

**FY 2009**

**CONGRESSIONAL BUDGET JUSTIFICATION**

**EMPLOYMENT AND TRAINING ADMINISTRATION**

**Overview**



# EMPLOYMENT and TRAINING ADMINISTRATION

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# EMPLOYMENT and TRAINING ADMINISTRATION

## OVERVIEW

### Introduction

The mission of the Employment and Training Administration (ETA) is to contribute to the more efficient functioning of the U.S. labor market by providing high quality job training, employment assistance, labor market information, and temporary wage replacement. ETA strives to ensure a competitive pool of American talent to meet the job growth of the 21st century by providing workers with the training and employment services they need and by linking employers and job seekers for their mutual benefit. As a result of these efforts, workers live more productive and prosperous lives and American businesses remain competitive in the global economy.

ETA administers programs that have the overarching goals of enhanced employment opportunities and business prosperity. These programs include those authorized by the Workforce Investment Act of 1998 for adults, dislocated workers, youth, and targeted populations; Trade Adjustment Assistance authorized by the Trade Act of 1974; Employment Services authorized under the Wagner-Peyser Act; Unemployment Insurance authorized by the Social Security Act; Foreign Labor Certification activities authorized by the Immigration and Nationality Act; the Senior Community Service Employment Program authorized by the Older Americans Act; and Apprenticeship programs, authorized by the National Apprenticeship Act.

ETA supports three of the four strategic goals for the Department of Labor:

- **Goal 1 – A Prepared Workforce:** Develop a prepared workforce by providing effective training and support services to new and incumbent workers and supplying high quality information on the economy and labor market.
- **Goal 2 – A Competitive Workforce:** Meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition.
- **Goal 4 – Strengthened Economic Protections:** Protect and strengthen worker economic security through effective and efficient provision of unemployment insurance and workers' compensation; ensuring union transparency; and securing pension and health benefits.

To enable the Department to achieve these strategic goals, ETA's FY 2009 Budget request is \$7,302,648,000, which is \$1,091,195,000 below the FY 2008 Omnibus level. ETA's request will support 996 FTE.

### Transformation of the Global Economy

The United States competes in an ever expanding global economy that is dramatically different from the past. Nearly 75 percent of the fastest growing jobs over the next decade will require some post-secondary education and training, such as a vocational certificate or associate or higher degree. Young people must stay in high school and have avenues to access postsecondary education, and our current workforce must find ways to improve their skill sets.

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As our nation continues to face economic transformation due to technology and globalization, our existing workforce investment must adapt to these changes. ETA is developing and increasing ways for more workers to access training to improve their skills. Aligning the workforce investment system with the new economic realities facing the United States is among the critical factors in ensuring that American workers and businesses are competitive in the global marketplace. Recognizing this need, three themes have guided the preparation of ETA's FY 2009 Budget request: competitiveness, transformation, and restructuring and reform.

### **Competitiveness**

In April 2007, the Administration transmitted to Congress the "Workforce Investment Act Amendments of 2007" that would reauthorize and reform the Workforce Investment Act (WIA) of 1998 with changes designed to move the entire workforce investment system in a direction that supports and advances our nation's competitiveness. The 2009 Budget continues to support Workforce Investment Act reforms, including:

- Maintaining the existing nationwide system of comprehensive One-Stop Career Centers while reducing duplication and increasing efficiency through the consolidation of employment and training programs into a single funding stream to states for Career Advancement Accounts (CAA)—worker-directed accounts that individuals can use to obtain training and employment services for job seekers and employers.
- Establishing CAAs and increasing education and training opportunities by simplifying complex eligibility requirements resulting in increasing the proportion of WIA funds devoted to education and training activities.
- Giving greater flexibility to states and local areas to design systems that align with economic development strategies responsive to the unique workforce needs and challenges of their regional economies.
- Strengthening the One-Stop system by financing the operational costs of One-Stop Career Centers through dedicated infrastructure funding and streamlining the membership requirements for state and local Workforce Investment Boards.
- Under a new feature, requiring states to contribute to the investment in training with a 20 percent match of Federal funds used for CAAs.

An improved Trade Adjustment Assistance (TAA) program can also be an important tool for keeping our nation's workforce competitive. The reauthorization of TAA offers an opportunity to increase the flexibility and effectiveness of the program by streamlining it and equipping trade-affected workers with the skills and specialized knowledge that is most in-demand by employers. The TAA program has the potential to bolster our overall competitiveness while serving the needs of workers; but it must be reexamined in light of our regional labor markets and the new challenges of the 21st century global economy. The Administration has identified four overarching priorities for TAA reauthorization. These priorities are based on the belief that trade-affected workers must have:

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- Increased individual choice to “earn and learn” through the TAA program by having access to transitional benefits, such as post-employment education and training as well as transitional income support for low-wage workers.
- Improved access to education and training.
- Access to education and training prior to layoff.
- Access to services through a streamlined and efficient workforce investment system that is customer-focused and does not arbitrarily limit services.

In the FY 2009 Budget, ETA also addresses immigration and its impacts on workforce competitiveness. The timely processing of foreign labor certification under both temporary and permanent immigration programs remains a priority for the agency. ETA proposes authorization of three cost-based fees to ensure adequate resources are available to meet current and future increases in workloads. The fee proposals include:

- Authorizing the Secretary to retain existing H-2A Temporary Agricultural Program Processing fee revenue to offset the Department’s costs in carrying out these certification activities, and increase this fee to cover program costs.
- Authorizing a fee structure in the H-2B temporary labor certification program to cover the Department’s direct costs of administering the H-2B temporary labor certification program.
- A re-proposal to authorize a fee on employers for the processing of Permanent Labor Certifications to recover the direct costs to the Department of carrying out permanent foreign labor certification activities.

These fee proposals will ensure the timely processing of foreign labor certifications, contributing to an efficient, functioning national immigration system. In addition, because of the importance of transparency in Foreign Labor Certification activities as Congress considers immigration legislation, the 2009 Budget proposes to establish a separate account that combines funding that was formerly included in the SUIESO and Program Administration accounts.

