

FY 2025

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Program Administration

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PROGRAM ADMINISTRATION

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PROGRAM ADMINISTRATION

APPROPRIATION LANGUAGE

For expenses of administering employment and training programs, \$123,734,000, together with not to exceed \$60,934,000 which shall be available from the Employment Security Administration Account in the Unemployment Trust Fund: Provided, That such amounts shall remain available through September 30, 2026.

Note.--A full-year 2024 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2024 and Other Extensions Act (Division A of Public Law 118-15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.

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ANALYSIS OF APPROPRIATION LANGUAGE

Language Provision

Explanation

For expenses of administering employment and training programs, \$123,734,000, together with not to exceed \$60,934,000 which shall be available from the Employment Security Administration Account in the Unemployment Trust Fund: Provided, That such amounts shall remain available through September 30, 2026.

The language change provides that the funds appropriated for Federal administration of the employment and training programs shall be available for Federal obligation through September 30, 2026, thereby providing a two-year period for such obligations instead of the one-year obligation period that has generally applied to such appropriations. This proposed two-year availability is intended to increase flexibility for program execution. The annual uncertainty in the appropriations timing results in delayed hiring and rushed execution of contracts. The multi-year availability would reduce the impact of short-term continuing resolutions at no cost to the annual appropriations bill. This change would also enhance staff oversight of the programs they are administering.

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2023 Enacted		FY 2024 Estimate		FY 2025 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	440	\$118,900	437	\$118,900	438	\$123,734
Program Integrity Transfer	0	\$7,450	0	\$6,817	0	\$0
<i>Subtotal Appropriation</i>	<i>440</i>	<i>\$126,350</i>	<i>437</i>	<i>\$125,717</i>	<i>438</i>	<i>\$123,734</i>
Offsetting Collections From:						
Reimbursements	71	\$16,723	78	\$18,236	71	\$16,777
Trust Funds	211	\$54,015	234	\$54,015	253	\$60,934
<i>Subtotal Offsetting Collections</i>	<i>282</i>	<i>\$70,738</i>	<i>312</i>	<i>\$72,251</i>	<i>324</i>	<i>\$77,711</i>
B. Gross Budget Authority	722	\$197,088	749	\$197,968	762	\$201,445
Program Integrity Transfer	0	-\$7,450	0	-\$6,817	0	\$0
Offsetting Collections						
Reimbursements	-71	-\$16,723	-78	-\$18,236	-71	-\$16,777
<i>Subtotal Deduction</i>	<i>-71</i>	<i>-\$24,173</i>	<i>-78</i>	<i>-\$25,053</i>	<i>-71</i>	<i>-\$16,777</i>
C. Budget Authority Before Committee	651	\$172,915	671	\$172,915	691	\$184,668
Unexpired/Unobligated Balance American Rescue Plan Act of 2021, P.L. 117-2	25	\$4,867	0	\$724	0	\$0
Program Integrity Transfer	0	\$7,450	0	\$6,817	0	\$0
<i>Subtotal</i>	<i>25</i>	<i>\$12,317</i>	<i>0</i>	<i>\$7,541</i>	<i>0</i>	<i>\$0</i>
Offsetting Collections From:						
Reimbursements	71	\$16,723	78	\$18,236	71	\$16,777
<i>Subtotal Offsetting Collections</i>	<i>71</i>	<i>\$16,723</i>	<i>78</i>	<i>\$18,236</i>	<i>71</i>	<i>\$16,777</i>
D. Total Budgetary Resources	747	\$201,955	749	\$198,692	762	\$201,445
Unexpired/Unobligated Balance American Rescue Plan Act of 2021, P.L. 117-2	-9	-\$724	0	\$0	0	\$0
FTE and Unobligated Balance Expiring 01/22 2023/2023	-23	-\$216	0	\$0	0	\$0
FTE and Unobligated Balance Expiring Reimbursements	-15	-\$3,781	0	\$0	0	\$0
E. Total, Estimated Obligations	700	\$197,234	749	\$198,692	762	\$201,445

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2024 Estimate	FY 2025 Request	Net Change
Budget Authority			
General Funds	\$118,900	\$123,734	+\$4,834
Trust Funds	\$54,015	\$60,934	+\$6,919
Total	\$172,915	\$184,668	+\$11,753
 Full Time Equivalents			
General Funds	437	438	1
Trust Funds	234	253	19
Total	671	691	20

Explanation of Change	FY 2025 Change							
	FY 2024 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	671	\$87,767	0	\$1,620	0	\$3,566	0	\$5,186
Personnel benefits	0	\$32,389	0	\$599	0	\$1,319	0	\$1,918
Federal Employees' Compensation Act (FECA)	0	\$344	0	\$40	0	\$89	0	\$129
Benefits for former personnel	0	\$35	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$2,282	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$0	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$7,319	0	\$0	0	\$0	0	\$0
Rental payments to others	0	\$0	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$183	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$612	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$505	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$1,157	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$39,669	0	\$305	0	\$835	0	\$1,140
Other Federal sources (Census Bureau)	0	\$0	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$0	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$0	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$16	0	\$0	0	\$0	0	\$0

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FY 2025 Change

Explanation of Change	FY 2024 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Operation and maintenance of equipment	0	\$13	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$338	0	\$0	0	\$0	0	\$0
Equipment	0	\$283	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$8	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	671	+\$172,920	0	+\$2,564	0	+\$5,809	0	+\$8,373
B. Programs:								
ARPA Funded Staff Absorption	214	\$53,304	19	\$4,991	1	\$425	20	\$5,416
Programs Subtotal			19	+\$4,991	1	+\$425	20	+\$5,416
Total Increase	671	+\$172,920	19	+\$7,555	1	+\$6,234	20	+\$13,789
Decreases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	0	-\$5	0	-\$636	0	-\$1,400	0	-\$2,036
Built-Ins Subtotal	0	-\$5	0	-\$636	0	-\$1,400	0	-\$2,036
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Decrease	0	-\$5	0	-\$636	0	-\$1,400	0	-\$2,036
Total Change	671	+\$172,915	19	+\$6,919	1	+\$4,834	20	+\$11,753

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2023 Enacted		FY 2024 Estimate		FY 2025 Request		Diff. FY25 Request/ FY24 Estimate	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Training and Employment	276	78,172	279	78,172	279	81,035	0	2,863
General Funds	234	68,919	237	68,919	237	71,504	0	2,585
Unemployment Trust Funds	42	9,253	42	9,253	42	9,531	0	278
Workforce Security	171	46,195	194	46,195	214	53,304	20	7,109
General Funds	12	3,621	14	3,621	15	4,155	1	534
Unemployment Trust Funds	159	42,574	180	42,574	199	49,149	19	6,575
Apprenticeship	161	38,913	151	38,913	151	40,340	0	1,427
General Funds	161	38,913	151	38,913	151	40,340	0	1,427
Executive Direction	43	9,635	47	9,635	47	9,989	0	354
General Funds	32	7,447	35	7,447	35	7,735	0	288
Unemployment Trust Funds	11	2,188	12	2,188	12	2,254	0	66
Total	651	172,915	671	172,915	691	184,668	20	11,753
General Funds	439	118,900	437	118,900	438	123,734	1	4,834
Unemployment Trust Funds	212	54,015	234	54,015	253	60,934	19	6,919

NOTE: FY 2023 reflects actual FTE.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
	Full-Time Equivalent				
	Full-time Permanent	651	671	691	20
	Reimbursable	56	78	71	-7
	Total	707	749	762	13
	Average ES Salary	\$199,927	\$211,123	\$215,345	\$4,222
	Average GM/GS Grade	13	13	13	0
	Average GM/GS Salary	\$121,348	\$128,143	\$130,706	\$2,563
11.1	Full-time permanent	82,496	85,243	91,526	6,283
11.3	Other than full-time permanent	289	288	304	16
11.5	Other personnel compensation	2,021	2,231	2,293	62
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	84,806	87,762	94,123	6,361
12.1	Civilian personnel benefits	31,386	32,733	35,967	3,234
13.0	Benefits for former personnel	33	35	35	0
21.0	Travel and transportation of persons	2,283	2,282	2,290	8
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	7,319	7,319	7,319	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	200	183	183	0
24.0	Printing and reproduction	204	612	612	0
25.1	Advisory and assistance services	0	505	505	0
25.2	Other services from non-Federal sources	6,255	1,157	1,163	6
25.3	Other goods and services from Federal sources 1/	39,800	39,669	41,809	2,140
25.4	Operation and maintenance of facilities	0	16	16	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	13	13	13	0
26.0	Supplies and materials	300	338	342	4
31.0	Equipment	308	283	283	0
42.0	Insurance claims and indemnities	8	8	8	0
	Total	172,915	172,915	184,668	11,753
	1/Other goods and services from Federal sources				
	Working Capital Fund	39,800	39,669	40,809	1,140

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APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2015					
Base Appropriation	\$155,563			\$154,559	765
2016					
Base Appropriation	\$176,564	\$158,368	\$144,017	\$154,559	770
2017					
Base Appropriation	\$180,826			\$158,656	753
2018					
Base Appropriation...1/	\$154,265	\$156,348		\$158,656	726
2019					
Base Appropriation...2/	\$154,265		\$158,656	\$158,656	713
2020					
Base Appropriation...3/4/	\$154,265	\$158,656		\$158,656	610
2021					
Base Appropriation...3/4/	\$171,600	\$158,656		\$158,656	597
2022					
Base Appropriation...5/6/	\$211,503	\$211,503		\$164,415	613
2023					
Base Appropriation	\$222,633			\$172,915	674
2024					
Base Appropriation...7/	\$225,466		\$172,915		671
2025					
Base Appropriation	\$184,668				691

1/ This Bill was passed by the House.

