DEPARTMENT OF LABOR

The President's Proposal:

- Provides for reform of Unemployment Insurance and Employment Service administration to strengthen state control and improve customer service;
- Includes over $9 billion in budgetary resources for federal job training and other dislocated worker services, and redirects funds from poorly performing programs to effective ones;
- Strengthens the integrity of worker compensation and benefit programs by cutting excessive and frivolous payments;
- Advances non-bureaucratic methods to improve safety in the workplace; and
- Eliminates backlogs in the permanent alien labor certification program.

Department of Labor

Elaine L. Chao, Secretary

www.dol.gov 1–866-4–USA–DOL

Number of Employees: 17,432

2002 Spending: $58.6 billion

Field Offices: 568 field offices with locations in 50 States, plus Puerto Rico, Guam, and the Virgin Islands.

The Department of Labor (DOL) runs unemployment insurance, job training and employment, and workers' compensation programs. It collects, analyzes, and publishes labor and economic statistics. DOL also is responsible for the administration and enforcement of laws that: protect workers' wages, health and safety, and employment, pension, and other benefit rights; promote equal employment opportunity; and ensure free collective bargaining.

Status Report on Select Programs

The Administration is reviewing programs throughout the federal government to identify strong and weak performers. The budget generally seeks to redirect funds from poorly performing programs to more effective ones. The table that follows shows the status of some DOL programs.

Program	Assessment	Explanation
Job Corps	**Effective**	Residential program for disadvantaged youth is a cost-effective investment, despite its high cost per participant-slot ($31,700 per year). It increases their lifetime earnings.
Bureau of Labor Statistics	**Effective**	Produces accurate, timely, and pertinent data and has considerably improved the accuracy of its price indexes.
Pension Benefit Guaranty Corporation	**Effective**	In insuring certain pensions against company bankruptcy, between 2000 and 2002, it shortened the time it takes to calculate affected workers' final benefits by almost two years.
One-Stop Career Centers	**Unknown**	Grant program helps fund local one-stop employment centers nationwide but has not been evaluated.
Employment Service	**Unknown**	Currently rates its performance only in terms of services provided to job seekers, but is developing measures based on whether job seekers find work.
Veterans' Employment and Training Service	**Ineffective**	Unnecessary overhead. Duplicative bureaucracy monitors another employment program, rather than helping veterans find and retain jobs.
H-1B Technical Skills Training Grants	**Ineffective**	Does not raise skills of U.S. workers in specialty and high-tech jobs so that employers' demand for temporary alien workers with H-1B visas will decline.
Alien Labor Certification	**Ineffective**	Processing employer applications for permanent certification is labor intensive and takes up to six years. Federal and state reviews are redundant.
Prevailing Wage Determination Systems (Davis-Bacon and Service Contract Acts)	**Ineffective**	Paper-intensive, user-unfriendly processes require modernization.

Comprehensive Reform of Unemployment Insurance and Employment Service

The Unemployment Insurance (UI) and Employment Service (ES) system needs reform. The Administration proposes short- and long-term reforms that promote flexibility and strengthen the critical unemployment insurance and employment services that states provide to America's workers and employers.

Near-term reforms are designed to meet the immediate needs of unemployed workers during the current economic slowdown. The Administration supports an economic security package in 2002 that includes:

- Extended Unemployment Benefits. A temporary extension of up to 13 weeks of unemployment benefits would be available in all states.
- Immediate distribution of billions in Reed Act funds. States would receive $9 billion in excess funds in the U.S. Treasury's Unemployment Trust Fund, some of which are scheduled to be distributed on October 1, 2002. These funds could be used to expand benefits and services, shore up low reserves in state trust funds, or allow a cut in employer payroll taxes.

Consistent with these immediate reforms, the Administration's long-term vision will make unemployment insurance benefits and employment services more responsive to the needs of workers and employers, give states needed flexibility, and promote economic growth. This long-term reform connects the principles articulated in the President's economic security package with the long-term reforms needed for workers, employers, and states, which have clamored for change for the past decade. For example:

- Workers argue that it is currently too difficult for states to "trigger" extra weeks of UI benefits during a recession.
- Employers complain that their federal unemployment taxes are too high, and that too few of those funds go back to states to run the UI and ES programs.
- States are frustrated that current funding arrangements have hampered their ability to provide timely, accurate benefits and effective reemployment services.