### **Transformation**

ETA has strived to transform the workforce investment system into a demand-driven system that aligns with the new economic realities of the 21st century. Such a system catalyzes and leverages all available resources to respond to regional businesses’ need for a skilled workforce and create employment and advancement opportunities for workers. ETA has undertaken three key initiatives that contribute to a demand-driven workforce investment system and increases opportunities for education and skills training. The FY 2009 Budget continues to support these important initiatives – the High Growth Job Training Initiative, Community-Based Job Training Grants, and the Workforce Innovation in Regional Economic Development (WIRED) Initiative.

Through the High Growth Job Training Initiative, ETA has invested \$288,517,000 in 156 partnerships among employers, education programs, and the workforce investment system. Each project targets the skill and talent needs of high-growth, high-demand and transformational industries in our nation’s economy and provides the resources necessary to train workers in the skills demanded by the 21st century economy. The Budget assumes the availability of \$125

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million in H-1B fee revenue, of which part will be used to support this initiative in FY 2009—funds that will be awarded on a competitive basis.

Community-Based Job Training Grants seek to address a critical shortage of workforce development capacity in many regions by supporting community colleges to create new curriculum and train workers for jobs in high-growth, high-demand industries. Due to their close connection to local labor markets, community colleges are well positioned to understand the intricacies of local economies and better prepare workers for occupations in these localized industries. The Department has provided \$250,000,000 to 142 community colleges and other entities under this initiative since its inception in FY 2005. The FY 2009 Budget requests \$125 million for this program.

The Department launched the WIRED Initiative in February 2006 to emphasize the critical linkage between workforce development and economic development in regional economies. WIRED seeks to help regions transform their workforce investment, economic development, and education systems to support overall regional economic growth by fostering collaborative partnerships among universities, businesses, government, workforce and economic development organizations, and other key regional partners. Under the WIRED Initiative, the Department has invested \$325,000,000 of H-1B fee revenues and is providing expert assistance to 39 regions across the nation to implement strategies that will create high-skill and high-wage opportunities for American workers. Training and employment services will be focused on industries with high concentrations of H-1B visa holders.

### **Restructuring and Reform**

In addition to the fundamental changes being proposed for the workforce investment system and the continuation of important initiatives that support its transformation, ETA proposes restructuring and reform proposals so that ETA programs can better meet the demands of the 21st century economy and help states align their resources and strategies.

- ETA is again proposing legislation, first proposed in 2005, to reduce erroneous Unemployment Insurance (UI) benefit payments and avoidance of unemployment tax liability, and improve collection of overpayments and tax assessments. ETA also is re-proposing legislation that would provide states with the opportunity to carry out innovative UI demonstration projects that would test approaches to accelerate reemployment of UI beneficiaries and improve the effectiveness of the administration of the UI program. Specifically, ETA proposes authorizing the Secretary to grant state waivers requested by the states for certain Federal requirements in connection with time-limited, cost-neutral UI demonstration projects.
- The reauthorization of the Older Americans Act (OAA) in 2006 provided an opportunity to reinvigorate the Senior Community Service Employment Program (SCSEP). In past years, SCSEP funds were largely limited to wages and benefits associated with community service employment positions. The 2006 OAA now allows SCSEP grantees the flexibility to use a portion of their grant funds to provide participants with additional training services and permits the Department to serve low-income seniors through



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innovative pilots and demonstrations that will allow exploration of new methods to connect older individuals to sustainable employment. However, the 2006 OAA also limits competition on its national grants beyond the current pool of national grantees until 2010. The program also continues to face challenges moving participants into unsubsidized employment. In 2009, DOL will continue to increase the program's focus on training and employment-related services, with a goal of improving participants' employment outcomes.

- The FY 2006 Appropriations Act for the Department of Labor transferred responsibility for administering the Job Corps program from ETA to the Office of the Secretary of Labor. The Department of Labor proposes that ETA again be made responsible for administering the Job Corps program with the FY 2009 appropriation. This will promote the integration of Job Corps activities with the overall workforce investment system and locate it in the agency that has principal expertise on workforce development issues related to youth and administers other job training and employment programs, as well as improve administrative efficiency. See Volume III of the Department of Labor's FY 2009 Congressional Budget Justification for a complete discussion of Job Corps budget and performance.

### Actual Performance History

ETA uses performance information to make informed management decisions and provide results; identify problems in programs and take corrective actions; and develop strategies, plan budget, identify priorities, and allocate resources. In doing so, ETA carries out a wide range of activities that support the Department's Strategic goals; develops cost models; assesses program progress in terms of indicators, targets, and results; conducts quarterly performance reviews; utilizes the Program Assessment Rating Tool (PART) to identify and target needed improvements; and implements efficiency measures to promote cost-effectiveness.

To increase the capacity of the workforce system, ETA's innovative strategies and measures contribute to the more efficient functioning of the U. S. market under three of the four DOL Strategic Goals: A Prepared Workforce, A Competitive Workforce, and Strengthening Economic Protections.

**A Prepared Workforce—Strategic Goal 1:** Develop a prepared workforce by providing effective training and support services to new and incumbent workers and supplying high quality information on the economy and labor market.

Many industries and sectors of the economy will be adding new jobs in coming years or transforming business processes that will require new and different worker skills. ETA contributes to this strategic goal by offering programs such as Reintegration of Ex-Offenders, YouthBuild and Apprenticeship. ETA will focus on key performance measures to assess these programs' outcomes: entered employment, entered education/training, retention in employment, credential/GED attainment, average earnings, literacy/numeracy achievement, and the rate of recidivism. The FY 2009 indicators for each program are listed below. Targets for current and

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future years are provided in the Summary of Performance tables that follow at this end of this section.

YouthBuild began activities at DOL, after transfer from HUD, in PY 2007 and baseline results will be collected to determine the targets at a later date for the following indicators:

- Percent of participants entering employment or enrolling in post-secondary education, the military or advanced training/occupational skills training in the first quarter after exit.
- Percent of youth who attain a diploma, GED, or certificate by the end of the third quarter after exit.
- Percent of participants deficient in basic skills who achieve literacy or numeracy gains of one Adult Basic Education (ABE) level.