2/ This bill was passed by the Senate. It was passed out of the House Subcommittee but was not reported out of the House Committee or by the full House.

3/ This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or the full Senate Appropriations Committee.

4/ FTE for FY 2020 and FY 2021 reflect the Shared Services realignment.

5/ This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or the full Senate Appropriations Committee.

6/ The Appropriations amount does not include transfers.

7/ The full-year FY 2024 appropriation was not enacted at the time the budget was prepared.

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OVERVIEW

The Program Administration (PA) appropriation provides for federal oversight and administration of most Employment and Training Administration (ETA) programs. The FY 2025 request is \$184,668,000 and an estimated 691 full time equivalent (FTE) positions.

The Department requests to increase the PA budget activities overall by \$11,753,000 with an FTE increase of 20 over the FY 2024 Estimate. This increase is critical for ETA to appropriately manage and oversee new programs and increased funding levels, maintain program operations and oversight capacity, and provide timely information to stakeholders, including grantees, Congress, GAO, and the public. The increase is critical to providing needed technical assistance to the workforce system and grantees, which is a bedrock for how ETA seeks to reset the federal-state-local partnership, engage in more effective compliance assistance, and support outcomes related to the Administration's equity and job quality goals. The requested increase includes:

- \$5,416,000 in program increases to the Workforce Security budget activity to absorb staff hired through the American Rescue Plan Act (ARPA).
- \$6,337,000 of the requested increase will fund built-in increases supporting a two percent pay raise, benefits increase, Federal Employment Compensation Act adjustments, and Working Capital Fund inflationary cost increases. These inflationary increases are critically important to prevent staff reductions from pay raises and increased benefit costs.

PA's enacted budget authority stayed flat between FY 2017 and FY 2021. While Congress provided increases in FY 2022 and FY 2023 to cover inflationary costs, the number of programs and amount appropriated to existing programs has continued to increase, increasing the workload on PA to provide effective oversight and assistance. In addition, ETA continues to fund and support shared service consolidation of IT, human resources, and procurement staff, along with the Department's space optimization efforts.

As a result of many years of level funding, ETA saw a net decrease in FTE utilization until recent appropriation increases for built-in costs enabled the PA account to modestly increase FTE ceilings. With rescissions and limitations on annual funding implemented through the Fiscal Responsibility Act, ETA anticipates limited hiring in FY 2024 to fill only the most strategically critical positions and a general reduction in staffing levels for PA over the course of the fiscal year. ETA anticipates operating at the affordable FTE ceiling during FY 2024. The additional funding requested in FY 2025 will limit the need to further reduce ETA's FTE ceiling and contribute to responsible management of existing programs and success of the initiatives proposed in the FY 2025 Budget with the objective of achieving the Secretary's vision of creating a modern, inclusive workforce and advancing the President's priorities associated with advancing racial and gender equity and supporting underserved communities. PA funds will also support the professional development of staff after a time of significant turnover and provide pathways for career advancement to retain current staff and fill current needs.

Federal staff in the national office and six regional offices provide leadership and policy direction, oversight and performance management, technical assistance to grantees, administrative infrastructure and customer-oriented workforce tools, funds management, and

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administration for programs under the Workforce Innovation and Opportunity Act (WIOA), the National Apprenticeship Act, Older Americans Act, and the Trade Act of 1974. The PA appropriation also finances staff to carry out similar responsibilities for Unemployment Insurance (UI), the Employment Service (ES), and the Work Opportunity Tax Credit (WOTC). The PA account will also be the primary source of funding for the Department's administration of newly appropriated workforce development investments.

Federal staff also provide administrative support for financial management and administrative services, including grants management services. Grants management services are provided for the entire Department.

Much of ETA's appropriated funding is expended through grants that implement critical workforce programs and other investments administered and managed by ETA. As of December 15, 2023, ETA had approximately 3,182 active grants, consisting of 2,666 grants assigned to regional Federal Project Officers (FPOs) and 516 grants assigned to national FPOs, with a total funding portfolio of approximately \$32,432,000,000. To ensure grantees remain on track to meet performance goals, the Department monitors grantee performance by looking at system outputs (such as the number of people who received training) and outcomes (such as the number of people trained who were in unsubsidized employment two quarters after exit from the program). ETA regional offices monitor grant activity and assess performance through a variety of processes, which include on-boarding and conducting initial risk assessments of all new discretionary grantees, and onsite monitoring reviews or enhanced desk monitoring reviews (EDMRs) as needed. Through onsite monitoring reviews and EDMRs, ETA strives to monitor 20 percent of all active grants each year. In addition to monitoring, federal staff conduct on-site technical assistance visits as needed.

Federal staff work closely with grantees and other partners across the country, including Registered Apprenticeship employers, program sponsors, and joint labor management programs to maximize program effectiveness; document and disseminate best practices, particularly in the area of diversity, equity, inclusion and accessibility (DEIA); coordinate quality program design and registration; guide federal policy that ensures program quality and worker voice; and support programs in the communities in which they operate.

The Department, in partnership with states, will continue to maintain a viable and strong safety net that provides timely and accurate income support to eligible workers. The Department will also maintain its focus on improving the integrity of the UI system, working with states to improve their prevention, detection, and recovery of improper payments, helping states to implement more resilient IT systems and support, reducing fraud, and strengthening overall program performance.

As Registered Apprenticeship has expanded to historic levels over the past decade and as Congress provides increased funding for apprenticeship, demand and workload has also increased dramatically. Federal staff will continue to manage all aspects of apprenticeship operations in federally managed states and provide quality assurance and high-impact EEO compliance activities for nearly 10,000 federally registered programs, as well as conducting oversight for the remaining federally recognized State Apprenticeship Agencies. Apprenticeship

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grant and contract oversight to ensure high performance and outcomes is a growing core function for an expanding investment portfolio. As the Department continues to address the growing challenge of equipping Americans with the skills and tools needed to obtain good jobs and build their careers, it will focus on the expansion, diversification and modernization of Registered Apprenticeship, pre-apprenticeship, and youth apprenticeship programs.

The Department requests to retain the current authority to make the following transfers: 1) transfer funds made available to ETA, either directly or through a set-aside, for technical assistance services to grantees to PA when it is determined that those services will be more efficiently performed by Federal employees; and 2) transfer 0.5 percent of funds made available to ETA to PA to carry out program integrity activities.

The Department requests two-year availability to increase flexibility for program execution. The annual uncertainty in the appropriations timing results in delayed hiring and rushed execution of contracts. The multi-year availability would reduce the impact of short-term continuing resolutions at no cost to the annual appropriations bill. This change would also enhance staff oversight of the programs they are administering.

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WORKLOAD AND PERFORMANCE SUMMARY				
	FY 2023 Enacted		FY 2024 Estimate	FY 2025 Request
	Target	Result	Target	Target
OGM/Grants Management				
Strategic Goal 1 - Build Opportunity and Equity for All				
Strategic Objective 1.1 - Advance training, employment, and return-to-work opportunities that connect workers to higher-wage jobs, especially in ways that address systemic inequities.				
ETA-RO-02	Percent of grants monitored by regional offices annually		26.0%	34.0%
			20.0%	20.0%
ETA-RO-05	Percent of initial risk assessments completed for new discretionary grants managed by regional offices within 60 days of award assigned to the Federal Project Officer in the grants management system		95.0%[r]	99.0%
			95.0%	95.0%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

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Workload and Performance Narrative

With approximately 3,182 active formula and discretionary grants, ETA has taken steps to implement a tiered approach to grants management. The first tier is on-boarding and risk assessments that FPOs conduct semi-annually for discretionary grants and annually for formula grants. For discretionary grants, the initial risk assessments are conducted within 60 days of the award date. The risk assessments help to determine the grantee's ability to fulfill the terms of its grant proposal based on key criteria outlined in on-boarding requirements and a standardized risk assessment tool. The risk assessments also provide a regular review of the grantee's overall programmatic and financial performance, which is then used as a proxy for the management of grant resources. The level of risk determination helps to inform ETA's additional tiers of grant management.

The second tier is an EDMR, which provides a more intense review of a grantee. The FPOs use additional questionnaires along with grantee staff interviews. FPOs complete EDMRs on an as needed basis when engagement with a grantee needs to be elevated but also for other reasons, such as when an on-site review is not possible because of limited resources.

The third tier of grants management is a comprehensive on-site review at the grantee's location and may take one to three weeks to complete. On-site reviews may require one or a team of federal staff depending on the size, risk, and complexity of the grant(s) reviewed and the management/performance issues noted through regular risk assessments. Depending on resources, FPOs typically conduct on-site reviews at least once during the life of a discretionary grant and once every 3-4 years for formula grants. On-site reviews include in-depth reviews of grantee financial, administrative, and reporting systems; participant files; policies and procedures; and statements of work. They also include interviews with grantee staff and program participants.

Each EDMR and on-site review results in a written monitoring report that ETA provides to the grantee, which outlines any issues, concerns, or promising practices and actions needed to be taken by grantees to come into compliance with the grant program and financial requirements.

ETA is proactively changing our monitoring approach to include more technical assistance, with the goal of resetting the federal-state partnership to be more collaborative and assist in reaching marginalized populations or populations with barriers to employment.

