

**FY 2012**

**DEPARTMENT OF LABOR**

**BUDGET IN BRIEF**



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## **Budget Summary**

The Department of Labor (DOL) FY 2012 request is \$12.8 billion in discretionary budget authority and 17,848 full-time equivalent employees (FTE). The FY 2012 budget request fully supports the Secretary's vision of *good jobs for everyone* as described in detail in Department's Strategic Plan, which outlines the Department's strategic and outcome goals for fiscal years 2011 to 2016.

Getting America back to work is a top Administration priority as it seeks to spur growth in the U.S. economy. The 2012 Budget makes difficult choices that would put our nation on a sustainable fiscal path while also investing in programs and activities that will fuel economic growth. It is important to promote the creation of "good jobs," and the Department of Labor plays a vital role in this goal by serving as a champion for workers' rights and enforcing statutory rules that keep workers safe and help them keep what they earn.

In support of the Secretary's vision, the FY 2012 budget initiatives will focus on Getting America Back to Work, Keeping Workers Safe, and Helping Workers Provide for Their Families and Keep what They Earn.

**Getting America Back to Work:** The following programs provide expanded training and employment opportunities for unemployed adults, dislocated workers, and vulnerable communities.

- The Department's commitment to **vulnerable communities** remains a priority in its FY 2012 budget request. Over \$34 million in combined increases are set aside for employment and training programs that target Native American communities; Migrants and Seasonal Farmworkers; and disadvantaged youth, through the Youthbuild and Job Corps programs.
- The Department will continue to **support veterans**, especially those who are most in need, by investing an additional \$2 million in the veteran Transition Assistance Program and an additional \$3 million in the Homeless Veterans Program.
- **Innovation** is the key to continued economic success. The 2012 Budget sets aside almost \$380 million in the Departments of Labor and Education to establish a Workforce Innovation Fund that will test new ideas and replicate proven strategies for delivering better employment and education results at a lower cost per outcome. Another \$60 million will go toward a Green Jobs Innovation Fund, demonstrating the Department's commitment to prepare America's workers for new opportunities in the Green economy.
- The FY 2012 budget will encourage **Work Sharing**, a voluntary program that will help firms retain workers by reducing their hours instead of laying them off. Workers with reduced hours will receive partial unemployment checks to supplement lost income.

**Keeping Workers Safe:** No one should lose their life or risk their health in order to provide for their family. The FY 2012 budget builds on recent gains for Worker Protection agencies by proposing combined program increases of \$132 million.

- The Department requests **\$583 million for the Occupational Safety and Health Administration (OSHA)**. The request for OSHA includes increases of \$6.4 million to improve regulatory standards that protect workers; \$7.7 million for Compliance Safety

and Health Officers; and \$6 million for additional whistleblower investigators, who will enforce laws that protect those who face reprisal for reporting unsafe or illegal activities.

- The Department requests **\$384 million for the Mine Safety and Health Administration (MSHA)**. This request includes \$2 million to purchase Continuous Personal Dust Monitors, which provide real-time respirable dust exposure data and will allow MSHA to vigorously target the danger of coal dust overexposure; and \$3 million to create and enforce important health standards for coal dust and crystalline silica.
- The Department is requesting **\$33 million to reduce the large case backlog at the Federal Mine Safety and Health Review Commission**. The current backlog creates an unacceptable delay in holding bad-actor operators accountable for threatening the health and safety of America's miners.
- The FY 2012 budget includes **\$9 million to strengthen worker rights and protections in our trading partner countries** through increased investments in the International Labor Affairs Bureau's innovative and highly effective Better Work programs—an investment demonstrating that the Department's commitment to worker safety does not end at America's borders, but extends to vulnerable workers in our trading partner countries.

**Helping Workers Provide for Their Families and Keep What They Earn:** Workers who do their part can expect their employment to pay them the wages they have earned, and to keep their end of the bargain when it comes to health and retirement benefits.