The Administration's long-term reforms will address these concerns by:

- Enabling more workers to receive Extended UI Benefits, by making the program more responsive to unemployment swings.
- Reducing employers' federal payroll taxes, spurring economic expansion.
- Allowing states to control their own administrative funding, which will help improve the timeliness and accuracy of benefit payments, and target more resources on preventing and detecting overpayments.

The Administration's reform proposal includes five components. They are:

1. Reforming Extended Benefits (EB). In many states, it is currently very difficult to "trigger on" EB during a recession. The Administration's proposal would make EB more responsive to unemployment swings, while continuing to pay half the cost of EB.
2. Cutting FUTA taxes. The Administration proposes to cut the Federal Unemployment Tax Act (FUTA) payroll tax by 25 percent in 2003, with gradual reductions over the next four years. Beginning in 2007, FUTA will be maintained at 0.2 percent of the first $7,000 in wages, compared with 0.8 percent currently.

3. Allowing states to finance UI and ES operations. Currently, state taxes pay for unemployment benefits. The federal government pays the cost of administering the UI and ES programs. Under the Administration's proposal, states would use their existing UI taxes to finance UI and ES administration, and tailor unemployment and employment services to meet the unique needs of their workers and employers.
4. Ensuring a smooth transition. During the five-year transition, the Administration would help states implement the funding changes by providing billions from the U.S. Treasury's Unemployment Trust Fund. In addition, phased implementation would allow states ample time to enact any necessary legislation.
5. Continuing loans to states. To ensure that no worker would be denied UI benefits because of funding shortfalls, the federal government would continue to provide loans to any state that runs short of funds to pay unemployment benefits.

With the Administration's short- and long-term reforms, states will be well positioned to respond immediately to changing economic conditions and better serve workers through a strengthened unemployment insurance and employment service system.

Reform of Federal Job Training Programs

The President's commitment to providing employment and training services to dislocated workers is reflected in the Administration's bipartisan support of a economic security plan, through which $4 billion would be available in 2002–2003 through the National Emergency Grants (NEG) program. Besides providing job training and reemployment services, states could also use these funds to provide targeted assistance for dislocated workers with distinctive needs, including additional assistance with health care costs. The flexible, targeted NEG program will provide customized assistance to help dislocated workers make the transition through a difficult period and return to work as quickly as possible.

Although the Administration is committed to providing the services for dislocated workers as soon as they are needed, estimates indicate that about $3 billion of the NEG funds from the bipartisan economic security plan will be carried forward into 2003. In addition, $1.3 billion in unspent resources will be carried forward from state formula grant training and employment programs, and the 2003 Budget includes $5 billion for the programs authorized by the Workforce Investment Act (WIA). As a result, more than $9.3 billion will be available for investments in job training and other dislocated worker services in 2003. This is 36 percent more than is expected to be spent through these programs in 2002. (See table on unexpended resources and the bipartisan economic security plan.) As a result, total available resources could support approximately 500,000 to 800,000 more participants than the 2.2 million participants expected in the WIA programs in 2002.

Unexpended Resources and the Bipartisan Economic Security Plan Allow Large Increase in Investments in Job Training and Other Dislocated Worker Services

	Budgetary Resources (In millions of dollars)
2001	
Amount Spent	4,525
2002	
New Budget Authority	5,631
Unspent from prior years	1,532
National Emergency Grants (NEGs)—Bipartisan Economic Security Plan	4,000
Total	11,163
Amount expected to be spent[1]	**6,827**
Amount expected not to be spent	4,336
2003	
New Budget Authority	4,976
Unspent from prior years (183% more than carried into 2002)	4,336
Total that Can be Spent (36% more than expected to be spent in 2002)	**9,312**

[1] Assumes that $1 billion of the $4 billion in NEGs will be spent in 2002.

While the Administration is supporting a large near-term increase in funds for dislocated worker assistance, the 2003 Budget is launching a long-term reform of the federal government's overlapping training and employment programs. The federal government has at least 48 training and employment programs scattered around 10 agencies. Although the programs vary considerably, their common goal is to improve participants' employment and earnings. However, no consistent measure exists to compare results across these programs. Definitions vary, data quality is uneven and collected using different statistical techniques. Many federal training programs tend to adopt easy performance measures (such as participants served) rather than outcomes like landing and keeping a job or earnings increases.

