

FY 2016

**CONGRESSIONAL BUDGET JUSTIFICATION
EMPLOYMENT AND TRAINING ADMINISTRATION**

Overview

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EMPLOYMENT AND TRAINING ADMINISTRATION

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EMPLOYMENT AND TRAINING ADMINISTRATION

Introduction

The U.S. Department of Labor's Employment and Training Administration (ETA) helps workers get the skills they need to secure not just jobs, but careers, providing US employers with the skilled labor they need for their businesses to thrive.

The American economy is growing again and our competitive edge is sharper than ever. As of January 2015, the United States has experienced 58 straight months of net private sector job growth, extending the longest streak on record.¹ The total unemployment rate of 5.6 percent is the lowest level in more than five years, signaling a turn for the economy from the Great Recession. While these improvements are encouraging, far too many hard-working individuals still have not been able to find a job or increase their earnings, and many businesses report difficulty hiring workers with the right skills for jobs that they want to fill.² In December 2014, there were still 8.7 million unemployed individuals, of whom 2.8 million are long-term unemployed (those jobless for 27 or more weeks). The long-term unemployed make up 31.9 percent of the unemployed. In addition, there were 2.3 million workers who were marginally attached to the labor force (those who have looked for a job in the prior 12 months, but not in the prior 4 weeks), of which 740,000 were discouraged workers who no longer believed they could find a job and thus were not actively seeking employment.³ For this reason, the Administration remains focused on doing everything possible to strengthen the labor market and create good-paying jobs.

On July 22, 2014, President Barack Obama signed into law the Workforce Innovation and Opportunity Act of 2014 (WIOA), enacted in Congress on a bipartisan basis and representing the first major reform of the Nation's job training system in over 15 years. WIOA enhances the job-driven components of the public workforce system—responding to the needs of employers and preparing workers for jobs that are available now and in the future. In FY 2016, WIOA implementation efforts will enter the second year of implementation with continued focus on modernizing the public workforce system, including a more unified delivery across core Federal employment, job training and education programs of seamless services to jobseekers and employers, and stronger transparency and accountability for results under the programs authorized by WIOA.

Coinciding with the enactment of WIOA, the Vice President released a report in July 2014 entitled: *Ready to Work: Job-Driven Training and American Opportunity*, based on his review of Federal job training programs, which has signaled the Administration's commitment to ensure that Federally-funded training programs are singularly focused on getting more Americans ready to work with marketable skills and to make Federal employment and training programs and

¹ <http://blog.dol.gov/2015/01/09/14-important-things-you-should-know-about-the-2014-economy/>

² Office of the Press Secretary, the White House, Presidential Memorandum -- Job-Driven Training for Workers, January 30, 2014. <http://www.whitehouse.gov/the-press-office/2014/01/30/presidential-memorandum-job-driven-training-workers>

³ <http://www.bls.gov/news.release/pdf/empst.pdf>

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policies more job-driven and effective. These programs are particularly important to those hardest hit by the twists and turns of global competition, technological changes, economic isolation, or inadequate education opportunities.

A job-driven public workforce system contributes to a strong, growing economy by responding to the workforce needs of regional and local businesses and other employers to ensure positive employment outcomes for job seekers and a solid bottom line for business. Therefore, ETA is taking the necessary steps to ensure that its programs reflect a job-driven approach for training and employment services, and that they are successful in getting job seekers into good jobs and careers as quickly as possible. ETA also recognizes and continues to build on the leadership and innovation taking place across the country to align the workforce, education, and economic development systems, and to form public-private partnerships to make sure that job seekers are acquiring skills needed to enter career pathways that ensure employers' workforce needs are met.

The job-driven practices guiding this fiscal year's budget request support an integrated and effective public workforce system that would achieve the following goals:

- *Transform Registered Apprenticeship for the 21st Century.* The Department is requesting \$100 million for new Apprenticeship Grants that will include planning grants to help grow apprenticeships in more industries, implementation grants to help scale up existing apprenticeship programs, and industry grants to launch apprenticeship models in new, high-growth fields. The Budget also requests \$2 billion in mandatory funding for an Apprenticeship Training Fund to help States to bring more employers to the table to expand Registered Apprenticeship and to support innovative strategies for linking apprenticeship with college and higher learning.
- *Creating Pathways to High-Growth Jobs and Careers.* Building on effective practices, the Budget includes a \$500 million increase to support in-person employment services for unemployed workers to help them find a good job or the training or services they need to prepare for one. Of this increase, \$400 million is provided through the Employment Services State Grants, and the remainder is provided in the Unemployment Insurance Reemployment and Eligibility Assessments and Reemployment Services grants. This investment would reach the one-third of unemployment insurance beneficiaries who are most likely to run out of benefits before getting reemployed, all returning veterans who receive unemployment benefits, and other displaced workers who come into American Job Centers. Evidence suggests that these types of services are a cost-effective intervention that get workers back into jobs faster, and help employers to fill their in-demand jobs. This evidence-based approach also drastically reduces unemployment payments by speeding participants' return to work. Additionally, for workers who need training to get back on their feet, the Budget provides \$16 billion over ten years in mandatory funding to double the number of individuals receiving training through the workforce development system, with a focus on high-growth industries like advanced manufacturing and health care. Some of this funding would be targeted to the long-term unemployed and for the development of employer-validated credentials and assessments. Lastly, the discretionary Budget provides a five percent increase in funding for the Adult and Youth programs to provide additional funds to local areas for job training and supportive service delivery.