- To **protect Americans' health benefits**, the Employee Benefits Security Administration (EBSA) is requesting \$198 million to protect more than 718,000 pension plans, 2.6 million health plans and a similar number of other employee plans, which, combined represent over \$6.1 trillion in assets.
- **To protect American's pension benefits.** The Budget proposes to strengthen the defined benefit pension system for the millions of Americans who rely on it by giving the PBGC Board the authority to adjust premiums and directing PBGC to take into account the risks that different sponsors pose to their retirees and to the pension insurance program.
- To ensure equal opportunity for people who work for organizations that have federal contracts, the Office of Federal Contract Compliance Programs (OFCCP) will **ensure compliance with affirmative action requirements, target systemic discrimination, and prioritize the elimination of discrimination against veterans and individuals with disabilities**.
- In FY 2012, the Department will redouble its efforts to **combat worker misclassification** by investing \$46 million for a multi-agency initiative of OFFCP, the Wage and Hour Division, OSHA, the Office of the Solicitor, and the Employment and Training Administration, which will fund state grants that address worker misclassification within the context of the unemployment insurance program. This initiative will help level the playing field for employers who abide by the law and provide employees with their rightful pay and benefits.
- Lastly, the Department is requesting \$23 million to help states establish Paid Leave Programs. Grants would be given to states to help them plan and start paid leave programs to help workers who must take time off to care for a seriously ill child, spouse, parent, or bond with a newborn or recently adopted child. The goal is to enhance job

retention of workers or help workers stay on career paths by not forcing them to choose between the needs of their family and their jobs.

The Department of Labor's FY 2012 budget request also reflects its continued efforts to **Ensure Program Effectiveness, Improve Efficiency, and Increase Transparency.**

- The Budget reflects difficult choices that will help put our nation on a sustainable fiscal path while also investing in programs and activities that will fuel economic growth. To offset other investments the Budget reduces funding for, and transfers, the Community Service Employment for Older Americans Program to improve coordination with other senior-serving programs. The Budget also eliminates the Career Pathways Innovation Fund, which duplicates the recently enacted Trade Adjustment Assistance Community College and Career Training Program; and reduces Job Corps construction funding to cover higher operations costs. The Budget also redirects funding from an underutilized job training formula set-aside to a new Workforce Innovation Fund, which will support competitive grants to spur innovation in the workforce system.
- In FY 2012, the Department will invest \$30 million in program evaluations, overseen by our Chief Evaluation Officer, and also requests authority to set aside funds from major program accounts for evaluation. The Department's evaluations will build our knowledge of which strategies and approaches work and ensure that resources are invested in high-impact areas.
- The budget request includes an investment to modernize the Department's information technology infrastructure. This initiative will eliminate redundant systems, improve operating efficiency, and help cut costs.
- The Department of Labor is dedicated to increasing its transparency. The FY 2012 budget request includes funding for an Office of Information Services, which will centralize and accelerate the Department's ability to respond to Freedom of Information Act requests.

In support of the President's message on fiscal discipline and spending restraint, the Administration is pursuing an aggressive Government-wide effort to curb non-essential administrative spending. In December 2010, the President's National Commission on Fiscal Responsibility and Reform recommended cutting Federal travel, reducing unnecessary printing costs and other efficiencies as part of its illustrative savings options. For its part, Department of Labor agency budgets together include proposed **reductions of \$10 million for travel (\$2.2 million); printing (\$0.3 million); professional and technical services (\$6.8 million); and supplies and materials (\$0.7 million).** Examples of administrative efficiencies to affect these savings include:

- Simplifying data collection including mailing postcard reminders rather than multi-part forms as detailed in the finalist proposal for the Mine Safety and Health Administration during the President's SAVE initiative.
- Using in-house printers to design, prepare, and produce smaller print jobs rather than contracting out these services.
- Migrating towards electronic formats for data collection, such as web data collection through the Internet.