Apprenticeship:

- Percent of those employed in the first quarter after registration as an apprentice still employed in the second and third quarter after registration.
- Average hourly wage gain for tracked entrants employed in the first quarter after registration and still employed nine months later.

**A Competitive Workforce—Strategic Goal 2:** Meet the competitive labor demands of the worldwide economy by enhancing the effectiveness and efficiency of the workforce development and regulatory systems that assist workers and employers in meeting the challenges of global competition.

ETA contributes to the nation's competitiveness by providing every available worker with an opportunity to fully participate in the labor market. This is achieved by providing services; tools and information that help match workers with employers, and by helping workers obtain the skills they need to succeed. In FY 2009, ETA will again propose Career Advancement Accounts (CAA), self-managed funds that provide individuals control over the workforce resources they need to support their careers. In addition to CAA, other programs supporting this goal through targeted efforts are Community-Based Job Training Grants, National Electronic Tools, Senior Community Service Employment Program, Trade Adjustment Assistance, Foreign Labor Certification, and Pilots, Demonstrations, Evaluations and Reports.

Performance for ETA programs supporting this goal will be measured mainly through three common measures (Entered Employment, Employment Retention and Average Earnings), although several have program-specific measures.

Baseline results for the new CAA program will be collected to determine the targets at a later date for the following indicators:

- Percent of participants employed in the first quarter after exit.
- Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.
- Average earnings in the second and third quarters after exit.

Baseline results will be collected for the Community-Based Job Training Grants demonstration projects to determine the targets at a later date for the following indicators:

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- Percent of participants employed in the first quarter after exit.
- Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.
- Average earnings in the second and third quarters after exit.

### National Electronic Tools:

- Page views on America's Career InfoNet.
- O\*Net site visits.
- Page views on Career Voyages.

### Senior Community Service Employment Program:

- Percent of participants employed in the first quarter after exit.
- Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.
- Average earnings in the second and third quarters after exit.

### Trade Adjustment Assistance:

- Percent of participants employed in the first quarter after exit.
- Percent of participants employed in the first quarter after exit still employed in the second and third quarters after exit.
- Average earnings in the second and third quarters after exit.

### Foreign Labor Certification:

- Percent of H-1B applications processed within seven days of the filing date for which no prevailing wage issues are identified.
- Percent of employer applications for permanent labor certification under the streamlined system that are resolved within 6 months of filing
- Percent of H-2A applications processed within 30 days from the date of need with no pending state actions.
- Percent of H-2B applications processed within 60 days of receipt.

### Pilots, Demonstrations, Evaluations and Reports:

- Percent of all scheduled research, pilot, demonstration, and evaluation reports from current studies that are submitted within 3 months of completion.
- Upon approval, the percentage of research, pilot, demonstration, and evaluation reports that are to be published within 3 months.

**Strengthened Economic Protections—Strategic Goal 4:** Protect and strengthen worker economic security through effective and efficient provision of Unemployment Insurance (UI) and workers' compensation; ensuring union transparency; and securing pension and health benefits.

The UI program is the first line of defense for workers laid off in economic downturns. ETA measures performance for this goal by examining timeliness and accuracy of benefit payments to

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unemployed workers, reemployment rates of UI claimants, and timeliness of setting up unemployment tax accounts for new employers. Indicators for FY 2009 are:

- Percent of all intrastate first payments that will be made within 21 days.
- Percent of the amount of estimated overpayments that states detect established for recovery.
- Percent of UI claimants reemployed by the end of the first quarter after the quarter in which they received their first payment.
- Percent of new employer liability determinations made within 90 days of the end of the first quarter in which liability occurred

### Performance Progress

The following chart summarizes results for the ten ETA programs with performance goals included in the FY 2007 DOL Performance and Accountability Report (PAR), which covers PY 2006 (July 1, 2006 – June 30, 2007) for some programs and FY 2007 (October 1, 2006 – September 30, 2007) for others. The chart identifies whether goals were achieved, not achieved, or substantially achieved, as determined by the number of targets met by indicator. Of the ten programs, four achieved their targets, while six did not.

OVERALL PERFORMANCE SUMMARY	
Program	Result
WIA Adult	Not Achieved
WIA Dislocated Worker	Not Achieved
WIA Youth	Achieved
Senior Community Service Employment Program	Not Achieved
Unemployment Insurance	Not Achieved
One-Stop Employment Services	Not Achieved
Foreign Labor Certification	Not Achieved
National Electronic Tools	Achieved
Trade Adjustment Assistance	Achieved
Apprenticeship	Achieved

Our challenge at the Employment and Training Administration is to anticipate the opportunities presented by the transformation of the nation’s economy, and to link employers to job seekers in order to maximize the success of American workers and businesses. As our nation continues to face economic transformation due to technology and globalization, increased flexibility in the workforce investment system is critical for our communities to be responsive to economic

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changes. As a result, ETA is developing more streamlined and efficient ways for workers to access education and training to increase their skills.

To meet our objectives, ETA considers performance analysis, oversight, and improvement to be key program support functions, as reflected in our guiding principle to “support programs that are outcome-focused and results-oriented.” In our continuing efforts to strengthen agency management and improve program outcomes for those individuals and employers who are impacted by the workforce investment system, to GAO reports, OMB PART findings and recommendations, OIG audit reports, and quarterly, mid-year, and annual performance results are taken into consideration.