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- *Provides Ladders of Opportunity for all Workers.* The Budget seeks to provide opportunities to those who face particular barriers to employment. For disconnected (particularly out-of-school) youth, the Budget includes a \$3 billion, four-year mandatory Connecting for Opportunity initiative to provide subsidized youth summer and year-round jobs as well as grants to municipalities to reengage and offer disconnected youth educational and workforce pathways. In addition, the Budget requests an increase of \$13 million for the Reintegration of Ex-Offenders grant program to help ex-offenders obtain training and jobs and become successful members of the workforce. The Department also requests \$15 million to identify and address areas where licensing requirements create unnecessary barriers to workers looking to enter the labor market. This would serve to increase interstate portability of licenses and provide easier access to high-quality jobs.
- *Make More Transparent, Better Use of Data to Drive Smart Choices and Align Performance Data Systems.* The Department requests \$37 million under the Workforce Data Quality Initiative to help states build integrated data systems to streamline WIOA performance reporting; support states' efforts to create wage data matching infrastructure to streamline wage data access requests; and help high-achieving states fully implement their integrated data systems. In order to streamline, standardize, and more accurately capture the outcome information essential to supporting high-quality performance information and evaluations, the Budget proposes to eliminate the ban on developing a national database of personally identifiable information for WIOA participants, and grant DOL access to the wage data information held in the National Directory of New Hires. The Department also requests \$5 million to conduct a feasibility study and pilot various approaches to modernize and potentially streamline the way data for O*NET⁴ are collected. The Department would identify and test ways to achieve more complete and up-to-date coverage of occupations and skills, particularly for high-growth, changing industries.
- *Expand Capacity and Infrastructure of the Workforce System to Provide Effective Services Responsive to Job Seekers' Needs and Improve Program Integrity.* ETA requests funding that would expand and enhance technical assistance available to states and the workforce system, in general. In the second year of WIOA implementation, ETA's technical assistance will focus on supporting grantees as they implement service delivery strategies with a high likelihood of success and identify performance outcomes consistent with those in WIOA. ETA requests \$3.2 million for a Technical Assistance activity, as authorized in WIOA, which will allow the Department to be responsive to the needs of the system and assist states in the second year of WIOA implementation. It would also ensure that lessons learned from the Workforce Innovation Fund and other programs can be replicated across the Nation. The request retains the FY 2015 expansion of the Governors' set-aside to 10 percent, allowing increased flexibility for state activities. The Budget also supports staff to help states with implementation of WIOA.

⁴The O*NET program is the nation's primary source of occupational information. Central to the project is the O*NET database, containing information on hundreds of standardized and occupation-specific descriptors. The database, which is available to the public at no cost, is continually updated by surveying a broad range of workers from each occupation.

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In addition, the 2016 Budget includes funding to support working families by advancing State paid leave programs. The Budget provides \$2.2 billion in mandatory funding for the Paid Leave Partnership Initiative, a competitive grant program that will assist up to five states in establishing paid leave programs. States would be eligible to receive funds for the initial startup and up to 50 percent of benefit costs for three years. These grants will be used to cover family, parental, and medical leave programs that provide up to 12 weeks of benefits. This program is focused on states that are well positioned to proceed with full implementation of a paid leave program. The Budget also includes a companion State Paid Leave Fund that will provide \$35 million in discretionary funding to provide technical assistance and support to States that are still building the infrastructure they need to launch paid leave programs in the future.

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Executive Summary

The proposed FY 2016 funding level for ETA supports the President's priority of job-driven training that results in giving workers the opportunity to acquire the skills that they need to pursue in-demand jobs and meets businesses' workforce needs, and the Secretary's goal of promoting and protecting opportunities for all American workers. This Budget reflects smart, evidence-based investment choices that increase the impact and cost-effectiveness of the public workforce system. ETA requests a total of \$10.6 billion including:

- **\$9.9 billion** for discretionary programs, including activities aligned under the Training and Employment Services (TES), State Unemployment Insurance and Employment Service Operations (SUIESO), Job Corps, the State Paid Leave Fund, Community Service Employment for Older Americans (CSEOA), and Program Administration (PA) accounts;
- **\$664 million** for Federal Unemployment Benefits and Allowances (FUBA);
- **\$23.5 billion** for mandatory legislative proposals for extension of the Trade Adjustment Assistance, the Job-Driven Training Proposal, and the Paid Leave Partnership Initiative; and
- **Several proposals for Unemployment Insurance Reform** to speed the reemployment of the long-term unemployed, improve program integrity, enable states to more effectively prevent, detect, and recover improper payments, and enhance the solvency of state trust funds and address structural deficiencies.

Training and Employment Services

The funding request level for the TES account is \$3.4 billion and is comprised of the following budget activities:

- The requested funding for the WIOA Adult, Youth and Dislocated Worker (DW) formula programs includes a five percent increase in funding for the Adult and Youth programs to provide additional funds to local areas for service delivery. The statewide reserve allocation remains at 10 percent. The statewide reserve is available to the governor to carry out required statewide activities, such as monitoring, audits, and technical assistance to low performing areas that will allow the Department to be responsive to the needs of the system and assist states in the second year of WIOA implementation. It would also ensure that lessons learned, especially from the Workforce Innovation Fund, can be put into practice and scaled up across the Nation. The requested funding amounts for the WIOA Adult, Youth and Dislocated Worker formula programs are as follows:
 - \$816 million for WIOA Adult Employment and Training Activities;
 - \$1.3 billion for WIOA Dislocated Worker Employment and Training Activities. This request includes \$1.0 billion in DW formula funds and \$240 million for the National Dislocated Worker Grants to continue to meet unanticipated increases in demand for employment and training services throughout the country; and
 - \$873 million for WIOA Youth Investment Activities.

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- \$95 million for the Reintegration of Ex-Offenders program. This includes \$5,000,000 to be used to develop a youth law enforcement career pathway pilot program and would provide grants to eligible youth-serving organizations through a competition.
- \$50 million for the Indian and Native American training program. To address the urgent needs facing the Indian and Native American population the increase in funding will focus on training leading to industry-recognized credentials in in-demand jobs that provide the best opportunity for employment and good wages.
- \$82 million for the Migrant and Seasonal Farmworker program to provide job training and employment assistance for migrant and seasonal farmworkers and prepare them for stable, year-round employment both within and outside of agriculture.
- \$85 million for the YouthBuild program. This funding will support the continued focus on credential attainment (high school diplomas or its equivalent and industry-recognized credentials) for YouthBuild participants. The Department also will emphasize post-program placement in jobs with career advancement potential, post-secondary education including community colleges, and Registered Apprenticeships.
- \$37 million for Workforce Data Quality Initiative. This funding will be used to help states improve program performance data sharing and transparency across government programs nationwide, allow for the development of more robust systems to expand to additional programs, establish a set of “super grants” to implement best practices for maximizing the transparency and use of data, and provide additional technical assistance support for existing grantees.
- \$100 million for Apprenticeship Grants. Funding will support innovative, job-driven approaches that result in the expansion of Registered Apprenticeship programs to train workers with 21st-Century skills that meet employer and industry workforce needs. This complements the \$2 billion mandatory Apprenticeship Training Fund proposal.
- \$3 million for Technical Assistance. This funding is necessary for the Department to be responsive to the needs of the system and assist states in the second year of WIOA implementation. In addition to building upon efforts provided through Dislocated Worker National Reserve technical assistance, the Department will assess the first year of WIOA implementation in order to determine the areas of priority which will include a strong focus on strategic planning, resource and programmatic alignment, as well as accountability and transparency.

