

ETA FISCAL YEAR 2019 BUDGET REQUEST HIGHLIGHTS

ETA FY 2019 REQUEST

The revised FY 2019 Budget Request of \$8.79 billion includes:

- \$8 billion for existing discretionary programs;
- \$790 million in mandatory funding for Federal Unemployment Benefits and Allowances (FUBA); and
- Supports 1,052 FTE (727 FTE for PA, 163 FTE for Fed Admin of OFLC, 164 FTE for JC Admin).
- ETA's official budget documents requested \$7.3 billion. However, separate from the budget document, the White House said it would offset some of those cuts with \$1.4 billion in newly available funds for DOL workforce development grants.

Program Administration - \$154.2 million to support 727 direct FTE. The PA appropriation includes:

- \$68.3 million for Training and Employment;
- \$41.1 million for Workforce Security;
- \$35.9 million for Apprenticeship; and
- \$8.8 million for Executive Direction.

Federal Unemployment Benefits and Allowances (FUBA) - \$790 million (\$.4 million less than in FY 2017) for Trade Adjustment Assistance for Workers (TAA), including the following budget activities:

- \$450 million for Training and Other Activities (TaOA) – this amount is the statutory cap, effective under the Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015);
- \$301 million for Trade Readjustment Allowances (TRA); and
- \$39 million for Alternative/Reemployment Trade Adjustment Assistance (A/RTAA).

Training and Employment Services - \$3.2 billion, decrease of \$118 million from FY 2017 Enacted:

- Formula Programs – \$2.7 billion, the same as the FY 2017 enacted. The FY 2019 Request includes a number of proposals to maximize the use of the flexibilities and waivers available under WIOA.
- National Reserve - \$145 million, the same as the PY 2017 level after the DWGs were rescinded by \$75 million. (The FY 18 Continuing Resolution included \$100 million in supplemental funding for disaster relief and recovery).
- Reentry Employment Opportunities program - \$78.3 million, decrease of \$10 million from the FY 2017 enacted;
- Apprenticeship Grants Program - \$200 million, increase of approximately \$105 million from the FY 2017 enacted;
- Technical Assistance - \$2 million, a decrease of \$.5 million from the FY 2017 enacted;
- YouthBuild - \$84.5 million, same as the FY 2017 enacted;
- Indian and Native American - program eliminated, saving approximately \$49.6 million from FY2017 enacted;
- Migrant and Seasonal Farmworkers – program eliminated, saving approximately \$81.3 million from FY2017 enacted
- Workforce Data Quality Initiative – program eliminated, saving approximately \$6 million from the FY 2017 enacted.

State Unemployment Insurance and Employment Service Operations (SUIESO) - \$3.3 billion including:

- Unemployment Insurance (UI) - \$2.5 billion is comprised of: \$2.4 billion for State Administration; \$130 million for UI Reemployment Service and Eligibility Assessments (RESEA), including serving all Unemployment Compensation for Ex-Service members (UCX) claimants; and \$12 million for UI National Activities;
- Employment Service (ES) - \$691 million, including \$671.4 million for ES Grants to States, and \$19.7 million for ES National Activities;
- Foreign Labor Certification - \$62.2 million, including \$47.9 million for Federal Administration (163 FTE) and \$14.3 million for State Grants; and
- E-Tools/Workforce Information/Capacity Building - \$67.2 million, a decrease of \$.5 million from the FY 2017 enacted.

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Job Corps - \$1.3 billion and 164 FTE, \$3.9 million below the FY 2017 enacted:

- **Operations** – \$1.2 billion, a decrease of \$407 million from the FY 2017 enacted;
- **Construction** – \$75 million for Construction, Rehabilitation, and Acquisition, a decrease of \$8.9 million.
- **Administration** – \$32.1 million for Job Corps Administration and 165 FTE; a decrease of \$61 thousand from FY 17 enacted.
- The FY 2019 Budget ends the U.S. Department of Agriculture’s (USDA) role in the Job Corps program and includes a General Provision that would allow the Department to compete out the USDA-operated centers.
- The FY 2018 Continuing Resolution included \$30.9 million in supplemental funding for rehabilitation and repair of the Job Corps center in Puerto Rico.

Senior Community Service Employment Program (SCSEP)

- The FY 2019 budget eliminates funding for the Senior Community Service Employment Program.

LEGISLATIVE PROPOSALS

Paid Parental Leave

The Paid Parental Leave proposal is for new legislation that will provide mandatory funding for the states’ start-up costs and administrative costs to operate the program through grants provided by the Employment and Training Administration. Paid Leave will provide six weeks of paid family leave to new mothers and fathers. The cost of this proposal is offset by a package of reforms to the UI system.

FUBA

In the 2019 Budget, the Department is proposing legislation to reauthorize the TAA for Workers Program to refocus TAA on apprenticeship and on-the-job training strategies, to ensure participants are learning skills for in-demand occupations. States will also be encouraged to place a greater emphasis on intensive reemployment services for workers who are not participating in work-based training, getting those workers into the workforce more quickly.

Unemployment Insurance

The Budget continues to include proposals to improve program solvency and integrity and a suite of provisions to help States continue to improve their prevention, detection, and recovery of improper UI payments. Combined, these measures will strengthen the UI program by improving State Trust Fund solvency.