

ETA FISCAL YEAR 2016 BUDGET REQUEST HIGHLIGHTS

ETA FY 2016 REQUEST

- FY 2016 Budget Request of \$10.6 billion includes:
 - \$9.9 billion for existing discretionary programs
 - \$664.2 million for Federal Unemployment Benefits and Allowances (FUBA)
- Supports 1,208 FTE (806 FTE for PA, 189 FTE for Fed Admin of OFLC, 213 FTE for OJC)

EXISTING PROGRAMS

Program Administration - \$176.6 M for PA & 806 FTE, including 45 temporary positions for WIOA implementation. The PA appropriation includes the following budget activities:

- \$84.0 million for Training and Employment;
- \$44.5 million for Workforce Security;
- \$36.7 million for Apprenticeship; and
- \$11.4 million for Executive Direction.

Federal Unemployment Benefits and Allowances (FUBA)

- The FY 2015 Appropriations Act extended the program through September 30, 2015.
- In FY 2016 ETA proposes two options:
 - FY 2016 Legislative proposal assumes new legislation by 9/30/15 = \$986.0 million
 - FY 2016 CBJ Request if legislation is not enacted by 9/30/15 = \$664.2 million

Training and Employment Services - \$3.402 billion, a net increase of \$262.7 million

- **Formula Programs** – Increase of \$105.7 million to maintain the 10 percent State Reserve increase provided in FY 2015, allow states to be responsive in the 2nd year of WIOA implementation, and assist workers dislocated from coal mines and coal-fired power plants, as part of the President’s POWER+ Plan.
- **Reintegration of Ex-Offenders program** - \$95.1 million, an increase of \$13.0 million including \$5.0 million 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.
- **Apprenticeship Program** - \$100 million, 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 proposal.
- **Technical Assistance** \$3.2 million for the Department to be responsive to the needs of the system and assist states in the second year of WIOA implementation.
- **Workforce Data Quality Initiative** - \$37.0 million, an increase of \$33.0 million 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.
- **Women in Apprenticeship and Non-Traditional Occupations** - propose elimination of the program
- **Indian and Native American** - \$50.0 million, includes an increase of \$3.9 million
- **YouthBuild** - \$84.5 million, includes an increase of \$4.8 million
- **Migrant and Seasonal Farmworkers** - \$81.9 million, the same level as FY 2015

State Unemployment Insurance and Employment Service Operations (SUIESO) - \$4.2 billion

- **Unemployment Insurance (UI)** - \$2.9 billion is comprised of: \$2.7 billion for State Administration, which includes \$10 million for Misclassification; \$181 million for UI Reemployment Service and Eligibility

ETA FISCAL YEAR 2016 BUDGET REQUEST HIGHLIGHTS

Assessments program (RESEA) (including serving all Unemployment Compensation for Ex-Service members (UCX) claimants; and \$15 million for UI National Activities;

- **Employment Service (ES)** - \$1.1 billion, including \$1.0 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 ES National Activities;
- **Foreign Labor Certification** - \$75.8 million, including \$61.6 million for Federal Administration (189 FTE) and \$14.2 million for State Grants; and a no cost Legislative Proposal for a new funding structure to cover program costs with application fees.
- **E-Tools/Workforce Information/Capacity Building** - \$80.1 million, includes a \$15.0 million increase for Occupational Licensing Grants and a \$5.0 million increase for the modernization of O*NET.

Job Corps - \$1.7 billion and 213 FTE

- **Operations** – \$1.6 billion includes \$5 million to implement innovative and promising models that can improve the outcomes of disconnected youth, aged 16-19.
- **Construction** – \$75.0 million for Construction, Rehabilitation, and Acquisition
- **Administration** – \$43.1 million for Job Corps Administration and 213 FTE with an additional 10 temporary FTE for WIOA implementation. The request for the Administration activity also includes an increase of \$3.5 million to fund a Job Corps Oversight Team.

Senior Community Service Employment Program - \$434.4 million

- 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 - \$35.0 million

- To provide grants to states for planning and start-up activities that lead to the establishment of paid leave programs. The Budget also includes a \$2.2 billion mandatory proposal (see below).

LEGISLATIVE PROPOSALS

Job-Driven Training Proposals

- **High-Growth Sector Training Grants** (\$16.0 billion over 10 years) to provide in-person reemployment services to all of the displaced and unemployed workers who come into American Job Centers and supports sector-specific credentials, assessments, and more resources for training.
- **Apprenticeship Training Fund** (\$2.0 billion over 10 years) to expand apprenticeships and to link apprenticeship with further pathways in higher education.
- **Connecting for Opportunity** (\$3.0 billion over 4 years) includes \$1.5 billion to ensure summer and year-round job for disconnected youth, and a \$1.5 billion competitive grant program to assist disconnected youth

Paid Leave Partnership Initiative (\$2.2 billion over 3 years)

- Provides states the ability to apply for funds to cover start-up and ongoing administrative costs 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.

Unemployment Insurance Reform (\$5.0 billion)

- Provides a total of \$5.0 billion in lump sum payments to states enacting a mix of benefit enhancements, work incentives, and more direct linkages with training and job matching. Funding for this proposal would come from the General Fund.