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State Unemployment Insurance and Employment Service Operations

The funding request level for the SUIESO account is \$4.1 billion and is comprised of the following budget activities:

- \$2.9 billion for Unemployment Insurance (UI) is comprised of: \$2.7 billion for State Administration, which includes \$10 million for Misclassification; \$181 million for UI Reemployment Service and Eligibility Assessments program (RESEA) (including serving all Unemployment Compensation for Ex-Servicemembers (UCX) claimants; and \$15 million for UI National Activities;
- \$1.1 billion for Employment Service (ES) including \$1.06 billion for ES Grants to States, which includes a new \$400 million set-aside to enhance and improve service delivery by expanding the availability of intensive, staff-assisted counseling; and, \$20 million for Employment Service National Activities;
- \$76 million for Foreign Labor Certification, including \$62 million for Program Administration and \$14 million for State Grants; and
- \$80 million for E-Tools/Workforce Information/Capacity Building, which includes a \$15 million increase for Occupational Licensing Grants and a \$5 million increase for the modernization of O*NET.

Job Corps

The funding request for the Job Corps account is \$1.7 billion and includes the following budget activities:

- \$1.6 billion for Operations, including a transfer of funds to USDA for the operations and administration of the 27 Civilian Conservation Centers operated by the USDA Forest Service. With these funds, ETA will continue its aggressive reform efforts, which include replicating the practices of high-performing centers, adopting cost-saving reforms, and turning around or closing low-performing centers. ETA will also invest \$5 million in implementation of innovative and promising models that can improve the outcomes of disconnected youth, aged 16-19;
- \$75 million for Construction, Rehabilitation, and Acquisition (CRA), which will enable Job Corps to address CRA needs, which include the construction and rehabilitation of facilities; repair and upgrade of life, safety and health deficiencies; and modernization of education and training buildings; and

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- \$43 million for Job Corps Administration and 213 FTE with an additional 10 temporary FTE for WIOA implementation. The request also includes an increase of \$3.5 million to fund a Job Corps Oversight Team.

Program Administration

The Program Administration (PA) appropriation provides funding for staffing to administer most ETA programs. The 2016 request of \$177 million supports 806 direct FTE positions, including 45 temporary positions for WIOA implementation. Federal staff in ETA play a crucial role to ensure that the Department achieves the desired outcomes in support of its strategic goals and priority performance measures. The PA appropriation includes the following budget activities:

- \$84 million for Training and Employment;
- \$44 million for Workforce Security;
- \$37 million for Apprenticeship; and
- \$11 million for Executive Direction.

Federal Unemployment Benefits and Allowances

The Trade Adjustment Assistance (TAA) program is a Federal program that assists U.S. workers who have lost their jobs as a result of foreign trade. Through a variety of benefits and services, the TAA program provides trade-affected workers with opportunities to obtain the support, resources, skills, and credentials they need to meet the demands of employers and secure good jobs in high-demand industries.

The FY 2015 Appropriations Act extended the program through September 30, 2015. The FY 2016 Budget request includes a legislative proposal for reauthorization of the TAA program.

Community Service Employment for Older Americans

The Department requests \$434 million for the Community Service Employment for Older Americans (CSEOA) account (also known as the Senior Community Service Employment Program (SCSEP)). The FY 2016 Budget reforms the program by awarding more competitive grants, adjusting income eligibility to serve those most in need, and promoting employment in for-profit organizations that offer seniors better long-term unsubsidized employment prospects.

State Paid Leave Fund

The budget requests \$35 million for State Paid Leave Funds (SPLF) to provide grants to states for planning and start-up activities that lead to the establishment of paid leave programs. Paid leave programs can improve health outcomes for children; improve bottom lines for businesses by contributing to reduced turnover and by increasing employees' productivity; and support a

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strong economy by keeping workers attached to the labor force and boosting their earnings over time. The Budget also includes a \$2.2 billion mandatory proposal. These resources will help up to five states initiate a paid leave program and will pay for a portion of the benefits for the first three years.

Evaluation Set-Aside

In FY 2016, the Department requests continued use of a set-aside funding mechanism to finance evaluations for employment and training programs. The set-aside approach for evaluations is intended to ensure that sufficient funding is available to carry out comprehensive and rigorous research and evaluations as well as to promote greater stability of funding of these efforts across all training and employment programs, including the Training and Employment Services, Office of Job Corps, State Unemployment Insurance and the Employment Service. Specifically, the Department requests that up to one percent of the amounts appropriated for these programs are made available to support evaluation and research. Evaluation and applied research activities funded through this set-aside approach will be conducted by ETA in collaboration with the Department's Chief Evaluation Office (CEO) through the Annual Learning Agenda process.