Several initiatives have been spurred by this type of internal and external performance related feedback. Examples of such initiatives include:

- Create and implemented a regional strategy consistent with the WIRED principles that will: (1) Establish and build a regional identity across local and state communities; (2) Leverage and align public and private investments; (3) Transform the regional economy through effective talent development.
- Adopted the common performance measures as a means of strengthening accountability for performance outcomes and allowing cross-program comparison. Program outcomes are now clearly focused on the extent to which people find jobs, stay employed, and earn higher wages.
- Developed the Career Advancement Accounts (CAA) proposal, to meet America’s increasing need to create a flexible and agile workforce by 1) putting more training dollars in the hands of workers, and 2) streamlining the One-Stop service delivery system through the elimination of outdated and redundant processes. These accounts would also be ETA’s cornerstone program for increased integration, improved WIA flexibility, and reduced administrative costs, which are overarching recommendations contained in several ETA PART reviews.
- Identified four priorities to achieve through TAA reauthorization including: increased choice to “earn and learn,” improved access to education and training, access to education and training prior to layoff, and access to services through a streamlined and efficient workforce investment system.
- Proposed fees associated with three foreign labor certification processes to ensure adequate resources are in place to enable timely processing of increased numbers of applications.
- Proposed a variety of administrative changes to UI program implementation which would reduce erroneous UI benefit payments, avoid unemployment tax liability and improve collection of overpayments and tax assessments.
- Proposed two improvements to administration of National Emergency Grant funding enabling resources to be available for regional planning and allowing greater flexibility in reallocating un-utilized resources.
- Implemented strategies to allow older Americans to gain training services in addition to basic employment services and developed test strategies to attract more SCSEP-eligible individuals into the labor force.

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In conclusion, ETA is proud to have utilized a budget development process that highlights the need for competitiveness, transformation, and restructuring and reform. This request will support the many important initiatives that have been entrusted to our agency, and supports fully the President's goal of helping more Americans gain the skills they need to find good jobs in our new economy.

### Program Assessment Rating Tool (PART)

Fifteen ETA programs have been reviewed with the Program Assessment Rating Tool (PART) by the Office of Budget and Management (OMB). A complete list of programs, year assessed, scores, and ratings are provided in the table below.

Program	Year	Rating
<u>National Emergency Grants</u>	2007	Adequate
<u>Trade Adjustment Assistance*</u>	2007	Ineffective
<u>WIA Adults</u>	2005	Adequate
<u>Apprenticeship</u>	2005	Results Not Demonstrated
<u>Work Incentive Grants</u>	2005	Adequate
<u>Foreign Labor Certification H-1B</u>	2004	Moderately Effective
<u>Permanent Labor Certification</u>	2004	Adequate
<u>Employment Service State Grants</u>	2004	Adequate
<u>WIA Native Americans</u>	2004	Adequate
<u>Unemployment Insurance</u>	2003	Moderately Effective
<u>WIA Dislocated Worker</u>	2003	Adequate
<u>Trade Adjustment Assistance</u>	2003	Ineffective
<u>WIA Youth Activities</u>	2003	Ineffective
<u>Migrant and Seasonal Farmworkers</u>	2003	Ineffective
<u>Senior Community Service Employment Program</u>	2003	Ineffective
<u>YouthBuild**</u>	2006	Results Not Demonstrated

\* Trade Adjustment Assistance and the Senior Community Service Employment Program have undergone the PART review twice.

\*\* The YouthBuild program PART review conducted while at the Department of Housing and Urban Development.

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ETA has taken significant steps to address recommendations from the PART reviews. For example, several PART reviews emphasized the need to adopt the common performance measures for Federal job training and employment programs, an area in which ETA has taken the lead among the participating Federal agencies. The ETA programs adopting the common measures for entered employment, employment retention and average earnings include: WIA Adult, Dislocated Worker, and Youth; Migrant and Seasonal Farmworkers; Indian and Native Americans; National Emergency Grants; Wagner-Peyser Employment Service and Work Incentive Grants; Senior Community Service Employment Program; Trade Adjustment Assistance; YouthBuild; and Apprenticeship. Furthermore, several ETA programs have also proposed legislative changes to restructure and reform current systems and processes. Legislative proposals include reauthorizations for the Workforce Investment Act and Trade Adjustment Assistance; and performance improvements to benefits payments, collection over overpayments, and tax assessments through the Unemployment Compensation Program Integrity Act of 2008.

In response to the PART, ETA is proposing and implementing strategies and initiatives to maximize resources that reach more customers, train more customers, and improve quality of services to demonstrate that talent development can drive economic transformation in regional economies. Among these initiatives are the proposed Career Advancement Accounts (CAAs), Workforce Innovation in Regional Economic Development (WIRED), and legislative changes. The CAA consolidation proposal will increase education and training opportunities through self-directed career accounts; reduce duplication and increase efficiency with a single funding stream to states; and give states and local communities greater flexibility to design systems that align with economic development strategies to respond to unique workforce needs and the challenges of regional economies. The WIRED initiative moves beyond traditional training strategies for worker preparation by addressing challenges in economic development and sustainability including: remaining competitive in a global workforce, managing existing growth opportunities, and creating a more innovative economy by focusing on developing small business.

Other recent PART recommendations include conducting an evaluation to determine WIA services' impact on participant employment, retention, and earnings outcomes; and improving reporting efficiency, program management and accountability through the collection of new information. To address these PART recommendations, ETA will commission a multi-year net impact evaluation of the WIA programs and is negotiating details with Office of Budget and Management to implement Workforce Investment Streamlined Performance Reporting (WISPR), a common reporting system for the WIA, TAA, and Wagner-Peyser Act programs.

Additional PART findings and recommendations are described in each of the program detailed narratives within this budget request and access to information online is also available through the hyperlinks provided in the tables above.