In FY 2023, ETA's goal was to monitor 26 percent of grants monitored by regional staff. ETA monitored 34 percent of grants in FY 2023 and exceeded its goal. Regions completed monitoring reviews for 662 grants with 259 staff. In FY 2024, ETA's goal will be to monitor 20 percent of grants monitored by regional staff. ETA made this adjustment to allow regional staff to better balance the provision of monitoring, risk assessments, compliance assistance, and technical assistance for all ETA active grants. Approximately 440 new grants were added in FY 2023/2024 for Community Projects and Partners for Reentry Opportunities in Workforce Development (PROWD). Additionally, with the transition to GrantSolutions in FY 2023, funds ETA previously awarded as one grant (such as WIOA Adult, Youth, and Dislocated Worker funds, among others) were awarded as separate grants. Therefore, in FY 2024 ETA has a

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significant increase in the total number of grants that require monitoring without a proportional increase in staff to address the additional workload. The adjustment in the percentage monitored will result in the same amount of grants that will be monitored in FY 2024 as were monitored in FY 2023, as well as allowing ETA to maintain the effectiveness and quality of its monitoring.

TRAINING AND EMPLOYMENT

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
Activity Appropriation	78,172	78,172	81,035	2,863
FTE	276	279	279	0

NOTE: FY 2023 reflects actual FTE. Authorized FTE for FY 2023 was 291.

Introduction

This budget activity provides for the federal administration of programs administered by the Employment and Training Administration (ETA) including Workforce Innovation and Opportunity Act (WIOA) Adult, Youth, and Dislocated Worker employment and training activities; the Trade Adjustment Assistance program; and competitive grant programs, including Indian and Native American, Migrant and Seasonal Farmworker, YouthBuild, Reentry Employment Opportunities, Senior Community Service Employment Program, and H-1B funded competitive grants. The budget also proposes program increases that ETA would administer under this budget activity, including for the Reentry Employment Opportunities Program, the new Sectoral Employment through Career Training for Occupational Readiness (SECTOR) set-aside, and a new Career Training Fund administered in collaboration with the Departments of Commerce and Education. Through these existing and proposed initiatives, the Department will focus on managing technical assistance and capacity-building to expand equitable access to services for workforce system participants, and expanding opportunity for grants to more organizations including community-based organizations, Tribes, Historically Black Colleges and Universities (HBCUs), Tribal colleges and technical schools, and minority-serving institutions.

Federal staff work in the national and regional offices and include numerous trained Federal Project Officers (FPOs) who oversee the use of government resources. These FPOs provide oversight of grant implementation throughout the period of performance, including conducting compliance monitoring to ensure that grantees are operating under the law and the guidance of their statements of work. This budget activity also provides for indirect staff support that performs grants management and oversight, financial management, and administrative services.

Federal staff also provide coordination, technical assistance, and policy implementation for the workforce system. The combination of grant oversight, support, and direction provided to grantees contributes to the more effective, efficient operation of the workforce development system. Quality service delivery to customers improves their chances of obtaining the training and skills necessary to enter and retain high-quality, good-paying jobs that can support a middle-class life.

WIOA Formula Grant Programs

Federal staff administer grants, prepare program guidance, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, engage with stakeholders, and oversee distribution and tracking of program resources. Staff also

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develop and operate web tools that provide job, career, and workforce services information to workers, job seekers, and employers.

Indian and Native American (INA) Programs

Federal staff who administer the Indian and Native American Programs administer and negotiate grants, prepare program guidance, monitor program implementation, oversee the reporting system, track grantee performance versus program targets, provide technical assistance to grantees, review grant plans, oversee the distribution of program resources, and perform other activities to support the program. Staff also support the Native American Employment and Training Council, established by WIOA and preceding legislation; act as a resource on a broad range of issues impacting Native Americans; and manage related Federal Advisory Committee Act (FACA) requirements.

Migrant and Seasonal Farmworker Program

Federal staff who oversee the National Farmworker Jobs Program write grant solicitations, negotiate and administer grants, prepare program guidance, set policy direction, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, and oversee distribution of program resources. In addition, staff partner with the Monitor Advocate System to ensure farmworkers have equitable access to services.

YouthBuild Program

Federal staff who oversee the YouthBuild program write grant solicitations, negotiate and administer grants, prepare program guidance, set policy direction, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, and oversee distribution of program resources.

Reentry Employment Opportunities (REO)

Federal staff who oversee the REO programs write grant solicitations, negotiate and administer grants, prepare program guidance, set policy direction, monitor program implementation, oversee the reporting system, track grantee performance, provide technical assistance to grantees, and oversee distribution of program resources. In addition, staff administer the Federal Bonding program and act as a resource on a broad range of issues impacting justice-involved citizens.

Sectoral Employment through Career Training for Occupational Readiness (SECTOR)

The SECTOR initiative, proposed in the FY 2025 Budget as a set-aside from the WIOA Dislocated Worker employment and training activities, will expand established sector partnerships and ensure a greater focus on equity and diversity in their recruitment, training, and hiring efforts. The SECTOR initiative will also support capacity-building grants to underserved communities to build strong new sector partnerships, including through assessing local labor market information, conducting asset mapping, initiating partnership building and visioning with industry and unions, and aligning and leveraging resources to support skills training. Federal staff will be responsible for designing and competing grants, conducting outreach to applicants,

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delivering technical assistance to grantees, monitoring grant performance and expenditures, and evaluating the initiative.

Senior Community Service Employment Program (SCSEP)

Federal staff who oversee SCSEP write grant solicitations, negotiate and administer grants, prepare program guidance, monitor program implementation, oversee the reporting system, track grantee performance versus program targets, provide technical assistance to grantees, and oversee the distribution of program resources. In addition, staff act as a resource on a broad range of issues impacting older workers, including through employer outreach efforts.

Trade Adjustment Assistance (TAA)

Federal staff administering the TAA program determine group eligibility for workers adversely affected by foreign trade; provide oversight to state workforce agencies administering TAA Program benefits and services; and deliver timely technical assistance, analysis, and information to stakeholders about TAA program operations. The primary responsibilities of TAA staff are conducting investigations and issuing determinations of petitions for group eligibility; providing technical assistance; writing and issuing program and policy guidance; allocating grant funds; and managing performance and accountability results.

The Department's FY 2025 budget request includes a proposal to reauthorize the TAA Program by restoring it as provided under the Reversion 2021 Program. The Department also continues to support broader reauthorization efforts that modernize the program to ensure TAA delivers the best mix of benefits and services to assist trade-affected workers' return to employment as quickly as possible. The proposed reauthorization of the TAA program will require continued federal program administration to ensure the availability of benefits and services for trade affected workers.

There continues to be a strong need for the TAA program to provide benefits and services to help workers adversely affected by trade. For FY 2025, DOL projects over 142,000 workers will be adversely affected by trade and could become eligible under the Reversion 2021 Program. Therefore, there is an immediate need to end the current termination status of the TAA program to allow new groups of workers to be eligible to participate. The Department would resume investigations of petitions filed since July 1, 2022, when the termination provision took effect, and accept new petitions. As of December 14, 2023, 533 petitions covering an estimated 84,578 workers are pending investigation, reflecting continuing need even though the program is in termination status. Reauthorizing TAA under the Reversion 2021 Program will return the program to a viable DOL safety net for workers whose employment is affected by the impact of foreign trade.

Career Training Fund

This Budget proposes a new \$8 billion Career Training Fund, which would be administered by the Department in collaboration with the Departments of Commerce and Education, to provide up to \$10,000 per worker to support the cost of high-quality, evidence-based training and wrap-around supports.

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Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2020	\$70,679	282
2021	\$70,679	263
2022	\$73,799	271
2023	\$78,172	291
2024	\$0	279

NOTE: A full-year 2024 appropriation for this account was not enacted at the time the budget was prepared.

FY 2025

The FY 2025 Budget requests \$81,035,000 and 279 FTE for Training and Employment.

The Department requests additional funding to enable Training and Employment to afford inflationary increases without having to resort to staffing reductions. This Budget proposes increases to grant programs administered by federal staff funded by this budget activity. As the account responsible for the Department's administration of these programs, PA requires sustained resources to manage the existing workload and to implement new initiatives. In addition to program implementation and oversight, these resources will support customer relationship management and relations with stakeholders and employers; increased external communications and more regular listening sessions regarding ETA programs, particularly with communities historically excluded from these programs; and project management/change management to ensure initiatives respond to worker needs, improve the lives of workers in America with career advancement in good-quality jobs, and are based on and build evidence. These resources also support the extensive assistance ETA will continue to provide other agencies to incorporate Good Jobs principles into infrastructure investments, and build connections between workforce development grantees and the state agencies and local organizations administering infrastructure investments to prepare American workers for good jobs in in-demand sectors.

The PA budget authority had not increased between FY 2017 and FY 2021, although the number of programs and funding for existing programs continued to increase. ETA saw net decreases in FTE utilization during those years until built in increases during FY 2022 and FY 2023 allowed some additional rebuilding of staff levels to support program management. These built-in increases are critically important to prevent staff reductions due to pay raises and increased benefit costs. The \$2,863,000 requested in FY 2025 will fund built-in increases supporting a two percent pay raise, benefits increase, Federal Employee Compensation Act adjustments, and Working Capital Fund inflationary costs. ETA anticipates operating at the affordable FTE ceiling in FY 2024, with hiring limited to strategically critical positions needed to support ETA's ability to measure and mitigate improper payments; improve, or revamp, technical assistance; and provide sound oversight of ETA's programs.