- Incorporating renewable energy technologies such as solar, wind, and alternative fuels to gain efficiencies and reduce the Department's carbon footprint in real property development.
- Reducing the GSA vehicle fleet and replacing traditional vehicles with alternative energy-efficient electric vehicles.
- Implementing the President's Multi-sector Workforce Initiative by converting contractor costs to FTE when it is determined that a function can be carried out more efficiently and effectively with federal staff.
- Reducing travel and travel-related expenses by using webinars, allowing large groups of people to come together and share ideas at a much lower cost. Use of webinar technology allows agencies to simultaneously educate internal and external stakeholders on programmatic issues.

## ***Good Jobs for Everyone* — Strategic and Outcome Goals**

### **Strategic Goal 1: Prepare workers for good jobs and ensure fair compensation.**

- Increase workers' incomes and narrow wage and income inequality.
- 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.
- Help workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.
- Help middle-class families remain in the middle class.
- Secure wages and overtime.
- Foster acceptable working conditions and respect for workers' rights in the global economy to provide workers with a fair share of productivity and protect vulnerable people.

### **Strategic Goal 2: Ensure workplaces are safe and healthy.**

- Secure safe and healthy workplaces, particularly in high-risk industries.

### **Strategic Goal 3: Assure fair and high quality work-life environments.**

- Break down barriers to fair and diverse workplaces so that every worker's contribution is respected.
- Provide workplace flexibility for family and personal care-giving.
- Ensure worker voice in the workplace.

### **Strategic Goal 4: Secure health benefits and, for those not working, provide income security.**

- Facilitate return to work for workers experiencing workplace injuries or illnesses who are able to work.
- Ensure income support when work is impossible or unavailable.
- Improve health benefits and retirement security for all workers.

### **Strategic Goal 5: Produce timely and accurate data on the economic conditions of workers and their families.**

- 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.

<b>FY 2012 DOL Request</b> (Budget Authority in Billions)			
	<u>FY 2011 Full Year C.R.</u>	<u>FY 2012 Request</u>	<u>Change</u>
<b>Discretionary:</b>	\$13.5	\$12.8	-\$0.7
<b>Mandatory:</b>	\$135.0	\$95.7	-\$39.3
<b>Total</b>	\$148.5	\$108.5	-\$40.0
<b>Full Time Equivalents (FTE)</b>	17,262	17,848	+586

NOTES: A full-year 2011 appropriation was not enacted at the time the budget was prepared. The amounts included for 2011 in this document reflect the annualized level provided by the continuing resolution (P.L. 111-242, as amended). Amounts exclude FMSHRC Supplemental Funding authorized in FY 2010.

## *EMPLOYMENT AND TRAINING ADMINISTRATION*

Secretary of Labor Hilda L. Solis has established a vision for the Department of Labor of “*good jobs for everyone*.” The Employment and Training Administration’s (ETA) workforce programs have a critical role to play in realizing the Secretary’s vision of good jobs. ETA provides high quality employment assistance, labor market information, job training, and income support through the administration of the following programs: adults, dislocated workers, youth, and targeted populations authorized by the Workforce Investment Act of 1998 (WIA); Trade Adjustment Assistance (TAA) authorized by the Trade Act of 1974, as amended; Employment Services authorized by under the Wagner-Peyser Act; Unemployment Insurance (UI) authorized by the Social Security Act; Foreign Labor Certification (FLC) activities authorized by the Immigration and Nationality Act; Apprenticeship programs authorized by the National Apprenticeship Act; the Office of Job Corps; YouthBuild; the Indian and Native American training program; the Migrant and Seasonal Farmworker program; the Workforce Data Quality Initiative; and the Senior Community Service Employment Program authorized by the Older Americans Act. The Department proposes to transfer the Senior Community Service Employment Program to the Department of Health and Human Services in FY 2012.

