employment and training	193	193	197
94.0	Payments to States for administrative expenses	3,275	3,234	3,261
94.0	Departmental management	6	6	6
99.0	Direct obligations	34,898	35,586	37,875
99.9	Total new obligations	34,898	35,586	37,875

UNEMPLOYMENT TRUST FUND

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 20-8042-2-7-999	2006 actual	2007 est.	2008 est.
Obligations by program activity:			
00.03	State administrative expenses		- 685
10.00	Total new obligations (object class 94.0)		- 685
Budgetary resources available for obligation:			
22.00	New budget authority (gross)		- 685
23.95	Total new obligations		685
24.40	Unobligated balance carried forward, end of year		
New budget authority (gross), detail:			
Discretionary:			
40.26	Appropriation (trust fund)		- 685
Change in obligated balances:			
73.10	Total new obligations		- 685
73.20	Total outlays (gross)		145
74.40	Obligated balance, end of year		- 540
Outlays (gross), detail:			
86.90	Outlays from new discretionary authority		- 145
Net budget authority and outlays:			
89.00	Budget authority		- 685
90.00	Outlays		- 145

Legislation will be proposed in 2007 to reform the Workforce Investment Act (WIA). The legislation would increase State flexibility to administer the programs, require that a greater percentage of resources be directed to training services for workers instead of administrative overhead, increase individual choice by offering "Career Advancement Accounts," and streamline the performance accountability system. The proposal would consolidate the Adult, Dislocated Worker, Youth Activities, Work Opportunity Tax Credit, labor market information, and Employment Service State grants into a single State grant to facilitate coordination and eliminate duplication in the provision of services. The new consolidated grant will be shown in the Training and Employment Services account.

EMPLOYEE BENEFITS SECURITY
ADMINISTRATION

Federal Funds

SALARIES AND EXPENSES

For necessary expenses for the Employee Benefits Security Administration, \$147,425,000.

Note.—A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

Program and Financing (in millions of dollars)

Identification code 16-1700-0-1-601	2006 actual	2007 est.	2008 est.	
Obligations by program activity:				
00.01	Enforcement and participant assistance	112	112	123

00.02	Policy and compliance assistance	17	17	18
00.03	Executive leadership, program oversight and administration	5	5	6
09.01	Reimbursable program	11	17	21
10.00	Total new obligations	145	151	168

Budgetary resources available for obligation:

22.00	New budget authority (gross)	145	151	168
23.95	Total new obligations	- 145	- 151	- 168

New budget authority (gross), detail:

Discretionary:				
40.00	Appropriation	135	134	147
40.35	Appropriation permanently reduced	- 1		
43.00	Appropriation (total discretionary)	134	134	147
58.00	Spending authority from offsetting collections: Offsetting collections (cash)	11	17	21
70.00	Total new budget authority (gross)	145	151	168

Change in obligated balances:

72.40	Obligated balance, start of year	49	44	46
73.10	Total new obligations	145	151	168
73.20	Total outlays (gross)	- 148	- 149	- 165
73.40	Adjustments in expired accounts (net)	- 2		
74.40	Obligated balance, end of year	44	46	49

Outlays (gross), detail:

86.90	Outlays from new discretionary authority	109	115	129
86.93	Outlays from discretionary balances	39	34	36
87.00	Total outlays (gross)	148	149	165

Offsets:

Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Federal sources collected	- 11	- 17	- 21

Net budget authority and outlays:

89.00	Budget authority	134	134	147
90.00	Outlays	137	132	144

Enforcement and participant assistance.—Conducts criminal and civil investigations and performs reviews to ensure compliance with the fiduciary provisions of the Employee Retirement Income Security Act (ERISA) and the Federal Employees' Retirement System Act. Provides information and assistance to benefit plan participants and to the general public. Assures compliance with applicable reporting requirements, as well as accounting, auditing and actuarial standards. Supplies required reports to the public.

	2006 actual	2007 estimate	2008 estimate
Plan reviews conducted	3,762	4,000	4,000
Investigations conducted	3,411	3,964	3,964
Investigations closed that restored or protected assets	2,534	2,392	2,510
Benefit recoveries from customer assistance	\$130,795,000	\$68,000,000	\$68,000,000
Inquiries received	164,863	171,000	171,000

Policy and compliance assistance.—Conducts policy, research, and legislative analyses on pension, health, and other employee benefit issues. Provides compliance assistance especially to employers and plan officials. Writes regulations and interpretations. Issues individual and class exemptions from regulations.

	2006 actual	2007 est.	2008 est.
Exemptions, determinations, interpretations, and regulations issued	1,969	2,349	2,379
Average days to process exemption requests	174	182	165

Executive leadership, program oversight, and administration.—Provides leadership, policy direction, strategic planning, and administrative guidance in the management of employee benefit programs. Provides analytical and administrative support for financial and human capital management and other administrative functions related to coordination and implementation of government-wide management initiatives.