The Federal Government's Multiple Job Training Programs

Agency (and selected programs)	Number of Programs 2002	Number of Programs 2003	Target Group	2003 (In millions of dollars)	Cost Per Participant
Department of Labor	17	9		***6,892***	
Dislocated Workers			Laid-off workers	1,383	$1,800
Adult Employment and Training			All adults	900	$2,500
Youth Activities			Low-income youth	1,001	$2,530
Job Corps			Low-income youth	1,532	$31,700
Department of Education	10	6		***4,503***	
Adult Education			Adults and U.S. immigrants	575	$493
Vocational Education			High-school, college students	1,180	Unavailable
Vocational Rehabilitation Grants to States			People with disabilities	2,616	$2,042
Department of Health and Human Services	5	5		***1,618***	
Temporary Assistance to Needy Families			Low-income families	1,515	Unavailable
Refugee Assistance			Newly-arrived refugees	57	Unavailable
Department of Veterans Affairs	1	2		***779***	
Vocational Rehabilitation and Employment Services and Benefits			Unemployed veterans with service-connected disabilities	602	$10,050
Grants for Veterans Employment			Veterans	177	Not Applicable (transfer)
Other					
Department of Agriculture	1	1	Food Stamp recipients	259	$175
Department of the Interior	10	1	American Indians and Alaska Natives	9	Various programs; no single estimate
Department of Housing and Urban Development	1	1	High-school dropouts	65	$20,000
Department of Defense	1	1	High-school dropouts	63	$15,609
Appalachian Regional Commission	1	1	Low-income Appalachians	8	Unavailable
Denali Commission	1	1	Low-income Alaska Natives	3	$2,770
Total	**48**	**28**		**14,199**	

The 2003 Budget will launch a multi-year effort to reform job training programs, target resources to programs with documented effectiveness, and eliminate funding for ineffective, duplicative, and overlapping programs. The proposed reforms would reduce the number of job training programs from 48 to 28 (see table on federal job training programs). Reforms include:

- *Expanding an effective program.* The 2003 Budget proposes $1.5 billion for Job Corps, a residential vocational training program for disadvantaged youth. Although Job Corps is DOL's costliest program, with a unit cost of roughly $31,700 per service year, research has demonstrated that it is a cost-effective federal investment. The 2003 Budget provides a five percent increase above 2002, increases funding for teacher pay and new centers, and supports 122 residential training centers—an increase of four centers over 2001–2002.

The Job Corps provides students with skills that help them secure jobs such as electrical technician.

- *Reauthorizing WIA.* In 2003, the WIA's authorization expires, providing the Administration an opportunity to evaluate critically the current program structure, financing, and performance. The Administration will undertake that work in the coming year, and the 2004 Budget will outline a proposal to further consolidate training programs.

- *Transferring veterans' employment programs to the Department of Veterans Affairs (VA).* The 2003 Budget will transfer $197 million to VA that DOL currently uses to finance three veterans employment programs. This proposal would implement a recommendation of the 1999 Congressional Commission on Servicemembers and Veterans Transition Assistance, which concluded that DOL's programs do not serve veterans well. With VA demonstrating its commitment by demanding employment results, the programs will better serve veterans' employment needs.

National Skill Standards Board

The National Skill Standards Board (NSSB) is intended to help industries develop voluntary skill standards for occupations in 15 industry clusters. Since its inception in 1995, NSSB has spent $45 million to help create standards in occupations that include bellboys, bus boys, and waiters. The 28-page standard for bus boys includes detailed instructions for clearing tables. The manufacturing industry standard includes as a skill "be depended on not to steal equipment and materials." The 2003 Budget terminates funding for the NSSB.

- *Closing ineffective programs.* The 2003 Budget will end funding for several training programs that have a history of poor performance, or where the federal role is inappropriate. For example, no funding is requested for the Migrant and Seasonal Farmworker program, which has demonstrated little success in helping these low-income workers secure good jobs outside of agriculture. Roughly three-fourths of this program's participants never enroll in training. The population previously served by this program is eligible for the WIA Adult Activities program, the Migrant High School Equivalency Program (HEP) and College Assistance Migrant Program (CAMP), which help migrant students complete high school and succeed in college. The budget also ceases funding for the National Skill Standards Board, whose funding for industry skill standards has not been a cost-effective use of taxpayer dollars.