In FY 2012, ETA proposes the establishment of the Workforce Innovation Fund with contributions from WIA formula grant programs and the Employment Service Grants to States, as well as from the Department of Education. This Fund will reinvigorate the workforce development system to meet the contemporary job training and education needs of workers and provide employers with a highly skilled supply of employees prepared to meet the demands of a global economy. This Fund will test systemic reforms designed to deliver comprehensive and cost-effective services that help individuals acquire skills and succeed in employment. The Departments of Labor and Education will jointly administer the Fund.

### *TRAINING AND EMPLOYMENT SERVICES*

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Adult Employment and Training Activities	861,540	861,540	860,527
Formula Grants	861,540	861,540	791,685
Workforce Innovation Fund	0	0	68,842
Dislocated Workers Employment and Training Activities	1,413,000	1,413,000	1,403,763
Formula Grants	1,183,840	1,183,840	1,080,635
Workforce Innovation Fund	0	0	93,968
National Reserve	229,160	229,160	229,160
Youth Activities	924,069	924,069	923,913
Youth Employment and Training Activities	924,069	924,069	850,000
Youth Innovation Fund	0	0	73,913
Green Jobs Innovation Fund	40,000	40,000	60,000

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Workforce Data Quality Initiative	12,500	12,500	13,750
Reintegration of Ex-Offenders	108,493	108,493	90,000
Career Pathways Innovation Fund	125,000	125,000	0
Pilots, Demonstrations and Research	93,450	93,450	6,616
Evaluation	9,600	9,600	11,600
Women in Apprenticeship	1,000	1,000	1,000
Indian and Native American Programs	52,758	52,758	54,158
Migrant and Seasonal Farmworkers	84,620	84,620	86,620
Youthbuild	102,500	102,500	115,000
<b>Total Budget Authority</b>	<b>3,828,530</b>	<b>3,828,530</b>	<b>3,626,947</b>

The Training and Employment Services (TES) appropriation funds a system of education, skills training and employment services directed toward increasing the post-program employment and earnings of current and future workers, particularly low-income persons, dislocated workers, at-risk and out-of-school youth, and other unemployed and underemployed individuals.

#### Adult Employment and Training Activities

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	861,540	861,540	860,527
Participants	5,171,158	6,950,148	6,043,397

The Adult Program under Title I of the Workforce Investment Act (WIA) of 1998 provides employment and workforce development services to adults, especially low-income adults, to increase their incomes through occupational and related skills acquisition. The WIA Adult program prepares workers – particularly disadvantaged, low-skilled, and underemployed adults – for good jobs in three ways:

- The program increases workers' incomes by helping unemployed and underemployed workers obtain employment in industries and occupations that offer good wages and opportunities for advancement.
- The program helps workers who are in low-wage jobs or out of the labor market find a path into middle-class jobs by helping them match their current skills to better jobs or helping them improve their skills through training so they can compete for better jobs.
- The program helps middle-class families remain in the middle class by helping workers develop the skills they need to succeed on the job and stay employed.

This program helps prepare low-skill adult workers for good jobs through formula grants to states. States use the funds to provide a statutorily prescribed set of employment and training

services at the state and local level. Services are primarily delivered through a network of One-Stop Career Centers, of which there are nearly 3,000 across the United States.

WIA provides employment and training services at three broad levels: core, intensive and training. The program is designed to provide customers with the level of service that most efficiently meets their needs and helps them get a good job. Core services such as a job search and placement assistance and real-time labor market information help workers who have marketable skills, work experience and primarily need information to help them target their job search. Intensive services such as comprehensive skills assessments, career counseling and career planning help workers who need assistance identifying their skills and developing career goals and job search strategies. Training services help workers who need to upgrade their skills to be competitive in the job market. Training services include options such as on-the-job training, skill upgrading and retraining, entrepreneurial training, customized training, occupational training, and training in basic skills.