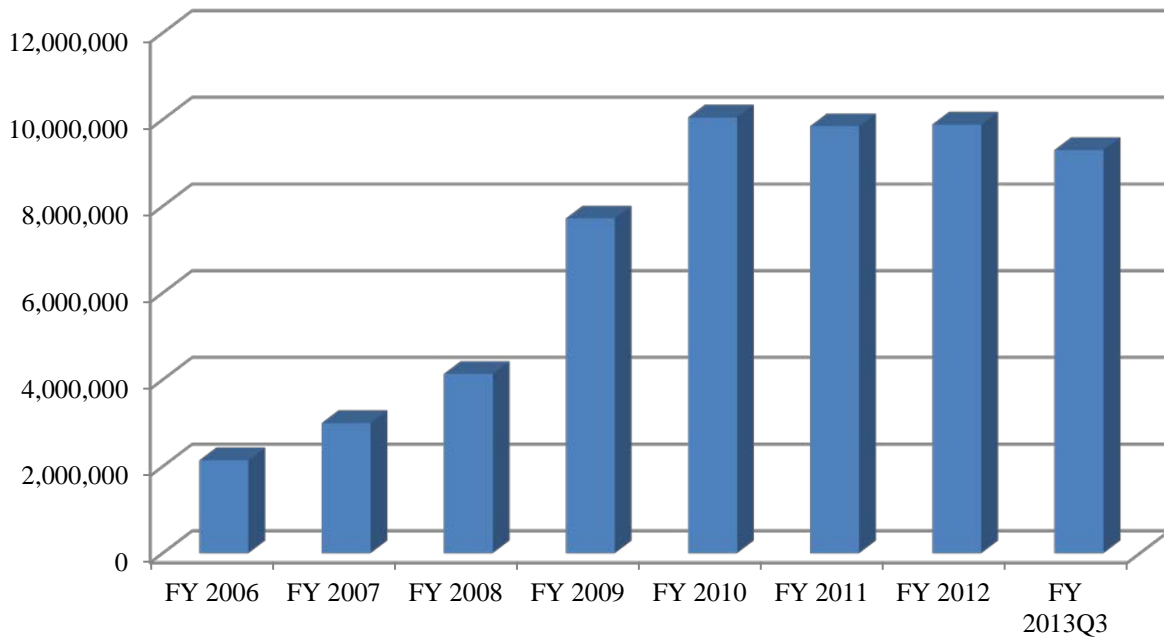
Performance Management in the Employment and Training Administration

ETA's review of outcome data and program improvement plans supports Departmental decision-making and achievement of the agency's strategic and performance goals. Quarterly and annual data available to all stakeholders help to demonstrate that ETA programs help America's workers acquire the skills necessary to succeed in a knowledge-based economy. Training and employment programs collect information on the numbers of individuals served, the types of services provided, personal characteristics of individuals, and program outcomes. Workforce security programs collect information on the timeliness of processing applications, measure integrity to reduce fraud, facilitate reemployment claims, and make employer determinations for tax liability.

Performance accountability remains a focal point under WIOA. WIOA further emphasizes this point by using data performance standards to inform program implementation, improve state plans, and providing more transparent performance outcome results. The Act also calls for a large amount of program collaboration at the local, statewide, and Federal levels. Specifically at the Federal level, a great amount of cooperation has already taken place with the Departments of Labor and Education, and this collaboration of ideas, plans, and implementation is evident in the current proposed rule. Both of the Departments are driven to continue this collaboration throughout the life of WIOA. Additionally, the Act provides for enhanced data and reporting consumption by stakeholders. For example, local areas, training providers, and potential participants will be able to view performance outcome information on eligible training providers in a very clear, concise, and uniform way across the country.

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ETA Participants Served FY 2006-FY 2013 Q3 (not including UI and ES)



Overall, the number of individuals served in ETA's employment and training programs increased between FY 2006 and the third quarter of FY 2013 (June 30, 2013) from just over 2 million participants to nearly 9.3 million, as shown in the bar chart above.⁵ The total number of participants peaked in FY 2010, which coincides with the peak of the recent recession. These numbers include participants in all ETA programs except the Unemployment Insurance and Wagner-Peyser Act Employment Service programs. The chart includes WIA Adult, Dislocated Worker, and Youth; National Emergency Grants; the National Farmworker Jobs Program; Indian and Native American Programs; Registered Apprenticeship; Community Service Employment for Older Americans; Trade Adjustment Assistance; Reintegration of Ex-Offenders – Adult; the Youthful Offender Initiative; the High-Growth Job Training Initiative; American Recovery and Reinvestment Act (ARRA) High Growth and Emerging Industries Grants; the Green Jobs Innovation Fund Grants; Job Corps; YouthBuild; and the Community-Based Job Training Grants.

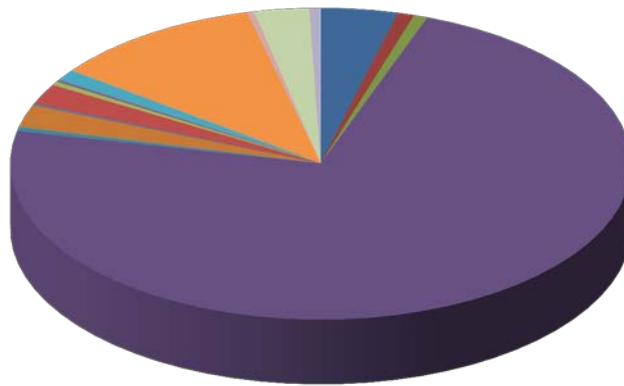
The increase in participation is attributed to a number of factors. For instance, ETA has encouraged enrollment of participants in multiple programs to obtain the breadth of integrated services that lead to improved participant outcomes which has resulted in a number of states co-enrolling their Wagner-Peyser Employment Service participants in their WIA Adult programs. Another factor that has contributed to increases in all of the programs has been the impact of the economic downturn, coupled with the availability of additional resources from the ARRA that were available to serve those looking for work.

⁵ While Fiscal Year (FY) is cited in this section, most of the employment and training programs are administered by Program Year (PY). Most PY programs start in July of the following calendar year. Complete FY 2013 data are not yet available. As a result, the data provided for FY 2013 correspond to the four quarter period ending June 30, 2013. Additionally, some duplication of participation among multiple ETA programs is possible in the corresponding yearly participation counts.

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Participants Served by Employment and Training Programs FY 2013Q3

■ Registered Apprenticeship 372,347	■ Job Corps 79,595
■ Senior Community Service Employment Program 67,044	■ Workforce Investment Act (WIA) Adults 6,761,455
■ Reintegration of Ex-Offenders 37,677	■ WIA Youth 217,244
■ Youthful Offenders Initiative 16,578	■ ARRA High Growth and Emerging Industries 199,658
■ Indian and Native American Adult Program 37,153	■ National Farmworker Jobs Program 20,330
■ Trade Adjustment Assistance 105,115	■ WIA Dislocated Workers 1,024,863
■ Indian and Native American Youth Program 4,310	■ YouthBuild 28,836
■ Community Based Job Training Grants 265,399	■ National Emergency Grants 50,315
■ Green Jobs Innovation Fund Grants 5,641	