Reform of Worker Benefit Programs

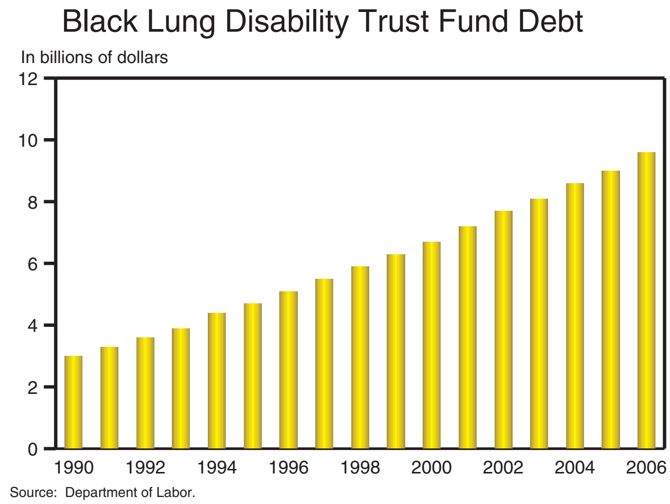
Through the Office of Workers' Compensation Programs (OWCP), DOL provides benefits to individuals who are unable to work due to occupational injury or illness. The Federal Employees' Compensation Act (FECA) and Black Lung Benefits Act (Black Lung) programs provide cash and medical benefits along with rehabilitation services to disabled federal employees and coal miners, respectively.

DOL's Inspector General and others have proposed reforms for the FECA program to identify and prevent fraud, reduce the number of frivolous claims, and improve customer service. The Black Lung Disability Trust Fund, from which Black Lung benefits are paid, faces a mounting $8 billion debt. In 2002, the Trust Fund's interest payments on its debt alone will not only surpass the program's benefit and administrative costs, but also its total excise tax revenues.

FECA improvements. In 2003, the budget proposes four reforms to improve FECA's management. They include changes to:

- *Strengthen program integrity.* In 2003, OWCP will continue efforts to review claimants periodically to: determine if claimants still are unable to work; prevent overpayments to individuals and medical providers; and review the appropriateness of medical services. Periodic claims reviews have saved an estimated $500 million since 1992.
- *Implement "full cost" budgeting for FECA.* The budget amends FECA to allow DOL to add an administrative surcharge to the amount billed to federal agencies for their FECA compensation costs. This change requires that federal agencies bear the full costs (administrative as well as benefit) of their employees' FECA claims, bolstering their incentive to improve workplace safety.
- *Discourage frivolous claims.* The budget proposes to amend FECA to move the waiting period for benefits to immediately following an injury, and apply it to all claims in line with every state workers' compensation system. This change would deter illegitimate claims.
- *Promote benefit equity.* Because FECA benefits are tax-free, they are, on average, about 25 percent more generous than an individual could receive under the federal retirement system, possibly providing an incentive for individuals to remain on the FECA rolls past when they would otherwise have retired. The budget does not propose to reduce the benefits of any current FECA beneficiaries. However, for future FECA beneficiaries, the budget proposes to change the program so that individuals over age 65 receive the same benefits as are available under federal retirement programs.

Black Lung reforms. The 2003 Budget will attack two longstanding problems in the Black Lung program. The Administration will:



- *Restructure the debt.* In the program's early years, Black Lung's excise tax revenue was not enough to fund the program, so DOL borrowed from the Treasury to cover the shortfall. Although excise tax revenue has generally been sufficient to cover medical and income support costs since 1990, the revenue has not been sufficient to cover the interest payments due on Treasury borrowing dating from 1978. To date, DOL has repaid none of the principal and has been forced to borrow additional funds just to meet its interest payments on what has grown to be an $8 billion debt (see accompanying chart). The Administration will propose legislation to restructure the Trust Fund's debt, prevent further growth, and eventually retire it.
- *Consolidate administration.* The budget proposes to consolidate administration of all Black Lung benefit cases in DOL, relieving the Social Security Administration of the duty to administer claims filed prior to 1974 and improving administrative efficiency.