The FY 2012 budget request for the WIA Adult program will serve over six million adults with core, intensive and/or training services. To effectively serve American workers, the Department will promote and/or implement a number of strategies, including:

- Increasing the rate of industry-recognized credential attainment among customers who receive training.
- Tailoring training strategies to the unique needs of low-skilled adults.
- Increasing training in green jobs, health care and other high growth occupations.
- Developing partnerships between the public workforce system and education, economic development and community-based organizations.
- Prompting States and localities to come forward with promising ideas and ensuring the job training system continues to evolve through the Workforce Innovation Funds.

To encourage States and localities to come forward with promising ideas and make sure the job training system continues to evolve, in FY 2012 the Department will contribute a portion of WIA Adult funds to the Workforce Innovation Fund. Through this Fund, the Department will test new ideas and replicate proven, cost-effective strategies for delivering better employment and training results.

In order to achieve the Department's outcome goals for the WIA Adult program, the budget requests \$860,527,000 in FY 2012, \$1,013,000 less than the FY 2010 enacted level. Eight percent, \$68,842,000, of the WIA Adult funds will be contributed to the Workforce Innovation Fund as described in the budget request. The remaining \$791,685,000 will fund regular WIA Adult core, intensive, and training services in all fifty states and the territories. This represents a \$69,855,000 decrease over the FY 2010 funding level. However, a 50 percent reduction in underutilized statewide funding in each of the WIA funding streams will preserve locally-administered services. At the FY 2012 funding level, 6,043,397 individuals will receive services through formula-funded programs, based on an average cost of \$131 per participant.

## Dislocated Worker Employment and Training Activities

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	1,413,000	1,413,000	1,403,763
Participants	647,106	1,158,537	1,030,157

The Dislocated Worker Assistance Program under Title I of the Workforce Investment Act (WIA) of 1998 serves to meet the complementary needs of displaced workers and employers. The program offers employment and training services to individuals who have lost their jobs, including those dislocated as a result of plant closings or mass layoffs, and who are unlikely to return to employment in their previous industries; formerly self-employed individuals; and displaced homemakers who have been dependent on the income of another family member but are no longer supported by that income.

The public workforce system delivers services to dislocated and other unemployed workers based on principles that have produced, over time, consistently high rates of reemployment and retention and higher average earnings for participants. These principles recognize a dual customer approach with services to workers and employers alike: that training should lead to credentials in emerging occupational sectors and industries and that well-developed labor market information should be a cornerstone of program planning and design.

WIA offers a variety of service options to dislocated workers, ranging from basic core services, such as job search and placement assistance and real-time labor market information, to more intensive services, such as comprehensive skills assessments, career counseling, and career planning. For dislocated workers needing new or upgraded skills, training services are available. These services include, but are not limited to, occupational skills training, On-the-Job-Training, programs that combine workplace training and related instruction, including Registered Apprenticeship, skill upgrading and retraining, adult education and literacy training, and customized training. In addition, dislocated workers may receive supportive services such as transportation, child care, and needs-related payments to assist them in entering into and remaining in training.

The effectiveness of the services offered to dislocated workers is reflected in the outcome data. In PY 2009, the program provided services to 1,158,537 dislocated workers, an increase of 72 percent from the previous program year and a sign of the tremendous demand for services. During a period of skyrocketing unemployment and massive layoffs, 58.2 percent of those receiving core services found jobs within one quarter of receiving services while 71.3 percent of those receiving intensive services were reemployed within the same time frame. Of the nearly 20 percent of program participants who received training services, 85.3 percent found new jobs (DOL, 2009).

The FY 2012 budget requests \$1,403,763,000 for WIA Dislocated Worker activities in FY 2012. In order to fund core, intensive, and training services in all 50 states and the territories, using the strategies outlined above, the Department requests \$1,080,635,000 in Dislocated Worker formula funds and \$229,160,000 in the National Reserve Account, which provides for NEGAs. To prompt States and localities to come forward with promising ideas and make sure the job training system

continues to evolve, in FY 2012 the Department will contribute eight percent, \$93,968,000 of WIA Dislocated Worker funds to the Workforce Innovation Fund.