Maintaining current staffing levels will support Department and Administration priorities on data analytics, DEIA, hiring, regulations, and support to service providers. ETA staff will continue to

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exercise sound management of existing programs and ensure that the initiatives proposed in the FY 2025 Budget are successful at meeting the Secretary's vision of creating a modern, inclusive workforce and the President's priorities associated with advancing racial and gender equity and support for underserved communities. ETA is using a portion of its PA budget to provide training and otherwise develop and retain staff to compete in a tight labor market and to ensure a cadre of experienced and expert staff can continue to manage the agency's responsibilities as the most senior staff retire.

ETA staff will continue to be responsible for competing grants to identify the highest quality applicants; conducting stakeholder outreach for workers, community organizations, and employers; providing technical assistance; overseeing grants; and measuring impact.

Staff will continue to support grantee needs regarding administration of WIOA formula programs, which make up the bulk of public workforce system funding. Activities will include oversight, technical assistance, and guidance to the workforce system regarding retraining and reemployment; promoting apprenticeship, work-based learning, and high-quality training to allow all Americans to equitably benefit from a built-back economy; and continuing collaboration with the Departments of Education, Health and Human Services, Commerce, Transportation, and other partner agencies to build pathways for vulnerable communities into good-jobs. Specific activities include working with states, local areas, and competitive grantees in expanding their outreach and recruitment strategies to underserved communities and incorporating worker voice into program design; consulting with stakeholders when implementing program changes; working with grantees and business stakeholders to increase job quality; implementing performance accountability requirements, including Eligible Training Provider outcomes reporting; continuing assistance to states in implementing strategies from their WIOA Unified or Combined State Plans; supporting more robust data and technology infrastructure to allow for evidence-based decisions and program implementation; and testing new approaches to employment and training. In FY 2025, ETA staff will continue to support states and competitive grantees in implementing fundamental changes in design and delivery of services, such as in measuring and addressing gaps in services that lead to inequitable program outcomes for historically marginalized populations, delivering services and training to meet customer needs, and expanding the use of worker-centered sector strategies to prepare workers and communities for the new jobs and economic expansion from infrastructure, manufacturing, and energy investments.

In addition to administering and overseeing ETA programs, federal staff will continue to provide Congress with requested information, including policy options, clarifications of current practices, and examples of state implementation of current law.

In FY 2025, the Department will continue to utilize the Department of Health and Human Services (HHS) GrantSolutions system as a shared service providing comprehensive grants management service. The Department awarded the first ETA grants in GrantSolutions in February 2023 and completed its migration of grants into the HHS GrantSolutions environment in FY 2023. The Department will complete the decommissioning of the legacy e-Grants system in FY 2024 and will retain access to system data to reference historical information and serve as an archive. By Q1 FY 2024, the ETA had provided approximately \$22,000,000 in Program

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Integrity transfers from Program Administration to support ETA's transition and operations within the GrantSolutions system and Payment Management System, along with incorporating an integrated Grants Risk Monitoring component. The current estimated cost for operations and maintenance of ETA grants in the GrantSolutions environment is approximately \$5,900,000. The Department's grants management system currently processes and administers approximately \$32,432,000,000 in active grants. Major improvements in reliability and functionality will allow stakeholders across the Department's eight grant-making agencies to better process and manage more than 5,922 active grants. The primary purpose of this modernization effort was to address issues of limited functionality, high operating and maintenance costs, poor data quality, inadequate reporting capabilities, fragmented architecture, and vulnerable system security.

The Department's FY 2025 budget request includes a proposal to reauthorize the Reversion 2021 version of the TAA program. The Department also continues to support broader reauthorization efforts. Assuming reauthorization, the Department will continue to support the Operation and Maintenance (O&M) of the Petition Automated Workflow System (PAWS) associated with the investigations and certification of petitions for TAA benefits, as in previous fiscal years. The O&M costs support changes in the IT platform, adjustments to new coding procedures, changes in policy or reporting formats, and fixes to any bugs/deficiencies or upgrades to the system.

FY 2024

Figures for FY 2024 are an estimate. Discretionary amounts shown for FY 2024 reflect an annualized Continuing Resolution (Division A of P.L. 118-15, as amended), as a full-year appropriation had not been enacted at the time the budget was produced. Mandatory amounts are equal to the FY 2024 President's Budget and do not reflect sequestration.

FY 2023

National and Regional office staff, primarily in the Office of Workforce Investment (OWI), Office of Trade Adjustment Assistance (OTAA), and regional offices, with support from the Office of Policy Development and Research (OPDR) and the Office of Management and Administrative Services (OMAS), engaged in a wide range of activities supporting training and employment programs, such as

1. Responded to the needs of changing economies with disaster DWGs and economic recovery DWGs, and issued guidance and technical assistance on adjusting workforce programs to ensure workers of all races, ethnicities, genders, and ability statuses could enter and advance in good jobs;
2. Published grant opportunities to creatively provide quality training and work-based learning, including apprenticeship programs, for American workers and administered grant competitions for Workforce Opportunity for Rural Communities, Strengthening Community Colleges, YouthBuild, Reentry Employment Opportunities, Workforce Pathways for Youth, and Dislocated Worker demonstrations;
3. Assisted stakeholders in continuous improvement using WIOA performance measures across grant programs, as well as increasing reporting and data integrity consistency;

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4. Provided technical assistance to grantees on performance reporting, grant program and grants management fundamentals, promising practices, and delivering high quality services in online and in-person trainings;
5. Published guidance on program operations to indicate the Trade Adjustment Assistance program entered a phase-out termination status on July 1, 2022. Under termination, staff continued to provide technical assistance and allocated funding to assist grantees in implementing TAA statutory and regulatory requirements;
6. Continued to support assessment models for TAA outreach and state collaborations that increase TAA peer engagements and promote continuous improvement activities;
7. Strengthened collaboration with relevant federal and state agencies to promote a strong and integrated workforce system responsive to workers' needs;
8. Developed and executed new models for workforce programs and analysis of performance data;
9. Implemented various new IT requirements to increase security and reliability of ETA systems;
10. Maintained accountability and oversight for ETA's investment portfolio to ensure conformity with statutes, compliance with regulations, and fiscal accountability; and
11. Supported the program offices in their procurement, grants management, and human resource needs.

In FY 2023, in addition to completing the migration of grants from the legacy E-Grants system to the HHS GrantSolutions grants management system, the Department worked to move data from GrantSolutions into the Department's data warehouse, which will then feed data directly into the Workforce Integrated Performance System (WIPS). WIPS is the Department's integrated WIOA performance reporting system that now accepts data submissions from across 16 DOL programs. Each program uses WIPS to report characteristics, services, and outcomes for participants served. Extensive edit checks have improved the validity and consistency of the data reported over time. Furthermore, the Department continued building out the Grantee Performance Management System (GPMS), an integrated grantee case management system, to align ETA's grantee data towards conformity with WIOA performance reporting requirements for all programs that feed data into WIPS. By integrating and aligning ETA's IT portfolio into GrantSolutions, GPMS and WIPS, the Department is providing additional reporting and data analytics features and improving integration of program services to encourage greater alignment at the federal, state, and local levels. This work recently led to enhanced reporting for the Indian and Native American, YouthBuild, and Reentry Employment Opportunities programs.

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WORKLOAD AND PERFORMANCE SUMMARY				
	FY 2023 Enacted		FY 2024 Estimate	FY 2025 Request
	Target	Result	Target	Target
Training and Employment				
Strategic Goal 1 - Build Opportunity and Equity for All				
Strategic Objective 1.1 - Advance training, employment, and return-to-work opportunities that connect workers to higher-wage jobs, especially in ways that address systemic inequities.				
ETA-OTAA-02	Median TAA Petition Processing Time (MPT) in Days	55.0	--	--
ETA-OTAA-03	Percent of Petitions Processed in Compliance with Established Review Procedures (ERP)	95.0%	--	--

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

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Workload and Performance Narrative

ETA uses Median Processing Time (MPT) as the measure for timely TAA investigations because it takes into consideration all aspects of an investigation, including receiving petitions, communicating with petitioners and company officials, collecting data and information pertaining to the claim(s) by petitioner(s), collecting aggregate industry data, surveying other companies impacted within the industry, issuing subpoenas for data from uncooperative individuals, and considering other distinct outliers that may skew averages.

The Department requested in the FY 2024 and FY 2025 President's Budgets to reauthorize the Reversion 2021 version of the TAA program¹ while also continuing to support broader reauthorization reforms that innovate and modernize TAA to ensure the program delivers the best mix of benefits and services to assist trade-affected workers return to employment as quickly as possible.

If TAA is reauthorized, to the extent practicable, ETA will resume using the established criteria, forms, regulations, and performance reporting requirements as administered when TAA operated under the Reversion 2021 status. Under reauthorization, targets for completing MPT will be 40 days, according to the TAA statute, and the ERP will be established upon reauthorization. Processing times may be impacted and are predicated upon whether there is an influx of petition filings or backlog of petitions due to actions by Congress. The PAWS will establish a means for more efficient investigations and will help reduce the caseloads and processing times for investigations.

If Congress does not extend the authorization period in FY 2024 or FY 2025, or take other action through appropriations or authorization legislation, the TAA program will only serve currently eligible TAA participants until the last person exits the program.