Promoting Voluntary Compliance with Labor Laws

Easing DOL's Regulatory Burden

A key part of helping employers comply with regulatory requirements is ensuring that the regulations are reasonable and comprehensible. OSHA's "means of egress" rule sets requirements for emergency exits but is filled with jargon only an attorney could love. The rule warns employers that no "furnishings, decorations, or other objects shall be so placed as to obstruct exits, access thereto, egress therefrom, or visibility thereof," rather than saying simply that emergency exits must not be blocked. OSHA is simplifying its rules to cut out jargon and make them understandable to small businesses. Also, DOL is reviewing all regulations it planned to impose on small and large businesses, states and localities, community organizations, and the public to remove rules that are outdated or overly burdensome. As a result, DOL has reduced by 25 percent the number of regulatory actions it has planned for the next year.

DOL enforces more than 180 worker protection laws. However, its "cop on the beat" activities have their limits. The Occupational Safety and Health Administration (OSHA), for example, can conduct about 36,000 inspections per year. Although the number looks impressive, it also means that the agency can reach each workplace only once every 167 years. Through its electronic compliance assistance tools, however, OSHA can help millions of employers assess and improve the safety of their workplaces. Helping employers to comply with workplace laws and regulations is DOL's most cost-effective way to protect workers from on-the-job injuries and illnesses.

Compliance assistance tools, such as self-audits, are designed to encourage employers to voluntarily correct violations before employees are hurt. If given clear, timely, and accurate information on legal and regulatory requirements, the vast majority of employers will comply voluntarily. On-line tools, as well as training and technical assistance, help employers and workers understand labor laws and requirements. For example, "eTools" are Web-based, menu-driven modules designed to help employers put occupational safety and health regulations into effect. The 2003 Budget request includes an estimated $188 million for compliance assistance efforts of OSHA, the Mine Safety and Health Administration (MSHA), and the Pension and Welfare Benefits Administration (PWBA).

Improving Performance

Wide-ranging reforms proposed in the 2003 Budget are designed to improve performance of many of DOL's existing programs and attack longstanding problems.

DOL's program to certify foreign workers as eligible for permanent employment in the United States can take employer applicants up to six years to navigate as they complete the paperwork that allows prospective workers to petition for work-based visas. While this complex, labor-intensive process drags on, applications pile up and many foreign workers awaiting certification are employed in violation of U.S. laws. The Administration is taking action to overhaul this broken program and proposing legislation in the 2003 Budget to redirect certain existing employer application fees to eliminate the large backlogs. The new application process is expected to take three weeks for most applications and a maximum of six months' processing time for certification applications that are audited.

The Administration proposes a two-pronged solution that would:

- *Introduce regulatory reform.* During 2002, DOL will propose regulations to reform the permanent alien labor certification program and prevent future backlogs by automating application processing and reducing the state workload after 2003. DOL staff would assume processing responsibilities, and most determinations would be made within 21 days of the date an application is filed.
- *Redirect H–1B fees.* Legislation would redirect the portion of DOL's revenues from the existing H-1B fee that currently supports an ineffective training grant program. The $138 million grants program—which has proven

H–1B Training Grants

The H–1B Training Grant Program is supposed to train U.S. workers for jobs in which labor shortages have caused employers to hire foreign workers through the H–1B visa program. These highly educated workers typically work in the high-tech and health care industries. Unfortunately, DOL's $138 million H–1B Training program, which is financed through a $1,000 fee paid by employers, never has filled and has no prospect of filling these labor shortages. At times, funds wind up training workers for decidedly low-tech jobs. One grant financed training for cable installers; another trained licensed practical nurses; while a third was open only to union members in the entertainment industry. The budget will take the program's H–1B fees funding and redirect it to eliminate large backlogs in the permanent alien labor program, thereby better serving workers and employers alike.

ineffective—would be redirected to clear the backlog for the permanent certification program at the state and federal levels.

Strengthening Management

In 2003, DOL will continue to address its management challenges to further its contributions to a strong U.S. workforce. Secretary Chao is aggressively implementing the President's Management Agenda. In August 2001, the Secretary created the Management Review Board (MRB) to combat agency decentralization and ensure a coordinated, Department-wide approach to promoting management reforms. MRB's accomplishments include an overhaul of DOL's performance appraisal system for managers and executives to evaluate personnel against progress on management agenda items. In addition, MRB is consolidating DOL's disparate e-mail systems to improve efficiency and customer service.