#### Youth Activities

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	924,069	924,069	923,913
Participants	282,426	263,456	257,030

Title I of the Workforce Investment Act (WIA) of 1998 authorizes the WIA Youth program. The WIA Youth program aligns with the Secretary's goals of preparing workers for good jobs and assuring the skills and knowledge that prepare workers to succeed in a knowledge-based economy. The program targets low-income youth with barriers to employment and provides them with services that prepare them for employment and post-secondary education.

WIA Youth program funds are allocated by formula to state and local areas to deliver a comprehensive array of youth workforce investment activities. These activities help assure that youth obtain skills and knowledge to succeed in a knowledge-based economy, including in growing and emerging industry sectors such as health care and "green" jobs. WIA authorizes services to low-income youth (ages 14 through 21) with barriers to employment. Eligible youth are deficient in basic skills or are homeless, are runaways, are pregnant or parenting, or are ex-offenders, school dropouts, or foster children. The program serves both in- and out-of-school youth, including youth with disabilities and other youth who may require additional assistance to complete an educational program or to secure and hold employment. Service providers prepare youth for employment and post-secondary education by stressing linkages between academic and occupational learning. They also assist youth by providing tutoring, alternative secondary school services, summer and year-round work experiences, occupational training, supportive services, leadership development opportunities, mentoring, counseling, and follow-up services.

To effectively serve disadvantaged youth, the Department will promote a variety of strategies:

- Engage employers more deeply in the workforce system to ensure that participants get relevant training and have strong employment outcomes,
- Work across program silos to provide comprehensive services,
- Improve and incentivize services to those with the greatest barriers to employment,
- Promote more cost-effective service delivery, better measurement of cost per outcome, and cost/benefit analysis
- Support regional and sectoral collaboration, and
- Encourage use of data and rigorous evaluation to assess outcomes, inform continuous improvement, and provide meaningful information on workforce system and training provider performance.

The FY 2012 budget requests \$923,913,000 for WIA Youth activities, \$156,000 less than the FY 2010 enacted level. Eight percent, \$73,913,000, of the WIA Youth program funds will be contributed to the Workforce Innovation Fund. Through this Fund, the Department will test new

ideas and replicate proven, cost-effective strategies for delivering better employment and training results. The remaining \$850,000,000 will go toward regular WIA Youth activities.

Green Jobs Innovation Fund

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	40,000	40,000	60,000
Participants	6,640	6,640	9,960

The Green Jobs Innovation Fund (GJIF) is part of the Department’s efforts to ensure that workers have the necessary skills to succeed in the high growth and emerging industry sectors of a knowledge-based economy, including green industries. In response to the demand in local and regional labor markets, states and local workforce investment areas across the country are interested in expanding training opportunities in green industry sectors and occupations to help workers get better jobs and increased compensation. However, undertaking such efforts often requires resources beyond what is available in the regular Workforce Investment Act formula funds. Through competitive grant opportunities, the GJIF helps workers receive job training and access career pathways in green industry sectors and occupations.

The GJIF does three things that will address the Secretary’s goal of preparing workers for good jobs and ensuring fair compensation:

- The program helps workers develop the skills and knowledge needed to succeed in a knowledge-based economy by providing training in emerging “green” industry sectors.
- The program helps workers who are in low-wage jobs or out of the labor market find a path into middle-class jobs by helping them match their current skills to better jobs or helping them improve their skills through training so they can compete for better jobs.
- The program helps middle-class families remain in the middle class by assisting workers develop the skills they need to succeed in their jobs and stay employed as their current jobs incorporate green technologies.

In FY 2012, the Department is requesting \$60,000,000, which is \$20,000,000 above the enacted funding level of the GJIF for FY 2010. These funds will be used to award grants that are designed to: expand the pipeline of workers with skills needed for green jobs; connect to the ongoing and changing demands of employers; and facilitate pathways to middle class careers. The Department plans to use the requested funds to award approximately 12-15 grants and expects that 9,960 participants will receive training. During FY 2012, the Department will use data gathered from the American Recovery and Reinvestment Act (ARRA) Labor Market Information Improvement grants to help inform grantees about which industries and occupations to target.