¹ On July 1, 2022, the TAA Program began operating in a phase-out termination status, under which DOL ceased investigations of petitions filed for group eligibility and ceased issuance of certifications of petitions filed starting on that date. As of this submission, the TAA Program is continuing to operate in a phase-out termination status so petition processing time results for FY23 and FY24 are not applicable. FY 2025 targets assume enactment of the legislative proposal that requests TAA Program restoration under the Reversion 2021 Program.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
11.1	Full-time permanent	34,550	33,504	34,900	1,396
11.3	Other than full-time permanent	5	52	52	0
11.5	Other personnel compensation	812	965	993	28
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	35,367	34,521	35,945	1,424
12.1	Civilian personnel benefits	13,328	13,216	14,141	925
13.0	Benefits for former personnel	0	20	20	0
21.0	Travel and transportation of persons	720	940	940	0
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	3,172	3,172	3,172	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	4	16	16	0
24.0	Printing and reproduction	100	152	152	0
25.1	Advisory and assistance services	0	420	420	0
25.2	Other services from non-Federal sources	4,511	787	787	0
25.3	Other goods and services from Federal sources 1/	20,714	24,684	25,198	514
25.4	Operation and maintenance of facilities	0	16	16	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	12	12	12	0
26.0	Supplies and materials	100	96	96	0
31.0	Equipment	136	112	112	0
42.0	Insurance claims and indemnities	8	8	8	0
	Total	78,172	78,172	81,035	2,863
	1/Other goods and services from Federal sources				
	Working Capital Fund	20,714	24,684	25,198	514

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CHANGES IN FY 2025

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$1,424
Personnel benefits	867
Federal Employees' Compensation Act (FECA)	58
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	514
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$2,863**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$81,035	279
Program Increase	\$0	0
Program Decrease	\$0	0

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
Activity Appropriation	46,195	46,195	53,304	7,109
FTE	171	194	214	20

NOTE: FY 2023 reflects actual FTE. Authorized FTE for FY 2023 was 180.

Introduction

This budget activity provides for federal administration and oversight of Workforce Security programs, which include Unemployment Insurance (UI), the Employment Service (ES), Workforce Information/National Electronic Tools/System Building activities, and indirect staff support, including grants management and oversight, financial management, and administrative support.

Federal staff in the national and regional offices provide oversight of grant implementation throughout the multi-year period of performance, including technical assistance, financial management, and monitoring to ensure grantees operate in compliance with applicable laws and regulations and adhere to their statements of work.

In addition to grant oversight and monitoring, federal staff provide guidance, training, and policy development for the workforce system. The combination of grant oversight, support, and direction that staff provide to grantees contributes to a more effective, efficient operation of the workforce system and helps to ensure improved service delivery to customers.

Unemployment Insurance

Federal staff provide leadership, legislative and performance oversight, policy guidance, technical assistance, training, and financial and administrative support to states in the operation of their Unemployment Compensation (UC) programs. The Department uses these resources for overseeing and monitoring grants, federal budget and policy development, and to collect, analyze, and publish data related to state UC programs, including economic analysis, research, and program oversight. Staff attention and resources also focus on measuring, evaluating, and improving performance in the UI program to reduce fraud and improper payments, and ensure program integrity.

Employment Service

Federal staff provide policy guidance and direction, technical assistance, training, and oversight for the operation of the national public ES system through state offices and local American Job Centers. Regional office staff provide oversight and technical assistance at the state and local levels. The National Monitor Advocate and Regional Monitor Advocates oversee the provision of ES, benefits and protections to migrant and seasonal farmworkers, the functioning of state complaint systems, and compliance of state ES offices with applicable laws, regulations, and

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directives. The Monitor Advocate System helps to ensure migrant and seasonal farmworkers receive equitable access to ES compared to non-migrant and seasonal farmworkers. Federal staff also provide oversight and technical assistance to states on the Work Opportunity Tax Credit (WOTC) – a federal tax credit available to employers who invest in American job seekers who have consistently faced barriers to employment.

Workforce Information/Electronic Tools/System Building

Workforce Information/National Electronic Tools/System Building supports the operation and management of information and tools for the workforce development system. Federal staff develop workforce information policy guidance; provide and manage grants to states for national, state, regional, and local workforce information that promote informed decision-making; and administer the collection of information relating to labor market participation. Staff update and support national electronic tools to provide career guidance, information, tools, and products for use by workforce system partners, career counselors, job seekers, employers, veterans, students, and the public, including assessment guidance, the Occupational Information Network (O*NET), the Competency Model Initiative, mySkills myFuture, My Next Move, and the suite of electronic tools found at www.careeronestop.org. Staff are adjusting the CareerOneStop website, designated as a High Impact Service Provider, to deliver relevant information more easily to its job-seeking customers.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2020	\$42,704	173
2021	\$42,704	163
2022	\$43,985	165
2023	\$46,195	180
2024	\$0	194

NOTE: A full-year 2024 appropriation for this account was not enacted at the time the budget was prepared.

FY 2025

The FY 2025 Budget requests \$53,304,000 and 214 FTE for Workforce Security.

The PA enacted budget authority remained flat between FY 2017 and FY 2021, except through one-time enactment of supplemental funding under the American Rescue Plan Act enacted in March 2021. In FY 2022 and FY 2023, Congress provided an increase to cover inflationary costs. The supplemental funds provided in the American Rescue Plan Act in 2021 enabled the Department to begin modernizing the unemployment insurance system. In recognition of the impact of the low level of staffing and to respond to this situation, Congress authorized a one-time appropriation of \$8,000,000 for necessary expenses to conduct federal activities relating to the administration of unemployment compensation programs in Section 9031 of the American Rescue Plan Act (Pub. L. 117-2). The Department used the \$8,000,000 to make essential improvements in the administration of the UC programs, filling critical positions that had been

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left vacant for many years and enhancing critical functional areas that had been only one FTE deep. Additionally, ARPA provided \$2,000,000,000 to the Department to improve equity, timeliness, and accuracy in the UI system. The Department has used this funding to support modernization of states' UI systems through both grants and investments in services, such as identity verification. Although this \$2,000,000,000, later reduced to \$1,000,000,000 by the Fiscal Responsibility Act, was not directly provided to PA, the staff required to provide oversight and assistance of the UI modernization efforts work hand-in-hand with the Workforce Security staff funded by PA's base appropriation. As the one-time ARPA funding is expended, the Department now seeks \$5,416,000 in new funding to continue employing the staff who were brought onboard to shore up the oversight and administration of UC programs. To maintain these staffing resources and the added capacity they provide to oversee UI programs in FY 2025 and beyond, PA requires increases to absorb these federal staff as the supplemental funding runs out.

The retention of this staffing has become even more critical as ETA loses term and temporary staff that have been funded under the ARPA \$2,000,000,000 appropriation. As a result of the \$1,000,000,000 rescission in the Fiscal Responsibility Act, term and temporary staff will not have extensions to their terms and are leaving ETA employment as their current terms expire, and many have been voluntarily leaving in light of the upcoming expiration of their terms.

In addition to the increase for absorbing ARPA-funded staff, the Department's budget request includes approximately \$1,693,000 to fund built-in increases supporting a two percent pay raise, benefits increase, Federal Employee Compensation Act adjustments, and Working Capital Fund inflationary costs. These built-in increases are critically important to prevent reductions in FTE due to pay raises and increased personnel benefit costs. It will also allow ETA to backfill staff lost to retirement and attrition.

The resources requested will help ensure the Department maintains federal administration of the unemployment insurance system at a more effective, sustainable operating level. The pandemic highlighted the impacts of a lack of adequate staff overseeing this critical program. In June 2022, the Government Accountability Office (GAO) added the Unemployment Insurance program to the GAO's list of designated high-risk programs and recommended that the Department pursue transformative improvements to the program. These added staff are critical to the Department's ability to pursue such necessary transformative improvements. The resources requested will ensure continuity of operations and improvements in the following core areas of administering UC programs:

- Staff dedicated to supporting strategies to prevent, detect, and recover fraud and improper payments in the Unemployment Insurance programs.
- Improved guidance, technical assistance, and training to states regarding strategies to prevent, detect, and recover improper payments, including Benefit Payment Control (BPC). Improper payment activity remains significantly higher than usual. This added staff will also help monitor fraud prevention strategies to reduce unintended negative impacts on equitable access to UI programs.
- Enhanced oversight and performance of key functions related to the unemployment compensation programs, including developing guidance and technical assistance resources for states, ensuring appropriate corrective actions are taken when needed

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regarding state operations of the programs, and overseeing the administrative funding provided to states.

- Oversight and monitoring of states' use of new grants offered to state unemployment insurance agencies since FY 2021 for administration of the temporary pandemic programs and for fraud prevention, improved equity, process improvements and timely delivery of benefits, and Information Technology enhancement projects regarding the regular UI program.
- Business analyst and subject matter expert support in the development and implementation of federal unemployment insurance technologies.
- Reduced risk associated with oversight and support of Unemployment Tax Operations, a program through which states oversee over 10 million tax accounts and collect nearly \$45,000,000,000 annually in unemployment taxes/contributions.
- Improved ability to gather extensive and valuable information about the activities within the unemployment insurance program. Since the pandemic, numerous additional audits have been initiated regarding the new programs, multiplying the amount of data and information gathered by the Department. This information gathering continues to grow following the pandemic.
- Proper review and analysis of the significant amount of information states are reporting on activities during the pandemic and its aftermath, including the collection and analysis of more detailed demographic data associated with key functions in UC programs to better inform policies and procedures to improve equitable access to the programs.
- Improved guidance, technical assistance, and training to states regarding program performance, which has been significantly and negatively impacted by the unprecedented claims volume and the operations of the new temporary UI programs, with the goal of improving the UC programs, increasing awareness of the programs to underserved populations, and increasing the timely delivery of UI benefits.