### **Efficiency Measures**

ETA has developed efficiency measures for the programs as described in the table below. Most programs currently measure cost per participant, an output-based efficiency measure. ETA will conduct the analysis needed to define appropriate outcome-based efficiency measures for the job

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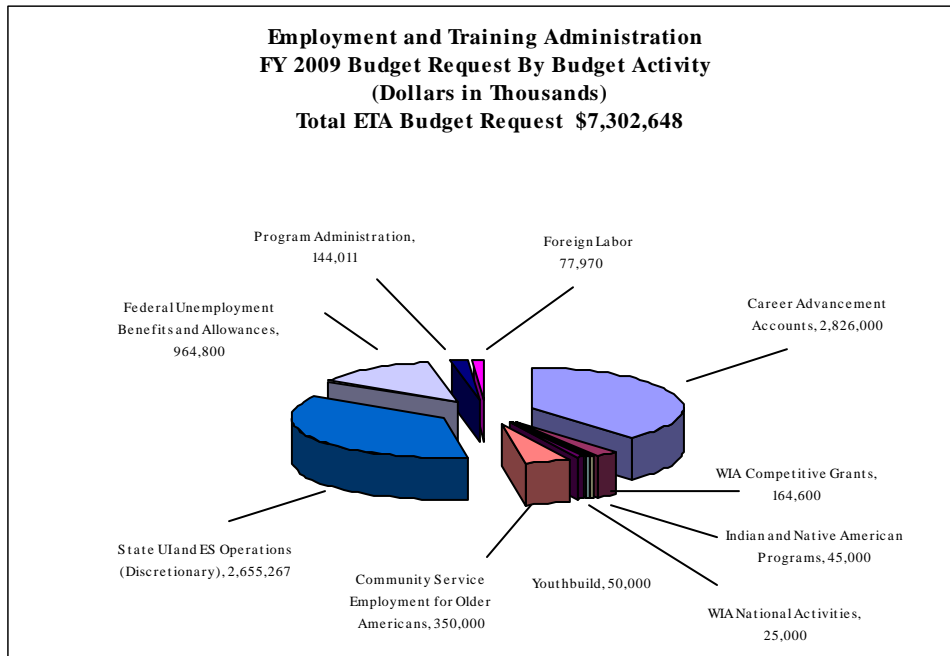
training programs by September 2008; and develop, adopt and implement the new alternative efficiency measures by June 2009.

Program	Efficiency Measure	FY 2009 Target	
		Current Law	Legislative Proposal
Career Advancement Accounts (CAA)	Cost per participant receiving CAA	--	\$3,000
	Cost per participant receiving employment services	--	\$53
Adult	Cost per participant (participant total includes self-service participants)	\$2,880	Funding not requested
Dislocated Worker	Cost per participant	\$3,715	Funding not requested
Indian and Native Americans	Cost per participant	\$2,400	\$2,400
Migrant and Seasonal Farmworkers	Cost per participant	\$4,190	Funding not requested
Youth	Cost per participant	\$3,670	Funding not requested
YouthBuild	Cost per participant	\$14,700	\$14,700
Community-Based Job Training Grants	Cost per participant	\$2,500	\$2,500
Job Training for Employment in High Growth Industries	To be Determined	NA	NA
Reintegration of Ex-Offenders	Cost per participant	\$4,172	\$4,172
Apprenticeship	Cost per participant	\$72	\$72
Senior Community Service Employment Program	Cost per participant	\$4,875	\$4,875
Trade Adjustment Assistance	Cost per participant	\$8,955	\$8,955
Work Incentive Grants	Cost per registrant with disabilities in the workforce investment areas funded by WIG	\$1,670	Funding not requested
Employment Service	Cost per participant	Funding not requested	Funding not requested
Unemployment Insurance	Quality-weighted base initial claims per \$1,000 of inflation-adjusted base grant funds	8.8	8.8
E-Tools	Cost per page view	TBD	TBD
Foreign Labor Certification – H-1B	Cost per application	\$9.8	\$9.8



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## Cost Model



ETA requests a total of \$7,302,648,000. This level of funding will enable ETA to meet its highest priority performance plan goals and objectives during FY 2009.

Highlights of the FY 2009 Budget are listed below. The proposed funding changes are also summarized in the Summary of Changes. The 2009 Budget requests:

### *Training and Employment Services*

- \$2,826,000,000 for Career Advancement Accounts (CAAs). Funds previously appropriated for the WIA Adult, WIA Dislocated Worker, WIA Youth, and Employment Service programs would be allocated to states as a single funding stream for CAAs and employment services.
- \$125,000,000 for continuation of the President's Community-Based Job Training Grants program.
- \$39,600,000 for the Reintegration of Ex-Offenders program.
- \$45,000,000 for the Indian and Native American training program.
- No funding for the Migrant and Seasonal Farmworker program, as was proposed in the FY 2008 and previous budgets.
- \$16,000,000 for Pilots, Demonstrations, and Research.

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- \$9,000,000 for Evaluation, an increase of \$4,165,000 from FY 2008 will enable ETA to conduct more rigorous program evaluations.
- \$50,000,000 for the YouthBuild program.

### ***Foreign Labor Certification***

- \$77,970,000 for Foreign Labor Certification programs, including \$59,497,000 for Administration (142 FTE) and \$18,473,000 for State Grants. The request for Foreign Labor Certification includes \$5,733,000 to meet critical processing staffing needs in states for temporary non-immigrant activities and \$11,500,000 for information technology improvements.

### ***Senior Community Service Employment Program***

- \$350,000,000 for the Senior Community Service Employment Program.

### ***State Unemployment Insurance and Employment Services Operations***

- \$2,636,038,000 for Unemployment Insurance, which includes \$2,393,000 in UI national activities for the UI database system conversion effort and \$40,000,000 in State grants for additional reemployment and eligibility assessments.
- \$16,880,000 for Workforce Information/National E-Tools/System Building.
- No funding for the Work Incentive Grants programs, as was proposed in the FY 2008 Budget.

### ***Federal Unemployment Benefits and Allowances***

- \$964,800,000 for Trade Adjustment Assistance, which reflects an increase of \$76,100,000.

### ***Program Administration***

- \$144,011,000 for Program Administration and 850 FTE to administer ETA's programs.