Workforce Data Quality Initiative

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	12,500	12,500	13,750

In FY 2010, the Department, in partnership with the U.S. Department of Education, launched the Workforce Data Quality Initiative (WDQI). The WDQI enables state workforce agencies to build longitudinal data systems that merge workforce information with education data. The implementation of this initiative complements Education’s State Longitudinal Data System (SLDS) Grants funded by the Recovery Act. Longitudinal data systems track individuals as they progress through the education system and into the workforce. These data systems provide valuable information to consumers, practitioners, policymakers, and researchers about the performance of education and workforce development programs and training providers.

The FY 2012 budget requests \$13,750,000 for the WDQI. Funding for this initiative will allow approximately 13 additional states to implement workforce longitudinal databases. In addition, the Department requests to utilize 2 percent, or \$275,000, of the total requested amount, in order to provide technical assistance.

Reintegration of Ex-Offenders

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	108,493	108,493	90,000
Participants	24,725	23,355	22,533

The Reintegration of Ex-Offenders (RExO) program is carried out through authority provided in Section 171 of the Workforce Investment Act of 1998 for both Adult Ex-Offender grants and Youthful offender grants and Section 212 of the Second Chance Act of 2007 for adult offenders. The RExO program prepares adult and youth offenders and at-risk youth for good jobs in three ways:

- Increasing workers’ incomes by helping ex-offenders and youth at-risk of criminal behavior to obtain employment and/or training in industries and occupations that offer good wages and opportunities for advancement.
- Helping participants to gain skills and knowledge that will prepare them to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs, through increased training. These training opportunities are focused on providing industry-recognized certifications in high-growth industries, including green sectors, so that participants have increased opportunities for employment and the necessary skills for job growth.
- Helping participants who are in low-wage jobs or out of the labor market find a path into middle class jobs by creating pathways to employment through partnerships with the workforce system and the use of employer tax credits and the Federal Bonding program.

The RExO appropriation provides competitive grant awards and continuation funding for previously awarded grants. Continuation funding is based on meeting performance expectations and facilitating partnerships with other Federal agencies like the Departments of Justice and Health and Human Services to ensure participants connect with necessary supportive services. The Department will also make available resources needed to pilot effective service models of employment, training, and career development for participants that also connect them to educational and other necessary supportive services; develop replicable program models that can

be sustained by state and local governments, workforce investment boards, and faith-based and community organizations; and inform future Federal policy aimed at serving juvenile and adult offenders and reducing crime and violence in the country. A portion of the funds will be used for competitive grants to national and regional intermediaries for activities that prepare young ex-offenders and school dropouts for employment, with a priority for projects serving high-crime, high-poverty areas.

The FY 2012 budget requests \$90,000,000 in funding, a decrease of \$18,493,000 from the FY 2010 level. This includes \$20,000,000 for a competitive grant program for national and regional intermediary organizations serving school dropouts and young ex-offenders in high-crime, high-poverty areas. The request reflects the completion of the Persistently Dangerous Schools grants in FY 2011. Lessons learned from this demonstration will be provided to the Department of Education. Funds requested in FY 2012 will serve approximately 22,533 adult and youthful offenders.

#### Career Pathways Innovation Fund

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	125,000	125,000	0
Participants	60,130	60,130	0

The budget eliminates the Career Pathways Innovation Fund, which was last requested in FY 2010 to focus on developing and expanding career pathway programs at community colleges. In FY 2012, the recently enacted Trade Adjustment Assistance Community College and Career Training Grant Program will be the Department's primary vehicle for funding community college-based workforce training programs, including career pathway programs.