The Department's staff continues to work with State Workforce Agencies (SWAs) to reduce fraud and improper payments, as fraud schemes have evolved since the onset of the pandemic and the subsequent economic recovery. ETA continues to develop strategies focused on prevention, detection, and recovery of improper payments. The Department will also continue to work with states to reduce improper payments from fraudulent claims by pursuing strategies that will provide states with additional monitoring, technical assistance, and systems support. The Department's staff will continue to support and oversee the work of the UI Integrity Center of Excellence. The UI Integrity Center of Excellence is a state-driven source of innovative program integrity strategies to prevent and detect improper payments and reduce fraud.

The Department also oversees and provides technical assistance for state implementation of the Reemployment Services and Eligibility Assessments (RESEA) program authorized by Congress in the Bipartisan Budget Act of 2018. The RESEA program focuses on strategies to ensure the integrity of the UI program and identifies evidence-based strategies that assist UI claimants to return to work more quickly. RESEA provides funds to states to better serve UI claimants at American Job Centers by conducting an eligibility review and developing a reemployment plan that connects them to appropriate reemployment services. The latest available research on the RESEA program found that it reduces the average duration of UI benefit receipt by 1.8 weeks for participating claimants, resulting in significant levels of benefit savings.

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The Department's staff will continue to provide oversight on the operations of the national public ES system by developing policy guidance and direction, technical assistance, and training for states and ES staff in local American Job Centers. Such oversight ensures that job seekers connect with ES to improve their employment prospects, in turn supporting local labor markets. Staff will also continue overseeing and providing technical assistance regarding the provision of ES, benefits and protections to migrant and seasonal farmworkers, the functioning of state complaint systems, and compliance of state ES offices with applicable laws, regulations, and directives so that farmworkers receive equitable access to ES compared to non-migrant and seasonal farmworkers.

The Department's staff will continue to develop workforce information policy guidance, manage grants for national, state, regional and local workforce information that promotes informed decision-making, and administer collection of labor market participation. Staff will convene the Workforce Information Advisory Committee and receive and consider its recommendations. Federal staff will work on further alignment and reporting for non-core WIOA programs and programs authorized by other statutes with WIOA performance measures and reporting. Staff will also continue to oversee several national electronic tools providing critical occupational and career pathway information to customers, including workforce system partners, career counselors, job seekers, employers, veterans, students, and the public.

In summary, in FY 2025 federal staff will:

- monitor and oversee over \$3,900,000,000 in grants to 53 state UI and ES agencies.
- monitor and oversee over \$793,000,000 in ARPA and CARES Act grants, \$3,070,420,815 in RESEA grants, and over \$13,400,000,000 in active UI grants provided to states prior to FY 2025.
- for RESEA grants, develop and issue operating guidance, determine and award outcome grants, and monitor the operations of the program;
- provide direct oversight and technical assistance to state UI agencies enhancing the timely delivery of benefits, the quality of adjudications and appeals decisions, and the overall operations of the UI system;
- provide direct oversight and technical assistance to state UI agencies enhancing the prevention, detection, and recovery of fraudulent and improper payments;
- formulate, communicate, and analyze UI and ES policies;
- develop and analyze critical economic and employment data, including sharing workforce information on growing skills and job demand from the Bipartisan Infrastructure Law;
- measure performance and encourage continuous improvement throughout the UI, ES, and Labor Market Information (LMI) systems, including receiving recommendations from the Workforce Information Advisory Committee;
- review state employment services to migrant and seasonal farmworkers to ensure farmworkers are afforded the same economic advancement opportunities as non-farmworkers;
- oversee several national electronic tools and adjust the CareerOneStop website to enhance customer experience;
- provide oversight and technical assistance to states in reviewing Work Opportunity Tax Credit certification requests; and

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- work with states to develop state laws and operating procedures that comply with federal laws and regulations.

FY 2024

Figures for FY 2024 are an estimate. Discretionary amounts shown for FY 2024 reflect an annualized Continuing Resolution (Division A of P.L. 118-15, as amended), as a full-year appropriation had not been enacted at the time the budget was produced. Mandatory amounts are equal to the FY 2024 President's Budget and do not reflect sequestration.

FY 2023

ETA made significant progress regarding the UI Integrity Center, a state-driven source of innovative program integrity strategies to prevent and detect improper payments and reduce fraud. ETA has implemented the Integrity Center through cooperative agreements with New York and the National Association of State Workforce Agencies. In FY 2023, the Department worked with the Integrity Center to support the following activities:

1. Expanding the Integrity Data Hub to include new functionality and new data sources to increase states' ability to prevent and detect improper and fraudulent payments.
2. Providing program integrity training through UI National Academy online modules and instructor-led courses leading to credentials. Training curricula include tracks in fraud investigation, UI claims intake and processing, and program leadership.
3. Promoting an Integrity Knowledge Exchange, with a Digital Library of model state practices, and program integrity information available to all states. A new Behavioral Insights toolkit was developed for states to use in FY 2023.
4. Offering technical assistance and business process analysis services to states through UI subject matter experts.
5. Providing intensive on-site consultative assistance to individual states in need of specific technical assistance regarding fraud and improper payments.

Support of the State Information Data Exchange System (SIDES) remains another key to preventing UI improper payments. A web-based system, SIDES allows electronic transmission of UI information requests from UI agencies to multi-state employers and/or Third-Party Administrators, as well as transmission of replies containing the requested information back to the UI agencies. It allows for the exchange of separation, earnings verification, and monetary and potential charges information between states and employers. A total of 50 state UI agencies have implemented and are using SIDES for separation requests. Also, 40 state UI agencies are exchanging SIDES data with all Third-Party Administrators (TPAs) that are live and operating in their state.

ETA also provided guidance, direction, oversight, and technical assistance for the RESEA program. FY 2023 was the fifth full year that states implemented the new RESEA program. RESEA provides funds for states to bring UI claimants into American Job Centers for an assessment of continuing UI eligibility, assistance with the development of a reemployment plan,

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reemployment services, labor market information, and referrals to training or other workforce services.

The Department continued to modernize the Tax Performance System (TPS), part of the UI Database. In FY 2018, the Department created an additional TPS external user interface and a business model that interacts with the existing database to produce, display, and allow manipulation of 14 additional TPS reports.

Over the past few decades, the UI claims taking process has experienced significant changes—going from an in-person event to a remote, telephonic claims-taking process to a process that for most states is strictly an internet-based operation. While these changes have resulted in much needed efficiencies, it has also increased the risk of identity fraud in the program.

The Department utilized the program integrity transfer authority authorized by Congress to implement enhanced integrity solutions through the UI Integrity Center's Identity Data Hub. In December 2018, ETA transferred \$3,000,000 from the FY 2018 SUIESO appropriation to Program Administration. ETA obligated the FY 2018 funds to the UI Integrity Center in September 2019. The Center used these funds to procure access to identity verification data sets which were made available to states through the Integrity Center's Integrity Data Hub in July 2020. As of June 30, 2023, 44 states were regularly using the identity verification service offered through the Integrity Data Hub.

During FY 2021, the Department used the FY 2020 program integrity transfer to fund the procurement and integration of a Bank Account Verification (BAV) service, which aids states in proactively identifying and authenticating bank account information provided by an unemployment compensation (UC) claimant. This service was made available to states in February 2022 and as of June 30, 2023, the BAV service is being used by 37 states. During FY 2022 and FY 2023, transaction activity did not require the Department to utilize the program integrity transfer to further support these activities.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
11.1	Full-time permanent	22,781	24,966	28,986	4,020
11.3	Other than full-time permanent	104	56	72	16
11.5	Other personnel compensation	551	570	587	17
11.9	Total personnel compensation	23,436	25,592	29,645	4,053
12.1	Civilian personnel benefits	8,644	9,973	11,706	1,733
13.0	Benefits for former personnel	13	7	7	0
21.0	Travel and transportation of persons	750	525	533	8
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	2,578	2,578	2,578	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	48	20	20	0
24.0	Printing and reproduction	52	150	150	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	318	276	282	6
25.3	Other goods and services from Federal sources 1/	10,204	6,921	8,226	1,305
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	0	0	0	0
26.0	Supplies and materials	152	153	157	4
31.0	Equipment	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	46,195	46,195	53,304	7,109
	1/Other goods and services from Federal sources				
	Working Capital Fund	10,204	6,921	7,226	305

WORKFORCE SECURITY

CHANGES IN FY 2025

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$842
Personnel benefits	512
Federal Employees' Compensation Act (FECA)	34
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	305
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$1,693**

Net Program **\$5,416**

Direct FTE **20**

	Estimate	FTE
Base	\$47,888	194
Program Increase	\$5,416	20
Program Decrease	\$0	0

APPRENTICESHIP

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
Activity Appropriation	38,913	38,913	40,340	1,427
FTE	161	151	151	0

NOTE: FY 2023 reflects actual FTE. Authorized FTE for FY 2023 was 159.

Introduction

The Employment and Training Administration’s Office of Apprenticeship (OA) utilizes PA resources to oversee the National Registered Apprenticeship system. On February 17, 2021, the President announced actions to bolster Registered Apprenticeship and has proposed significant investments in Registered Apprenticeship (RA). The Bipartisan Infrastructure Law (BIL), Inflation Reduction Act (IRA), and Creating Helpful Incentives to Produce Semiconductors and Science Act (CHIPS and Science Act) will drive new demand for Registered Apprenticeship in traditional industries, such as construction, and new industries, such as semiconductor manufacturing, and clean energy development and deployment while also presenting a historic opportunity to achieve greater equity in these high-quality and well-paying career opportunities, key objectives of the Administration’s Investing in America Plan.