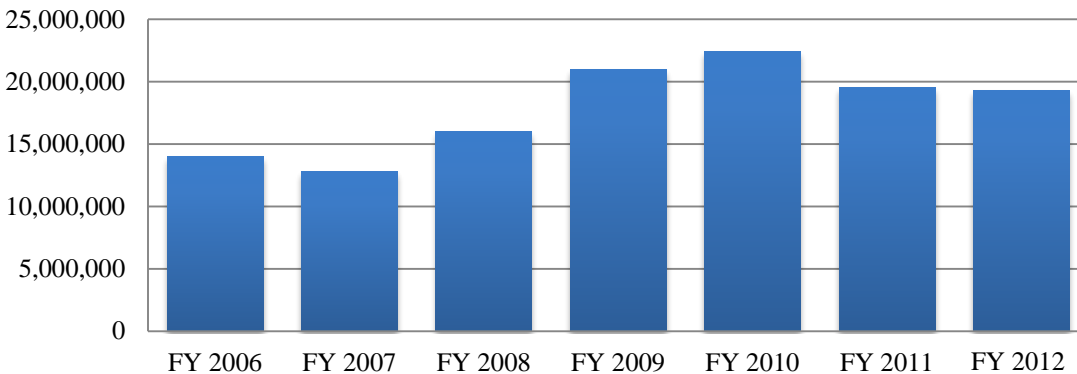
Total: 9,293,560 Participants

As indicated in the chart above, 73 percent of the individuals served by ETA programs (excluding UI and ES) are registered in the WIA Adult program. The other 27 percent of participants were served by the other eight programs. Among these programs, WIA funds also account for the majority of the funding. WIA Adult program participation increased from 1,059,755 in FY 2006 to 7,116,436 through September 30, 2012. Initially, the increases were primarily attributable to the inclusion of self-service participants and individuals co-enrolled in both WIA Adult and the Employment Service, who receive more than core services through the American Job Center network system. In FY 2009 and through FY 2012; however, participation dramatically increased due to increased demand for services caused by increased unemployment, plus the availability of additional resources through the ARRA. As noted earlier, participation began to level off in FY 2011, and continued to do so in FY 2012 for the WIA Adult, Dislocated Worker and Youth formula programs, as unemployment has decreased and resources have been reduced.

The number of individuals served by Wagner-Peyser Employment Service operations increased from roughly 14 million in FY 2006 to the peak of more than 22 million in FY 2010, which aligns with the peak of the recent recession. ETA's training and employment programs reported decreased participant levels during PY 2011 to approximately 19.2 million participants; ETA projects a continued decline in participation as the economy continues to improve.

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Wagner-Peyser Participants Served FY 2006 - FY 2012



The recession underscored the need to take into account the effect of labor market conditions on the ability of program participants to attain jobs when setting performance targets. In PY 2009, ETA began to use a regression-based adjustment method for setting national performance targets. The methodology uses the most recent observed actual performance outcomes as the base and adjusts them using the Office of Management and Budget's forecasts of the unemployment rate and the consumer price index (CPI) and the estimated impacts those variables have on performance outcomes in order to estimate the effects of expected future economic conditions on the common performance measure outcomes. Results from the regression model reveal a negative, and statistically significant, relationship between unemployment rates and the common measure performance outcomes. The evidence shows that when unemployment is high, it is more difficult for ETA program participants to find jobs, stay in those jobs, and earn high wages. Thus, during periods of high unemployment, the model will revise performance targets downward, and as labor markets recover and unemployment numbers drop, performance targets will increase accordingly. The regression-adjusted method is intended to make performance targets more realistic, thus reducing disincentives to serve harder-to-serve participants. Use of a more systematic method for setting performance targets contributes to ETA's efforts to provide all workers with progressive levels of education and job training that will lead to good jobs and a pathway to the middle-class.

In PY 2010, ETA developed performance targets at the state and local Workforce Investment Board (WIB) levels for WIA title I programs. States had the opportunity to use these targets as part of the negotiations process for setting PY 2013 goals. ETA continues to utilize and refine the regression model in order to better inform the negotiations between ETA and states and between states and local areas. Moving forward under WIOA, a statistical model will be utilized to provide states with a starting point for negotiations. WIOA specifies additional variables to be considered, as well as combining inputs from the other core programs that have not been traditionally included (i.e. the Office of Career and Technical Adult Education and Rehabilitative Services Administration).

ETA has fully developed and implemented production measures in its agency-level Operating Plan to support the Department's Strategic Plan and strategic goals. Production measures are

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primarily driven by agency inputs such as staffing and IT resources. Numerous program-specific and grants management-specific measures were developed as production measures. Measures were developed for the Agency Priority Goal (attainment of credentials), Foreign Labor Certification, Grants Management (for both formula and discretionary grants), Job Corps, Registered Apprenticeship, Trade Adjustment Assistance, and Unemployment Insurance. Progress against these measures is monitored quarterly to determine if the initiatives or programs are on track to meet the annual targets, to identify negative or positive developments related to the measures, and to identify steps needed to improve performance, if necessary. For specific production measure information, refer to the detailed workload and performance tables in each appropriation section of this request.

The ETA Operating Plan draws from the funded commitments, resources and goals set forth in both the FY 2014-2018 DOL Strategic Plan and the budget requests to describe ETA's use of inputs (both staff and budgetary) to implement specific strategies intended to achieve outputs in support of the Secretary's strategic goals. As the Operating Plan describes, ETA is primarily engaged in providing a variety of tools that are used to apply leverage to the workforce system and thereby encourage optimal results for participants. ETA administers grants and contracts, provides program direction, shapes policy, and provides guidance and technical assistance to states and regions to carry out these investments in the workforce system. In doing so, ETA uses several key strategies that describe how ETA employs performance accountability systems and ensure its programs and participants of those programs obtain optimal outcomes, including:

- Providing Program Direction and Guidance;
- Managing Grant Programs;
- Investing in Infrastructure to Support the Workforce System and Job Seekers;
- Educating the Public about Employment and Training Programs;
- Identifying Effective/Promising Employment and Training Programs/Strategies/Practices and Disseminating that Knowledge;
- Increasing Quality Career Guidance and Training Services;
- Increasing Availability of Quality Training programs that lead to Credentials;
- Helping Unemployed and Long-Term Unemployed; and
- Meeting the Needs of Business.

The Operating Plan for FY 2016 will similarly rely upon the foundation set by the DOL Strategic Plan and the 2016 President's Budget Request to create a set of strategies for achieving workforce system and program goals while accounting for changes in budget resources, new initiatives, and new or continuing policy priorities.