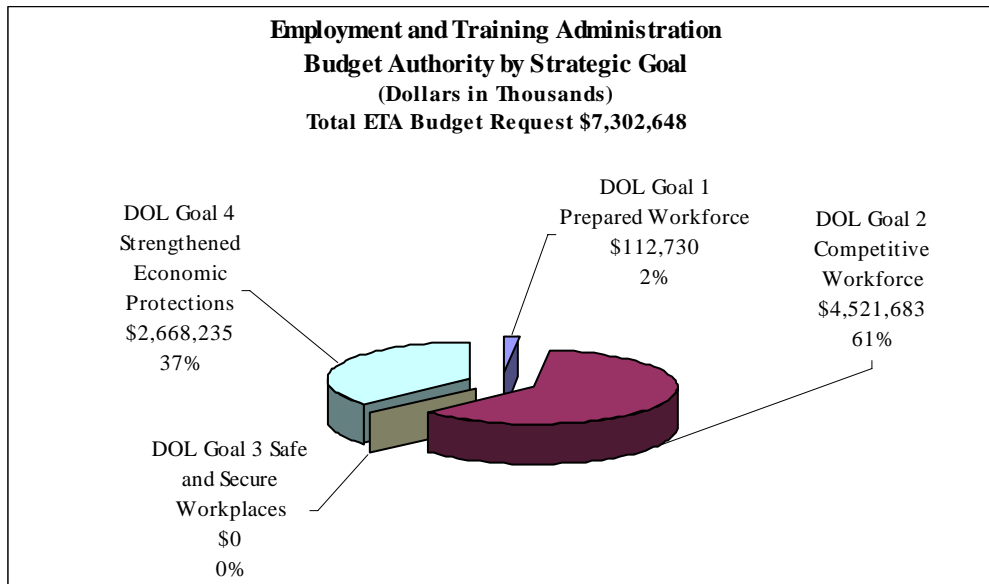
# EMPLOYMENT and TRAINING ADMINISTRATION

## Employment and Training Administration Budget Summary

**FY 2009**

(Dollars in Thousands)

<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b>	<b>\$7,302,648</b>
<b>Training and Employment Services</b>	<b>3,110,600</b>
Career Advancement Accounts	2,826,000
<b>WIA Competitive Grants</b>	<b>164,600</b>
Ex-Offenders Activities	39,600
Community-Based Job Training Grants	125,000
<b>WIA National Activities</b>	<b>25,000</b>
Pilots, Demonstrations and Research	16,000
Evaluation	9,000
Indian and Native American Programs	45,000
Youthbuild	50,000
<b>Community Service Employment for Older Americans</b>	<b>350,000</b>
<b>State UI and ES Operations (Discretionary)</b>	<b>2,655,267</b>
Unemployment Insurance State Administration	2,623,145
Unemployment Insurance National Activities	12,893
Employment Service National Activities	2,349
Workforce Information/National Electronic Tools/System Building	16,880
<b>Federal Unemployment Benefits and Allowances</b>	<b>964,800</b>
<b>Advances to the Unemployment Trust Fund [Non Add]</b>	<b>422,000</b>
<b>Program Administration</b>	<b>144,011</b>
<b>Foreign Labor Certification</b>	<b>77,970</b>



## EMPLOYMENT and TRAINING ADMINISTRATION

### Budget Authority by Strategic Goal

(Dollars in Thousands)

	<b>DOL Strategic Goal 1:</b>	<b>DOL Strategic Goal 2:</b>	<b>DOL Strategic Goal 3:</b>	<b>DOL Strategic Goal 4:</b>	<b>Total</b>
	<b>Prepared Workforce</b>	<b>Competitive Workforce</b>	<b>Safe and Secure Workplace</b>	<b>Strengthened Economic Protections</b>	<b>Budget Authority</b>
<b>Performance Goal 1</b>	\$112,730	\$0	\$0	\$0	\$112,730
Reintegration of Ex-offender	39,600				39,600
Youthbuild Apprenticeship and Training, Employer and Labor Services	50,000				50,000
	23,130				23,130
<b>Performance Goal 2</b>	\$0	\$4,521,683	\$0	\$0	\$4,521,683
Career Advancement Accounts		2,888,500			2,888,500
Community-Based Job Training Grants		125,000			125,000
Pilots, Demonstrations and Research		26,453			26,453
Evaluation		9,000			9,000
Indian and Native American Programs		47,791			47,791
Community Service Employment for Older Americans		351,335			351,335
Foreign Labor Certification Workforce		77,970			77,970
Information/National Tools/System Building		27,315			27,315
Federal Unemployment Benefits and Allowances		968,319			968,319
<b>Performance Goal 4</b>	\$0	\$0	\$0	\$2,668,235	\$2,668,235
Unemployment Insurance				2,664,187	2,664,187
TAT/SWA Retirement				4,048	4,048
<b>Agency Total</b>	<b>\$112,730</b>	<b>\$4,521,683</b>	<b>\$0</b>	<b>\$2,668,235</b>	<b>\$7,302,648</b>

# EMPLOYMENT and TRAINING ADMINISTRATION

## BUDGET AUTHORITY BY APPROPRIATION

(Dollars in Thousands)