Erroneous Unemployment Insurance Benefit Payments

In 2001, the Unemployment Insurance system paid $27 billion in benefits to unemployed workers. DOL estimates that benefit overpayments were about $2.3 billion—or approximately $200 per beneficiary. An IG investigation found that a Las Vegas man created 13 fictitious companies and submitted UI claims for 36 fictitious claimants. He was sentenced to prison and ordered to pay $230,500 in restitution.

Stewardship of taxpayer funds requires systematic policies and procedures to ensure sound financial management of federal programs. In the UI program, DOL and the states operate programs to detect and pursue recovery of overpayments, but more work must be done. The 2003 Budget includes two proposals to cut UI waste and fraud. First, $2 million is requested for the Inspector General to uncover fraudulent benefits schemes and train states to detect and reduce overpayments. Second, $10 million is requested to finance state efforts to use existing databases to eliminate fraudulent payments to employed workers, illegal aliens, and fictitious employers.

DOL is actively implementing the President's faith-based and community initiative. It aims to improve delivery of social services by drawing on the strengths of faith-based and community groups and ensuring that these organizations compete for federal grant funds on a level playing field. To encourage greater competition and participation in DOL's grant programs by these organizations, DOL scrutinized its program applications to strip away barriers. For instance, DOL discovered that under the Women in Apprenticeships and Nontraditional Occupations (WANTO) program, applicants were required to demonstrate a "history of commitment to economic and social justice." DOL dropped this ambiguous and restrictive language, and received 37 applications, more than twice the average received in recent years. Of the 11 grant recipients, four were new applicants who never had received a WANTO grant. One of the new grantees is the Access Agency of Willimantic, Connecticut, which is connecting Spanish-speaking women to language programs and employers for career-ladder job opportunities.

Initiative	2001 Status
Human Capital—DOL has completed a Workforce Restructuring Plan that demonstrates its full awareness of certain skills and performance gaps, and is taking action to address its needs. DOL has overhauled the performance appraisal system for its 2,100 managers and senior executives. Also, DOL effectively uses succession planning, and retention and recruitment bonuses to retain and hire effective employees. In 2003, DOL will implement significant restructuring to better align its workforce with its mission. It will eliminate 373 positions that are unnecessary, resulting in savings of $31 million. It also will consolidate five duplicative public affairs offices in DOL's agencies into the Secretary's Office, eliminating nine positions at savings of $1 million.	
Competitive Sourcing—DOL has not effectively examined its workforce to determine all the tasks that its employees perform that are available commercially, including certain administrative and financial activities. Further, DOL has not identified activities necessary to meet the Administration's 2002 or 2003 competitive-sourcing targets. Possible areas to consider include training specialists, administrative personnel, and claims processing clerks. To get on track and take advantage of competitive sourcing, DOL will reevaluate all of its positions and reclassify some so that only those positions that are truly "inherently governmental" are removed from consideration for competitive sourcing. DOL also will finalize its plan to compete or directly convert at least 140 positions in 2002 and 280 in 2003 to meet the Administration's two-year 15 percent goal, in an effort to eventually competitively source 50 percent of its commercial activities.	
Financial Management—Although DOL has received "unqualified" opinions from independent auditors on its financial statements since 1997, it has identified two small systems in its Wage & Hour Division that do not comply with accepted federal standards for financial management and internal controls. Recognizing the importance of financially sound systems, DOL will correct these problems in 2002. DOL will improve its oversight of the performance of its grantees and contractors and increase its auditing and technical assistance to states to identify fraud and reduce erroneous payments in Unemployment Insurance.	
E-Government—DOL's information technology (IT) is built on a strong enterprise architecture and planning process. DOL is the only federal agency with Department-wide IT financing to ensure that its investments are cost-effective and serve the entire organization mission. DOL has used IT to serve citizens better. For example, OSHA accepts health and safety complaints over the Internet; individuals can use the Internet to discover lost pensions; and a pilot project allows people to calculate approximate retirement benefits on line. In 2003, DOL will continue to lead a government-wide project for Eligibility Assistance On line, which provides citizens easier access to information on benefits and services for which they are eligible. DOL also will increase opportunities for citizens, businesses, and unions to electronically file claims, reports, and other documents for programs and benefits administered throughout much of DOL.	