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Goal Structure for FY 2014-2018 Strategic Plan ⁶			
Goal 1: Prepare workers for better jobs (45)			
ETA (18 – Adult, DW, NEG, INAP, TAA, NFJP, SCSEP)	VETS (5)		1.1⁷ Advance employment opportunities for US workers in 21st century demand sectors and occupations using proven training models through increased employer engagement and partnerships (23)
ETA (18 – TAACCCT, Apprenticeship, Job Corps, WIA Youth, YouthBuild, RExO, and Face Forward)			1.2⁸ Provide marketable skills and knowledge to increase workers’ incomes and help them overcome barriers to the middle class through partnerships among business, education, labor, community organizations and the workforce system (18)
ILAB (4)			1.3⁹ Advance workers’ rights, acceptable work conditions, and livelihoods, particularly for the world’s vulnerable populations (4)
Goal 2: Ensure workplaces are safe and healthy (12)			
OSHA (6)		MSHA (6)	
			2.1 Secure safe and healthy workplaces, particularly in high-risk industries (12)
Goal 3: Promote fair and high-quality work environments (28)			
OFCCP (3)	WB (2)	ODEP (3)	
			3.1¹⁰ Break down barriers to fair and diverse workplaces and narrow wage and income inequality (8)
OLMS (3)	OSHA (2)	MSHA (2)	WHD (1)
			3.2¹¹ Protect workers’ rights (8)
WHD (7)		ETA (5 – OFLC)	
			3.3¹² Secure wages and overtime (12)
Goal 4: Secure retirement, health, and other employee benefits and, for those not working, provide income security (23)			
OWCP (9)		ETA (10 – UI, ES & TAA)	
			4.1 Provide income support when work is impossible or unavailable and facilitate return to work (19)
EBSA (4)			4.2¹³ Improve health benefits and retirement security for all workers (4)
Goal 5: Produce timely and accurate data on the economic conditions of workers and their families (5)			
BLS (5)			5.1 Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans (5)

⁶ This plan includes 5 strategic goals, 10 strategic objectives, 19 performance goals, and 113 performance measures. Numbers in parentheses refer to measures at that level.

⁷ Previous 1.1 (Increase workers’ incomes and narrow wage and income inequality) has been revised.

⁸ Previous 1.2 (Assure skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs) has been revised.

⁹ Previous 1.4 (Help middle class families remain in the middle class) has been removed. Measures are now represented in Strategic Objective 1.1.

¹⁰ Previous 3.1 (Break down barriers to fair and diverse workplaces so that every worker’s contribution is respected) has been revised.

¹¹ Previous 3.2 (Provide workplace flexibility for family and personal caregiving) has been removed.

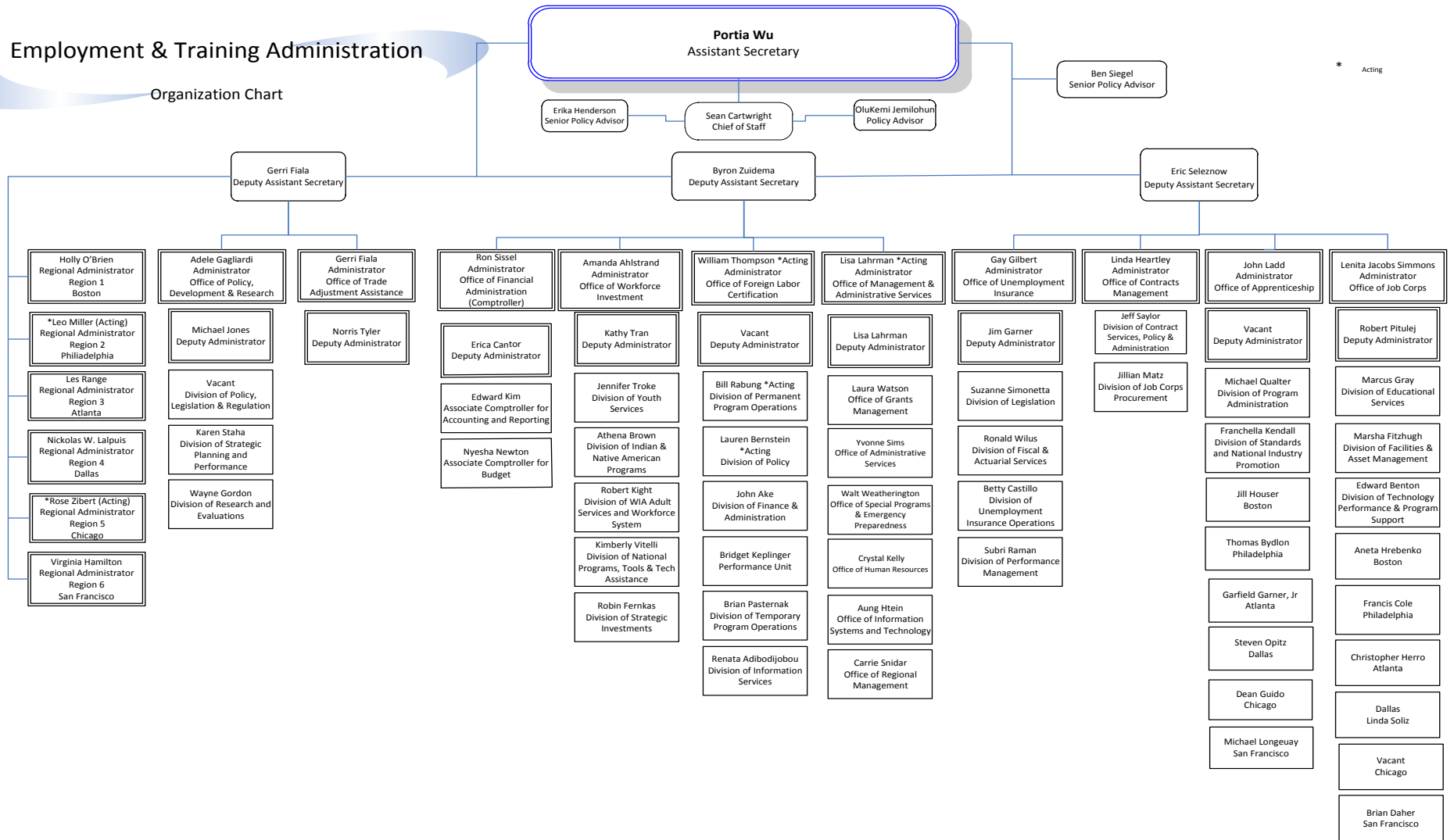
¹² Previous 1.3 (Help workers who are in low-wage jobs or out of the labor market find a path into middle class jobs) has been removed. Measures are now represented in Strategic Objectives 1.1, 1.2., and 3.3.