	FY 2007 Comparable	FY 2008 Estimate	FY 2009	
			Current Law	Legislative Proposal
<b>Advances to the Unemployment Trust Fund</b>	<b>465,000</b>	<b>437,000</b>	<b>422,000</b>	<b>2,710,000</b>
Advances to the Unemployment Trust Fund	465,000	437,000	422,000	2,710,000
<b>Community Service Employment for Older Americans</b>	<b>483,611</b>	<b>521,625</b>	<b>350,000</b>	<b>350,000</b>
Community Service Employment for Older Americans	483,611	521,625	350,000	350,000
<b>Federal Unemployment Benefits and Allowances</b>	<b>837,600</b>	<b>888,700</b>	<b>958,800</b>	<b>964,800</b>
Trade Adjustments Assistance	837,600	888,700	958,800	964,800
<b>Foreign Labor Certification</b>	<b>0</b>	<b>0</b>	<b>77,970</b>	<b>77,970</b>
Program Administration	0	0	59,497	59,497
State Grants	0	0	18,473	18,473
<b>Program Administration</b>	<b>171,130</b>	<b>172,323</b>	<b>144,011</b>	<b>144,011</b>
Adult Services	51,288	50,392	57,199	57,199
Apprenticeship	21,542	21,166	23,130	23,130
Executive Direction	9,057	8,078	10,022	10,022
Foreign Labor Certification	37,480	41,487	0	0
Workforce Security	40,987	40,411	40,728	40,728
Youth Services	10,776	10,789	12,932	12,932
<b>State Unemployment Insurance and Employment Service Operations</b>	<b>3,340,350</b>	<b>3,265,884</b>	<b>2,704,944</b>	<b>2,655,267</b>
Employment Service	749,311	735,571	20,026	2,349
Employment Service National Activities	33,428	32,194	20,026	2,349
FLC	13,013	12,518	0	0
TAT/SWA Retirement	2,738	2,308	2,349	2,349
WOTC	17,677	17,368	17,677	0
Grants to State	715,883	703,377	0	0
Unemployment Insurance	2,507,670	2,463,861	2,636,038	2,636,038
National Activities	9,900	9,727	12,893	12,893
State Administration	2,497,770	2,454,134	2,623,145	2,623,145
Work Incentive Grants	19,514	14,393	0	0
Workforce Information-Electronic Tools-System Building	63,855	52,059	48,880	16,880
<b>Training and Employment Services</b>	<b>3,556,272</b>	<b>3,545,311</b>	<b>3,060,923</b>	<b>3,110,600</b>
Adult Employment and Training Activities	864,199	849,101	712,000	0
Career Advancement Accounts	0	0	0	2,826,000
Denali Commission	6,875	6,755	0	0
Dislocated Workers Employment and Training Activities	1,471,903	1,446,189	1,223,823	0
Indian and Native American Programs	53,696	52,758	45,000	45,000
Migrant and Seasonal Farmworkers	79,752	79,668	0	0
WIA Competitive Grants - Community Based Job Training	0	0	125,000	125,000
WIA Competitive Grants - Ex-Offender Activities	68,746	73,493	39,600	39,600
Prisoner Reentry Initiative	19,642	0	0	0
Reintegration of Ex-Offenders	0	73,493	39,600	39,600
Responsible Reintegration of Youthful Offenders	49,104	0	0	0
WIA National Activities	21,101	54,326	25,000	25,000
Evaluation	4,921	4,835	9,000	9,000
Pilots, Demonstrations and Research	14,700	48,508	16,000	16,000
Technical Assistance	480	0	0	0
Women in Apprenticeship	1,000	983	0	0
Youth Activities	940,500	924,069	840,500	0
YouthBuild	49,500	58,952	50,000	50,000
<b>Total</b>	<b>8,388,963</b>	<b>8,393,843</b>	<b>7,296,648</b>	<b>7,302,648</b>

## EMPLOYMENT and TRAINING ADMINISTRATION

TOTAL BUDGETARY RESOURCES by ACTIVITY												
	FY 2007 Comparable				FY 2008 Estimate				FY 2009 Legislative Proposal			
	Activity Approp.	Other Approp. <sup>1/</sup>	Other Resrcs. <sup>2/</sup>	Total	Activity Approp.	Other Approp. <sup>1/</sup>	Other Resrcs. <sup>2/</sup>	Total	Activity Approp.	Other Approp. <sup>1/</sup>	Other Resrcs. <sup>2/</sup>	Total
<b>Advances to the Unemployment Trust Fund [Non-Add]</b>	<b>465,000</b>	<b>0</b>	<b>0</b>	<b>465,000</b>	<b>437,000</b>	<b>0</b>	<b>0</b>	<b>437,000</b>	<b>2,710,000</b>	<b>0</b>	<b>0</b>	<b>2,710,000</b>
Advances to the Unemployment Trust Fund	465,000	0	0	465,000	437,000	0	0	437,000	2,710,000	0	0	2,710,000
<b>Senior Community Service Employment Program</b>	<b>483,611</b>	<b>1,271</b>	<b>0</b>	<b>484,882</b>	<b>521,625</b>	<b>1,206</b>	<b>0</b>	<b>522,831</b>	<b>350,000</b>	<b>1,335</b>	<b>0</b>	<b>351,335</b>
<b>Federal Unemployment Benefits and Allowances</b>	<b>837,600</b>	<b>3,281</b>	<b>40,000</b>	<b>880,881</b>	<b>888,700</b>	<b>3,180</b>	<b>40,000</b>	<b>931,880</b>	<b>964,800</b>	<b>3,519</b>	<b>40,000</b>	<b>1,008,319</b>
Trade Adjustments Assistance	837,600	3,281	40,000	880,881	888,700	3,180	40,000	931,880	964,800	3,519	40,000	1,008,319
<b>Foreign Labor Certification</b>	<b>50,493</b>	<b>0</b>	<b>0</b>	<b>50,493</b>	<b>54,005</b>	<b>0</b>	<b>0</b>	<b>54,005</b>	<b>77,970</b>	<b>0</b>	<b>0</b>	<b>77,970</b>
Program Administration	37,480	0	0	37,480	41,487	0	0	41,487	59,497	0	0	59,497
State Grants	13,013	0	0	13,013	12,518	0	0	12,518	18,473	0	0	18,473
<b>Program Administration</b>	<b>133,650</b>	<b>-112,108</b>	<b>0</b>	<b>21,542</b>	<b>130,836</b>	<b>-109,670</b>	<b>0</b>	<b>21,166</b>	<b>144,011</b>	<b>-120,881</b>	<b>0</b>	<b>23,130</b>
Adult Services	51,288	-51,288	0	0	50,392	-50,392	0	0	57,199	-57,199	0	0
Youth Services	10,776	-10,776	0	0	10,789	-10,789	0	0	12,932	-12,932	0	0
Workforce Security	40,987	-40,987	0	0	40,411	-40,411	0	0	40,728	-40,728	0	0
Apprenticeship	21,542	0	0	21,542	21,166	0	0	21,166	23,130	0	0	23,130
Executive Direction	9,057	-9,057	0	0	8,078	-8,078	0	0	10,022	-10,022	0	0
<b>State Unemployment Insurance and Employment Service Operations</b>	<b>3,327,337</b>	<b>36,242</b>	<b>10,000</b>	<b>3,373,579</b>	<b>3,253,366</b>	<b>36,410</b>	<b>10,000</b>	<b>3,299,776</b>	<b>2,655,267</b>	<b>40,283</b>	<b>10,000</b>	<b>2,705,550</b>
Unemployment Insurance	2,507,670	24,912	10,000	2,542,582	2,463,861	25,443	10,000	2,499,304	2,636,038	28,149	10,000	2,674,187
Employment Service	736,298	1,642	0	737,940	723,053	1,535	0	724,588	2,349	1,699	0	4,048
Workforce Info/National Electronic Tools/System Building	63,855	9,688	0	73,543	52,059	9,432	0	61,491	16,880	10,435	0	27,315