Initiative	2001 Status
Budget/Performance Integration—The data that DOL collects are often of poor quality and reliability. Also, often data are not available soon enough to tie funding to performance. Much of the data come from states and localities, and the challenges that DOL faces are due in part to problems there. Starting in 2002, DOL will integrate planning and budgeting in its annual performance plan. It will demonstrate significant progress toward aligning programs' funding with their performance. In that spirit, DOL will work with other agencies, including the Department of Education, to develop a crosscutting performance measure for all federal job training programs. Current job training measures vary widely among programs, and some programs are better than others in managing based on performance data.	

Department of Labor

(In millions of dollars)

	2001 Actual	Estimate 2002	Estimate 2003
Spending:			
Discretionary Budget Authority:			
Training and Employment Services [1]	5,635	5,457	4,981
Bipartisan Economic Security Plan National Emergency Grants (non-add)	—	*4,000*	—
Unemployment Administration [2]	2,434	2,788	2,728
Employment Service/One-Stop Career Centers	1,016	987	958
Community Service Employment for Older Americans	440	445	440
Occupational Safety and Health Administration	438	457	449
Mine Safety and Health Administration	259	268	264
Employment Standards Administration	384	393	313
Pension and Welfare Benefits Administration	111	114	121
Bureau of Labor Statistics	464	489	511
Veterans' Employment and Training			
Existing Law	213	214	212
Legislative proposal [3]	—	—	–197
Bureau of International Labor Affairs	148	148	55
Information Technology	37	50	74
Office of Disability Employment Policy	23	38	47
All other programs (non-add)	*418*	*432*	*455*
Office of the Inspector General	58	60	65
ETA Program Administration	167	169	179
Departmental Management	181	190	197
Pension Benefit Guaranty Corporation	12	12	13
Subtotal, Discretionary budget authority adjusted [4]	12,020	12,280	11,411
Remove contingent adjustments	–92	–95	–82
Total, Discretionary budget authority	11,928	12,185	11,329

Department of Labor—Continued

(In millions of dollars)

	2001 Actual	Estimate 2002	Estimate 2003
Emergency Response Fund, Budgetary Resources:			
National Emergency Grants (Dislocated Workers)	25	—	—
New York State Workers' Compensation	—	175	—
Other	5	45	—
Total, Emergency Response Fund, Budgetary resources	30	220	—
Mandatory Outlays:			
Unemployment Insurance/Employment Service [5]	27,989	44,594	40,795
Black Lung Disability Benefits Act:			
Existing Law	1,016	1,039	1,038
Legislative proposal (debt refinancing)	—	—	1,606
Legislative proposal (transfer from SSA)	—	—	420
Federal Employees' Compensation Act (FECA):			
Existing Law	124	145	209
Legislative proposal	—	—	–3
H-1B Training and Administration:			
Existing Law	24	165	156
Legislative proposal	—	—	80
Pension Benefit Guaranty Corporation [6]	–1,080	–1,330	–1,383
All other programs	781	1,464	1,093
Subtotal, Mandatory outlays adjusted [4]	28,854	46,077	44,011
Remove contingent adjustments	–3	–6	–6
Total, Mandatory outlays	28,851	46,071	44,005

[1] Training resources shown in 2003 exclude additional, significant, carryover funds from prior years' appropriations, including an expected $3 billion of Bipartisan Economic Security Plan National Emergency Grants funding that will be carried into 2003. New budget authority, plus these unexpended balances—estimated at over $9 billion—will support a substantially higher level of job training services in 2003 compared to 2002.

[2] 2001 and 2002 include estimated use of workload contingency funds triggered on during economic slowdown.

[3] Transfer all but one grant program to the Department of Veterans Affairs; $14 million covers the retention of 51 FTE to oversee USERRA and veterans' preference requirements and the Veterans Workforce Investment Act program.

[4] Adjusted to include the full share of accruing employee pensions and annuitants' health benefits. For more information, see Chapter 14, "Preview Report," in *Analytical Perspectives.*

[5] Unemployment insurance reform proposal has only outyear effects on outlays.

[6] Net outlays are negative because offsetting collections (e.g., insurance premiums) exceed gross outlays.