Registered Apprenticeship is a proven model of apprenticeship that has been validated by the U.S. Department of Labor or a State Apprenticeship Agency. Programs are industry-driven, high-quality career pathways through which employers can develop and prepare their future workforce, and individuals can obtain paid work experience, classroom instruction, progressive wage increases, and a transferable, nationally recognized credential. Those credentials in turn lead to a long-term, well-paying career. Apprenticeship continues to expand as a key strategy to develop the nation’s workforce in areas including clean energy, advanced manufacturing, financial services, childcare, educational services, transportation, information technology, healthcare, and the skilled trades.

The Department, through the Office of Apprenticeship, administers the National Apprenticeship Act of 1937 (NAA), which established a foundation for developing and expanding the nation’s skilled workforce through Registered Apprenticeship programs with standards for safeguarding the safety and welfare of apprentices.

Federal staff continue to provide leadership and critical oversight functions for the National Apprenticeship system. State Apprenticeship Agencies and federal staff oversee over 23,000 programs at the national, state, and local levels. Core functions performed by federal staff include:

- Implementing regulations, policy, and guidance related to the National Apprenticeship Act;
- Conducting outreach and promotion activities to labor, industry, workforce, education, and other organizations to increase awareness of the benefits of apprenticeship, including

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the targeted use of sector strategies to address critical workforce challenges (such as recent apprenticeship-focused sprints for trucking, cyber, teachers, and manufacturing);

- Promoting the development and registration of new programs and occupations;
- Developing and registering high-quality apprenticeship programs that meet federal standards;
- Issuing apprentices nationally recognized and portable certificates of completion;
- Providing oversight and technical assistance to Registered Apprenticeship programs, which includes:
 - Ensuring that all programs provide high-quality learning;
 - Ensuring equal employment opportunity (EEO) and worker voice in Registered Apprenticeship programs;
 - Assisting programs in improving their recruitment of under-represented populations to help programs better reflect the diversity of America's workforce;
- Promoting partnerships of Registered Apprenticeship with the workforce system; other federal programs and agencies, including the Department of Education; Minority Serving Organizations, HBCUs, and others;
- Implementing the Federal Apprenticeship Hub to offer a central location for all Federal agencies to participate in the expansion of Registered Apprenticeship as a career talent development strategy;
- Providing oversight and technical assistance to State Apprenticeship Agencies, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam;
- Administering the Registered Apprenticeship Academy and related partner training, resources, and tools; and,
- Providing leadership and critical oversight functions for grant and contract initiatives (TES-funded apprenticeship initiatives) totaling approximately \$500,000,000 in managed investments.

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Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2020	\$36,160	110
2021	\$36,160	133
2022	\$37,245	134
2023	\$38,913	159
2024	\$0	151

NOTE: A full-year 2024 appropriation for this account was not enacted at the time the budget was prepared.

FY 2025

In FY 2025, the Department is requesting \$40,340,000 and 151 FTE for oversight of the National Apprenticeship system; program expansion, modernization, and administration; expertise in DEIA; and compliance and monitoring activities. This is an increase of \$1,427,000 over the FY 2024 Estimate. Since FY 2017, Congress has increased funding within the Training and Employment Service appropriations account for Apprenticeship activities, but PA funding to administer the program remained stagnant until FY 2022 and FY 2023 when Congress provided an increase to cover inflationary costs. In addition to activities listed below, the increased budget will help the Department to enhance federal oversight and monitoring of grantees and contractors to ensure high performance of the Department's federal investments in apprenticeship.

For FY 2025, the requested apprenticeship funding would allow the Department to ensure program integrity and position the agency to deliver on its promise to build up the American workforce by promoting jobs that are safe, pay a fair wage, do not discriminate or cause exploitation/social harms, have opportunity for advancement, and give workers a seat at the table and a say in their work. The PA funding increase will allow OA to deliver responsive, excellent, and equitable technical assistance to labor, industry, and workers to create more high-road partnerships and to advance racial and gender equity through expanded quality program and EEO compliance reviews. OA completed nearly 2,500 program reviews (Extended Apprenticeship Program Reviews and Apprenticeship Program Reviews combined) in FY 2023.

The \$1,427,000 will fund built-in increases to support a two percent pay raise, increased benefits, Federal Employees Compensation Act adjustments, and Working Capital Fund inflationary costs. These built-in increases are critically important to prevent staff reductions due to pay raises and increased benefit costs, and to preserve the office's ability to provide highly responsive customer service with increasing demands from employers and other partners in the Registered Apprenticeship system.

As the Department moves forward in FY 2025, ETA continues to integrate equity work into all its apprenticeship staff roles and responsibilities to best serve the Department's objectives in promoting diversity in apprenticeship by establishing greater alignment of outreach, recruitment, and on-ramps with the apprenticeship opportunities being created. This work aligns closely with recommendations made by the Secretary's Advisory Committee on Apprenticeship.

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FY 2024

Figures for FY 2024 are an estimate. Discretionary amounts shown for FY 2024 reflect an annualized Continuing Resolution (Division A of P.L. 118-15, as amended), as a full-year appropriation had not been enacted at the time the budget was produced. Mandatory amounts are equal to the FY 2024 President's Budget and do not reflect sequestration.

FY 2023

In FY 2023, the Department focused on apprenticeship expansion efforts, including responding to continued high levels of Registered Apprenticeship activity. Staff oversaw over 27 apprenticeship contracts, 155 apprenticeship grants, and several other competitive grant programs across ETA utilizing apprenticeship strategies. The Department supported critical IT modernization projects, including Customer Relations Management (CRM) solutions, a key aspect of modernizing customer support, interaction, and servicing.

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WORKLOAD AND PERFORMANCE SUMMARY				
	FY 2023 Enacted		FY 2024 Estimate	FY 2025 Request
	Target	Result	Target	Target
Apprenticeship				
Strategic Goal 1 - Build Opportunity and Equity for All				
Strategic Objective 1.1 - Advance training, employment, and return-to-work opportunities that connect workers to higher-wage jobs, especially in ways that address systemic inequities.				
ETA-OA-03	Number of EEO/ Extended Apprenticeship Program Reviews Conducted		350	355
			375	400
ETA-OA-05	Total Annual Number of Apprentices Served (Rolling 4 Quarters)		850,000	886,677
			900,000	925,000

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

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Workload and Performance Narrative

In FY 2025, OA will measure and report the total annual number of apprentices served. The baseline in FY 2021 was approximately 809,000. The most recent result from FY 2023 increased to 886,677. The number of apprentices served covers all apprentices currently enrolled as well as those who have completed or cancelled in their program during the FY. This provides the most complete representation of total apprentice activity from year-to-year. The number of apprentices served is in alignment with the measure of participant activity in the WIOA system. DOL reported increases in apprentices served in FY 2023 due to new investments and other Administration efforts and expects this trend to continue in FY 2024 and FY 2025. Data such as demographic/DEIA data, completion data, number of high-impact reviews, program registrations, and other program management data will also be tracked.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
11.1	Full-time permanent	19,210	20,721	21,415	694
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	508	550	564	14
11.9	Total personnel compensation	19,718	21,271	21,979	708
12.1	Civilian personnel benefits	7,169	7,302	7,764	462
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	584	584	584	0
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	1,021	1,021	1,021	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	148	147	147	0
24.0	Printing and reproduction	52	310	310	0
25.1	Advisory and assistance services	0	85	85	0
25.2	Other services from non-Federal sources	1,234	49	49	0
25.3	Other goods and services from Federal sources 1/	8,782	7,940	8,197	257
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	1	1	1	0
26.0	Supplies and materials	32	32	32	0
31.0	Equipment	172	171	171	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	38,913	38,913	40,340	1,427
	1/Other goods and services from Federal sources				
	Working Capital Fund	8,782	7,940	8,197	257

APPRENTICESHIP

CHANGES IN FY 2025

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$708
Personnel benefits	432
Federal Employees' Compensation Act (FECA)	30
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	257
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$1,427**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$40,340	151
Program Increase	\$0	0
Program Decrease	\$0	0

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
Activity Appropriation	9,635	9,635	9,989	354
FTE	43	47	47	0

NOTE: FY 2023 reflects actual FTE. Authorized FTE for FY 2023 was 44.

Introduction

Executive Direction activities provide leadership and policy for all Employment and Training Administration (ETA) programs and activities and for related program operations support, including policy development through legislative relations, regulatory development, sub-regulatory guidance, evidence-building activities, performance management, and data analytics and agency management and oversight. ETA’s Office of the Assistant Secretary for Employment and Training (OASET) and the Office of Policy Development and Research (OPDR) administer these activities. Performance measures for these activities are discussed in the relevant program activity sections of the budget request.