<sup>1/</sup> "Other Appropriation" is comprised of resources appropriated elsewhere, but for which the benefits accrue toward the operation of the budget activities. (Mgmt Crosscut, Executive Direction, and IT Crosscut)

<sup>2/</sup> "Other Resources" include funds that are available for a budget activity, but not appropriated such as, reimbursements and fees

## EMPLOYMENT and TRAINING ADMINISTRATION

<b>TOTAL BUDGETARY RESOURCES by ACTIVITY</b>												
	<b>FY 2007 Comparable</b>				<b>FY 2008 Estimate</b>				<b>FY 2009 Legislative Proposal</b>			
	Activity Approp.	Other Approp. <sup>1/</sup>	Other Resrcs. <sup>2/</sup>	Total	Activity Approp.	Other Approp. <sup>1/</sup>	Other Resrcs. <sup>2/</sup>	Total	Activity Approp.	Other Approp. <sup>1/</sup>	Other Resrcs. <sup>2/</sup>	Total
Work Incentive Grants	19,514	0	0	19,514	14,393	0	0	14,393	0	0	0	0
<b>Training and Employment Services</b>	<b>3,556,272</b>	<b>71,418</b>	<b>179,459</b>	<b>3,807,149</b>	<b>3,545,311</b>	<b>68,873</b>	<b>149,000</b>	<b>3,763,184</b>	<b>3,110,600</b>	<b>75,744</b>	<b>149,000</b>	<b>3,335,344</b>
Career Advancement Accounts	0	0	0	0	0	0	0	0	2,826,000	62,500	0	2,888,500
Adult Employment and Training Activities	864,199	14,839	0	879,038	849,101	14,230	0	863,331	0	0	0	0
Dislocated Workers Employment and Training Activities	1,471,903	29,679	179,459	1,681,041	1,446,189	28,459	149,000	1,623,648	0	0	149,000	149,000
Youth Activities	940,500	14,839	0	955,339	924,069	14,230	0	938,299	0	0	0	0
WIA Competitive Grants	68,746	0	0	68,746	73,493	0	0	73,493	164,600	0	0	164,600
WIA National Activities	21,101	9,472	0	30,573	54,326	9,432	0	63,758	25,000	10,453	0	35,453
Denali Commission	6,875	0	0	6,875	6,755	0	0	6,755	0	0	0	0
Indian and Native American Programs	53,696	2,589	0	56,285	52,758	2,522	0	55,280	45,000	2,791	0	47,791
Migrant and Seasonal Farmworkers	79,752	0	0	79,752	79,668	0	0	79,668	0	0	0	0
Youthbuild	49,500	0	0	49,500	58,952	0	0	58,952	50,000	0	0	50,000
<b>Total</b>	<b>8,388,963</b>	<b>0</b>	<b>229,459</b>	<b>8,618,422</b>	<b>8,393,843</b>	<b>0</b>	<b>189,000</b>	<b>8,582,843</b>	<b>7,302,648</b>	<b>0</b>	<b>189,000</b>	<b>7,491,648</b>

# EMPLOYMENT and TRAINING ADMINISTRATION

## AUTHORIZING STATUTES

Public Law/Act	U.S. Code Citation	Expiration Date
American Competitiveness and Workforce Improvement Act (H-1B)	29 U.S.C. 2916a	No expiration date
Federal Unemployment Tax Act	26 U.S.C. 3301	No expiration date
Health Coverage Tax Credit (section 31 of Internal Revenue Code of 1986)	26 U.S.C. 31	No expiration date
Immigration and Nationality Act (alien labor certification)	8 U.S.C. 1101 et seq.	No expiration date
National Apprenticeship Act (Fitzgerald Act)	29 U.S.C. 50	No expiration date
Nursing Relief and Disadvantaged Areas Act	8 U.S.C. 1182	12/20/2009
Older Americans Act	42 U.S.C. 3056 et seq.	9/30/2011
Robert T. Stafford Disaster Relief and Emergency Assistance Act	42 U.S.C. 5177 and 5189a	No expiration date
Social Security Act, Title III-Grants to States for Unemployment Compensation Administration	42 U.S.C. 501-504	No expiration date
Social Security Act Title IX-Unemployment Security Administration Financing	42 U.S.C. 1101-1110	No expiration date
Social Security Act Title XI, Section 1137-Income and Eligibility Verification System	42 U.S.C. 1320b-7	No expiration date
Social Security Act Title XII-Advances to State Unemployment Funds	42 U.S.C. 1321-1324	No expiration date
Trade Act of 1974	19 U.S.C. 2101-2321 and 2395	9/30/2008 <sup>1</sup>
Unemployment Compensation for Federal Civilian Employees Program	5 U.S.C. 8501-8509	No expiration date
Unemployment Compensation for Ex-Servicemembers Program	5 U.S.C. 8521-8525	No expiration date
Wagner-Peyser Act	29 U.S.C. 49 et seq.	No expiration date
Work Opportunity Tax Credit	26 U.S.C. 51	8/31/2011
Worker Adjustment and Retraining Notification Act	29 U.S.C. 2801-2945; 20 U.S.C. 9271-9276	No expiration date
Workforce Investment Act	29 U.S.C. 2801 et seq.	9/30/2003 <sup>2</sup>

<sup>1</sup> Extended through Appropriations Act.

<sup>2</sup> Extended through Appropriations Acts.



# EMPLOYMENT and TRAINING ADMINISTRATION

## ORGANIZATION CHART