¹³ Previous 4.2 (Ensure income support when work is impossible or unavailable) has been removed.

EMPLOYMENT AND TRAINING ADMINISTRATION

Employment & Training Administration

Organization Chart



* Acting

EMPLOYMENT AND TRAINING ADMINISTRATION

SUMMARY BUDGET AUTHORITY AND FTE BY APPROPRIATION								
(Dollars in Thousands)								
	2014		2015		2016		2016 Legislative Proposal	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Training and Employment Services	0	\$3,148,855	0	\$3,139,706	0	\$3,402,431	0	\$0
Adult Employment and Training Activities	0	\$766,080	0	\$776,736	0	\$815,556	0	\$0
Formula Grants	0	\$766,080	0	\$776,736	0	\$815,556	0	\$0
Youth Activities	0	\$820,430	0	\$831,842	0	\$873,416	0	\$0
Youth Employment and Training Activities	0	\$820,430	0	\$831,842	0	\$873,416	0	\$0
Dislocated Workers Employment and Training Activities	0	\$1,222,457	0	\$1,236,389	0	\$1,261,719	0	\$0
Formula Grants	0	\$1,001,598	0	\$1,015,530	0	\$1,020,860	0	\$0
National Dislocated Worker Grants	0	\$220,859	0	\$220,859	0	\$240,859	0	\$0
Indian and Native American Programs	0	\$46,082	0	\$46,082	0	\$50,000	0	\$0
Migrant and Seasonal Farmworkers	0	\$81,896	0	\$81,896	0	\$81,896	0	\$0
Technical Assistance	0	\$0	0	\$0	0	\$3,232	0	\$0
Reintegration of Ex-Offenders	0	\$80,078	0	\$82,078	0	\$95,078	0	\$0
Apprenticeship Grants	0	\$0	0	\$0	0	\$100,000	0	\$0
Workforce Data Quality Initiative	0	\$6,000	0	\$4,000	0	\$37,000	0	\$0
YouthBuild	0	\$77,534	0	\$79,689	0	\$84,534	0	\$0
Workforce Innovation Fund	0	\$47,304	0	\$0	0	\$0	0	\$0
Women in Apprenticeship	0	\$994	0	\$994	0	\$0	0	\$0
Job Corps	175	\$1,691,562	186	\$1,691,562	213	\$1,715,944	0	\$0
Operations	0	\$1,578,008	0	\$1,580,825	0	\$1,597,825	0	\$0
Construction	0	\$80,000	0	\$75,000	0	\$75,000	0	\$0
Administration	175	\$33,554	186	\$35,737	213	\$43,119	0	\$0
Community Service Employment for Older Americans	0	\$434,371	0	\$434,371	0	\$434,371	0	\$0
Community Service Employment for Older Americans	0	\$434,371	0	\$434,371	0	\$434,371	0	\$0

EMPLOYMENT AND TRAINING ADMINISTRATION

SUMMARY BUDGET AUTHORITY AND FTE BY APPROPRIATION								
(Dollars in Thousands)								
	2014		2015		2016		2016 Legislative Proposal	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
TAA Community College and Career Training Grant Fund	0	\$464,000	0	\$0	0	\$0	0	\$0
TAA Community College and Career Training Grant Fund (Mandatory)	0	\$464,000	0	\$0	0	\$0	0	\$0
Federal Unemployment Benefits and Allowances	0	\$608,768	0	\$658,726	0	\$664,200	0	\$321,800
Trade Adjustments Assistance	0	\$608,768	0	\$658,726	0	\$664,200	0	\$321,800
TAA Benefits	0	\$270,500	0	\$399,000	0	\$357,000	0	\$27,000
TAA Training	0	\$306,268	0	\$235,726	0	\$283,200	0	\$291,800
Alternative-Reemployment TAA	0	\$32,000	0	\$24,000	0	\$24,000	0	\$3,000
State Unemployment Insurance and Employment Service Operations	178	\$3,697,724	172	\$3,596,495	189	\$4,138,023	0	\$0
Unemployment Insurance	0	\$2,892,251	0	\$2,790,685	0	\$2,897,997	0	\$0
State Administration	0	\$2,801,575	0	\$2,697,793	0	\$2,702,550	0	\$0
Reemployment Eligibility Assessments-UI Integrity	0	\$80,000	0	\$80,000	0	\$180,900	0	\$0
National Activities	0	\$10,676	0	\$12,892	0	\$14,547	0	\$0
Employment Service	0	\$684,002	0	\$684,002	0	\$1,084,002	0	\$0
Grants to States	0	\$664,184	0	\$664,184	0	\$1,064,184	0	\$0
Employment Service National Activities	0	\$19,818	0	\$19,818	0	\$19,818	0	\$0
TAT-SWA Retirement	0	\$1,333	0	\$1,333	0	\$1,333	0	\$0
WOTC	0	\$18,485	0	\$18,485	0	\$18,485	0	\$0
Foreign Labor Certification	178	\$61,318	172	\$61,655	189	\$75,871	0	\$0
Federal Administration	178	\$47,036	172	\$47,373	189	\$61,589	0	\$0
FLC State Grants	0	\$14,282	0	\$14,282	0	\$14,282	0	\$0
Workforce Information-Electronic Tools-System Building	0	\$60,153	0	\$60,153	0	\$80,153	0	\$0
Job Driven Training Proposals	0	\$0	0	\$0	0	\$0	0	\$21,000,000
High Growth Sector Training	0	\$0	0	\$0	0	\$0	0	\$16,000,000
Apprenticeship Training Fund	0	\$0	0	\$0	0	\$0	0	\$2,000,000