Through the active engagement of OASET and OPDR, the following strategies support program management and results throughout ETA:

- Delineating strategic objectives relating to agency priority goals and planning and tracking programmatic operating measures and milestones aligned with the goals;
- Leveraging data as a strategic asset to improve performance and outcomes through data analytics and use of evidence-based information to enable learning, innovation, and engagement that allows ETA to make informed decisions and policies;
- Developing and supporting evidence building activities and providing technical assistance to the public workforce system performing research and evaluation;
- Collecting, analyzing, validating, and reporting performance data on a regular basis from a variety of sources to create consolidated performance reports critical for agency decision-makers, and to inform workforce system partners and stakeholders;
- Developing and refining performance measures in alignment with federal priorities and alignment of performance accountability across the Department’s programs, including continued implementation of the statutory requirements of the Workforce Innovation and Opportunity Act (WIOA), and other workforce programs;
- Setting national performance targets to effectively set the agenda for program performance in accordance with priorities;
- Providing legislative support and technical assistance to Congress and coordinating the alignment of technical expertise with agency priorities, resources, and capacity to improve the effectiveness and efficiency of existing programs, initiatives, and policies. This work includes management of Government Accountability Office (GAO) engagements requested by Congressional Members;
- Developing the agency’s Regulatory Agenda and supporting regulatory activities; and
- Oversight of the official agency system for disseminating guidance and notices.

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Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2020	\$9,113	45
2021	\$9,113	38
2022	\$9,386	43
2023	\$9,635	44
2024	\$0	47

NOTE: A full-year 2024 appropriation for this account was not enacted at the time the budget was prepared.

FY 2025

The FY 2025 Budget requests \$9,989,000 and 47 FTE for Executive Direction.

PA's budget authority remained flat between FY 2017 and FY 2021. In FY 2022 and FY 2023, Congress provided an increase to cover inflationary costs. This request seeks to continue increases to cover inflationary costs to ensure continuation of existing staff and resources. The entire \$354,000 of the requested increase will fund built-in increases supporting a two percent pay raise, benefits increase, Federal Employee Compensation Act adjustments, and Working Capital Fund inflationary costs. These built-in increases are critically important to prevent staff reductions due to pay raises and increased benefit costs.

The resources requested will enable ETA to advance the Department and Agency's goals to transform the workforce system, meet the needs of workers, and support the President's Management Agenda by strengthening and empowering ETA's workforce to ensure the Department's grantees are delivering excellent services and improved customer experience. Specifically, the resources would enable ETA to:

- Invest in and improve the service design, digital products, and customer experience management of the Department's grantees by increasing the agency's capacity for econometrics and statistical modeling.
- Apply data management and data science capabilities by focusing on a portfolio of ETA-wide data analytics and data governance activities and increasing capacity for econometrics and statistical modeling – to expand, for instance, the availability of statistical modeling available at the state level to local areas to tailor the services they provide to local employers, workers, and jobseekers.
- Focus on internal and external stakeholder engagement, including Federal, non-federal, non-governmental, and private sector entities that would create and disseminate best practices to businesses on hiring and advancing marginalized populations into quality jobs with career pathways.
- Focus on Diversity, Equity, Inclusion and Accessibility (DEIA) internally to achieve a workforce that reflects the diversity of our country in the right roles across the agency to effectively achieve the ETA mission.
- Direct agency efforts to enhance knowledge, practice and understanding of DEIA to support the critical priority of ensuring these values are upheld and projected throughout

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ETA programs, thereby improving the services delivered by a modern and inclusive public workforce system to workers and jobseekers and ensuring equitable results.

- Support equity-related priorities by supporting and empowering communities that have been historically marginalized. Through innovative data products and analysis, such as tools to help state and local grantees measure equity in their service delivery, ETA leadership, Program Offices, and workforce system stakeholders are better equipped for data-driven decision-making to support continuous program improvement to identify underserved needs while promoting DOL/ETA as a Model Workplace.
- Support the coordination and alignment of federal workforce funds going into the field as a result of recent legislation, including the CHIPS and Science Act, IRA, and the Bipartisan Infrastructure Law.

Through the active engagement of OASET and OPDR, ETA leadership and Program Office Administrators obtain actionable intelligence to assess and improve the operation, effectiveness, and efficiency of the public workforce system. Staff will continue to work on ETA and Departmental initiatives, including policy and legislative functions; analyzing and disseminating key performance data associated with WIOA; providing leadership on policy issues, including support for execution of the agency's regulatory agenda; and providing support to evidence-building activities. This leadership support is critical to ETA's Program Offices as they implement strategies to achieve the Department's performance goals. In FY 2025, these staff, collaborating with the Office of the Chief Information Officer (OCIO), will continue to maintain ETA's performance reporting systems, simplify data entry for stakeholders, and improve data analysis capabilities.

OPDR staff leads the development of the agency's strategic planning efforts, including the overarching DOL Strategic Plan, Agency Priority Goals, and the annual Agency Management Plan. Through these activities, ETA establishes priorities, sets agency goals, identifies actions and activities to achieve those goals, defines measures and milestones, and reports on progress. OPDR also coordinates ETA efforts to leverage data as a strategic asset by developing data governance frameworks, convening the ETA Data Board, implementing DOL data management policies, and satisfying statutory requirements related to data (as established by the Evidence Act and other laws). OPDR analysts leverage internal and external datasets to answer research questions, build tools, model data, create visualizations that assist leadership in making evidence-based decisions, automate routine tasks, and increase the analytical capacity of ETA staff.

OPDR staff interpret evidence-based information and convert conclusions and recommendations into usable information, disseminating reports and summaries to inform policy and program decision-making. OPDR staff provide technical assistance to states to help build research and evaluation capacity pursuant to their WIOA responsibilities. ETA seeks to learn from state experiences and create peer support to expand emerging and promising practices supported by evidence-based findings.

OPDR also manages ETA program performance reporting and analysis; publishes performance information, including the [TrainingProviderResults.gov](https://www.TrainingProviderResults.gov) website; provides the information, tools, and data exchange mechanisms that grantees use for data collection, validation, and performance

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reporting; and develops and publishes guidance to inform the workforce system of new or revised reporting requirements. These activities lead to better information that ETA leadership and stakeholders use for decision-making.

OPDR promotes awareness of ETA policies and programming to interested stakeholders by managing the ETA Advisory System, the agency's mechanism for disseminating guidance based on statute and regulation and programming information to the public workforce system. OPDR plays a crucial role in facilitating communications with GAO, the Department's Office of Congressional and Intergovernmental Affairs (OCIA), the Department's Bureau of International Labor Affairs (ILAB), and the Office of the Assistant Secretary for Policy (OASP). In FY 2025, OPDR will continue to serve as ETA's liaison to these agencies and coordinate the agency's participation in GAO audits, responses to OCIA inquiries and requests, and contribution to international engagements. OPDR will also continue to administer the ETA Regulatory Agenda, support the Department's regulatory and de-regulatory efforts, and support the Department's evidence-building efforts, working closely with OASP. Through its communication efforts, support, and cross-organizational interactions, OPDR fulfills a necessary function that assists ETA leadership in carrying out the agency's mission, meeting legislative and oversight requirements, and promoting accountability.

FY 2024

Figures for FY 2024 are an estimate. Discretionary amounts shown for FY 2024 reflect an annualized Continuing Resolution (Division A of P.L. 118-15, as amended), as a full-year appropriation had not been enacted at the time the budget was produced. Mandatory amounts are equal to the FY 2024 President's Budget and do not reflect sequestration.

FY 2023

Staff worked on Departmental initiatives, including policy and legislative functions; analyzed and disseminated key performance data associated with implementation of WIOA; and provided critical leadership to the agency on policy issues, including support for execution of the agency's Regulatory Agenda and managing continuing evidence-building efforts. This leadership support was critical to the Program Offices as they implemented strategies to achieve the Department's performance goals.

FY 2023 Rulemaking activities included work on the National Apprenticeship System Enhancements Notice of Proposed Rulemaking (NPRM), the Wagner-Peyser Act Staffing Final Rule, and the WIOA Effectiveness in Serving Employers NPRM and Final Rule; publication of the Federal-State Unemployment Compensation (UC) Program Confidentiality and Disclosure of State UC Information Request for Information; and promulgation of the Improving Protections for Workers in the Temporary Agricultural Employment in the U.S. NPRM.

Through the active engagement of OASET and OPDR, ETA leadership, Office Administrators, and program officials were given actionable intelligence to help assist them in assessing and improving the operation, effectiveness, and efficiency of the public workforce system.

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OPDR also managed ETA program performance reporting and analysis; published performance data and provided the information and tools that grantees used for data collection, validation, and performance reporting; and developed and published guidance letters and notices to inform the public workforce system of new or revised performance accountability requirements. In doing so, OPDR provided ETA leadership and stakeholders with the timely and relevant feedback that supports good decision-making.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
11.1	Full-time permanent	5,955	6,052	6,225	173
11.3	Other than full-time permanent	180	180	180	0
11.5	Other personnel compensation	150	146	149	3
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	6,285	6,378	6,554	176
12.1	Civilian personnel benefits	2,245	2,242	2,356	114
13.0	Benefits for former personnel	20	8	8	0
21.0	Travel and transportation of persons	229	233	233	0
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	548	548	548	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	0	0	0	0
24.0	Printing and reproduction	0	0	0	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	192	45	45	0
25.3	Other goods and services from Federal sources 1/	100	124	188	64
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	0	0	0	0
26.0	Supplies and materials	16	57	57	0
31.0	Equipment	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	9,635	9,635	9,989	354
	1/Other goods and services from Federal sources				
	Working Capital Fund	100	124	188	64

EXECUTIVE DIRECTION

CHANGES IN FY 2025

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$176
Personnel benefits	107
Federal Employees' Compensation Act (FECA)	7
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	64
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$354**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$9,989	47
Program Increase	\$0	0
Program Decrease	\$0	0