EMPLOYMENT AND TRAINING ADMINISTRATION

SUMMARY BUDGET AUTHORITY AND FTE BY APPROPRIATION								
(Dollars in Thousands)								
	2014		2015		2016		2016 Legislative Proposal	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Summer Jobs	0	\$0	0	\$0	0	\$0	0	\$3,000,000
Advances to the Unemployment Trust Fund	0	\$600,000	0	\$0	0	\$0	0	\$0
Advances to the Unemployment Trust Fund (Non-add)	0	\$600,000	0	\$0	0	\$0	0	\$0
Program Administration	705	\$147,807	744	\$151,807	806	\$176,564	0	\$0
Training and Employment	303	\$66,879	317	\$66,879	367	\$84,004	0	\$0
Workforce Security	219	\$42,733	231	\$42,733	233	\$44,492	0	\$0
Apprenticeship	125	\$27,117	134	\$31,117	144	\$36,734	0	\$0
Executive Direction	58	\$11,078	62	\$11,078	62	\$11,334	0	\$0
State Paid Leave Fund	0	\$0	0	\$0	0	\$35,000	0	\$0
State Paid Leave Fund	0	\$0	0	\$0	0	\$35,000	0	\$0
Paid Leave Partnership Initiative	0	\$0	0	\$0	0	\$0	0	\$2,213,000
Paid Leave Partnership Initiative	0	\$0	0	\$0	0	\$0	0	\$2,213,000
Total	1,058	\$10,193,087	1,102	\$9,672,667	1,208	\$10,566,533	0	\$23,534,800

EMPLOYMENT AND TRAINING ADMINISTRATION

AUTHORIZING STATUTES

Public Law/Act	U.S. Code Citation	Expiration Date
American Competitiveness and Workforce Improvement Act of 1998 (H-1B)	29 U.S.C. 2916a	No expiration date
American Recovery and Reinvestment Act of 2009 (ARRA)	Public Law. 111-5	6/30/2010 ¹
Federal Unemployment Tax Act 2011 (FUTA)	26 U.S.C. 3301	No expiration date
Health Coverage Tax Credit (section 35 of Internal Revenue Code of 1986)	26 U.S.C. 35	1/1/2014
Immigration and Nationality Act of 1952 (INA, alien labor certification)	8 U.S.C. 1101 et seq.	No expiration date
National Apprenticeship Act of 1937 (Fitzgerald Act)	29 U.S.C. 50	No expiration date
Nursing Relief and Disadvantaged Areas Act of 2005	8 U.S.C. 1182	12/20/2009
Older Americans Act of 1965	42 U.S.C. 3056 et seq.	9/30/2011
Robert T. Stafford Disaster Relief and Emergency Assistance Act	42 U.S.C. 5177 and 5189a	No expiration date
Social Security Act of 1935, Title III-Grants to States for Unemployment Compensation Administration	42 U.S.C. 501-504	No expiration date
Social Security Act of 1935, Title IX-Unemployment Security Administration Financing	42 U.S.C. 1101-1110	No expiration date
Social Security Act Title of 1935, XI, Section 1137-Income and Eligibility Verification System	42 U.S.C. 1320b-7	No expiration date
Social Security Act Title of 1935, XII-Advances to State Unemployment Funds	42 U.S.C. 1321-1324	No expiration date
Temporary Payroll Tax Cut Continuation Act of 2011	P. L. 112-78	August 15, 2012 ²
Trade Act of 1974 as amended by the American Recovery and Reinvestment Act of 2009;	P. L. 111-5, 19 U.S.C 2372a(b)	Grant authorization ³ ends 9/30/2014
Health Care and Education Reconciliation Act of 2010 ³	P. L. 111-152	

EMPLOYMENT AND TRAINING ADMINISTRATION

Public Law/Act	U.S. Code Citation	Expiration Date
Trade Act of 1974, as amended by the Trade Adjustment Assistance Reform Act of 2002	P. L. 93-618	9/30/2007 ⁴ (temporarily extended to December 31, 2007 by P. L. 110-89)
Trade Act of 1974, as amended by the Trade and Globalization Adjustment Assistance Act of 2009 (TGAAA)	P. L. 111-5	12/31/2010 (temporarily extended to 2/12/2011 by P. L. 111-344)
Trade Act of 1974, as amended by the Trade Adjustment Assistance Extension Act of 2011	P. L. 112-40	12/31/2013 ⁵
Social Security Act of 1933, Title XV, Unemployment Compensation for Federal Civilian Employees Program	5 U.S.C. 8501-8509	No expiration date
Unemployment Compensation for Ex-Servicemembers Program	5 U.S.C. 8521-8525	No expiration date
Wagner-Peyser Act of 1933 (as amended by Workforce Investment Act of 1998)	29 U.S.C. 49 et seq.	No expiration date
The VOW to Hire Heroes Act of 2011	P.L. 112-56	12/31/2012 ⁶
Tax Relief Unemployment Insurance Reauthorization and Job Creation Act of 2010, Work Opportunity Tax Credit (WOTC)	P.L.111-312, 26 U.S.C. 51	12/31/2011
Worker Adjustment and Retraining Notification (WARN) Act of 1988	29 U.S.C. 2801-2945; 20 U.S.C. 9271-9276	No expiration date
Workforce Investment Act of 1998 (WIA)	29 U.S.C. 2801 et seq.	9/30/2003 ⁷
Workforce Innovation and Opportunity Act (WIOA)	P.L. 113-128	6/22/2019

¹ For funds available through the Workforce Investment Act and Wagner-Peyser Act.

² For temporary extension of Emergency Unemployment Compensation Program.

³ For the Trade Adjustment Assistance Community Trade Adjustment Assistance Community College and Career Training (TAACCCT) grants.

⁴ The TAA program also operated under this authority from February 12, 2011, to October 21, 2011, prior to the enactment of the Trade Adjustment Assistance Extension Act of 2011 and, even though the Trade Adjustment Assistance Extension Act of 2011 is retroactive to February 12, 2011, the benefits and services available under the Trade Adjustment Assistance Reform Act of 2002 are still available to some workers certified under petitions filed between February 13, 2011, and October 20, 2011.

⁵ The Trade Adjustment Assistance Extension Act of 2011 expires on December 31, 2013, but authorization to revert to operating the program under the Trade Act of 1974, as amended by the Trade Adjustment Assistance Reform Act of 2002, continues through December 31, 2014.

⁶ For temporary expansion of Work Opportunity Tax Credit eligibility.

⁷ Extended through Appropriations Acts.