#### Pilots Demonstrations and Research

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	93,450	93,450	6,616

Pilots, Demonstrations, and Research (PD&R) activities are authorized under Section 171 of the Workforce Investment Act (WIA) of 1998. Under Section 171, the Employment and Training Administration (ETA) conducts pilot, demonstration, and research activities that support key areas of program and policy emphasis, inform workforce investment policies and investment decisions, and support continuous improvement of the workforce investment system.

In FY 2012, \$6,616,000 is requested for PD&R projects and initiatives, research grants, dissemination activities, and development of the ETA Five-Year Research Plan. These projects will result in recommendations for continuous improvement, enhancement of public workforce system programs, development of future initiatives, and development of new knowledge about what works in the field of employment and training. The decrease in funding reflects the elimination of earmarks, and the expectation transitional jobs and other program models to assist individuals with barriers to employment could be supported by Workforce Innovation Fund grants.

## Evaluations

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	9,600	9,600	11,600

As authorized under Section 172 of the Workforce Investment Act (WIA) of 1998, the Employment and Training Administration (ETA) carries out evaluations of programs and activities authorized by Title I of WIA. These evaluations support key areas of program and policy emphases, inform workforce investment policies and investment decisions, and can demonstrate the impacts of the public workforce system. ETA's Office of Policy Development and Research is responsible for developing actionable intelligence to assist ETA leadership, office administrators, and program officials in assessing and improving the operation, effectiveness, and efficiency of the public workforce system. This intelligence is obtained through evaluations conducted by independent third parties using rigorous methodologies (including randomized controlled trials) that help the Department measure the impact of existing workforce development strategies. As such, evaluations are generally designed to increase an understanding of program models and specific interventions that prepare different worker populations to compete in the changing economy.

A total of \$11,600,000 is requested for evaluation in FY 2012. The Department plans to continue implementing the following evaluations:

1. The Random Assignment Evaluation of YouthBuild Program is a random assignment evaluation begun in FY 2010. This evaluation is the first rigorous impact evaluation of the YouthBuild program ever conducted and will be concluded in late 2017.
2. The Reintegration of Ex-Offenders Initiative (RExO) Impact Evaluation is a rigorous, random assignment evaluation of a demonstration serving formerly incarcerated individuals through employment-centered programs (formerly known as the Prisoner Reentry Initiative).
3. The WIA Gold Standard Evaluation of the Adult and Dislocated Worker Programs is a random assignment evaluation examining post-program impacts on participants' employment and earnings. The evaluation is being conducted over the course of seven years and represents a major improvement in the specificity and quality of WIA evaluations.
4. The Transitional Jobs Demonstration, which includes a random assignment evaluation, seeks to assess the impacts of an enhanced transitional jobs model on the post-program employment and earnings of non-custodial parents and ex-offenders. The demonstration began in FY 2010.
5. The Young Parents Demonstration random assignment evaluation will attempt to determine the impact of mentoring on young parents' post-program employment, earnings and other outcomes.

In addition, the Department plans to evaluate projects funded under the Workforce Innovation Fund using resources set aside for evaluation.

### Women in Apprenticeship

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	1,000	1,000	1,000
Participants	300	300	300

Over the past few years, Congress has appropriated approximately \$1,000,000 annually for the Women in Apprenticeship and Non-Traditional Occupations Act (WANTO) of 1992 (Public Law 102-530). The Department's Women's Bureau and the Employment and Training Administration (ETA) have jointly administered the program, which awards competitive grants to recruit, hire, train, and retain women in apprenticeships and nontraditional occupations.

The goal of these grants is to fund innovative projects that improve the recruitment, selection, training, employment, and retention of women in registered apprenticeship programs for non-traditional and green-related occupations in a broad range of industries, including advanced manufacturing, transportation, and construction. These projects support the Secretary's goals by providing women opportunities to obtain career pathways into the middle class. Additionally, these projects help address long-standing barriers that women have traditionally experienced as they seek entry into construction jobs. Using comprehensive and collaborative approaches, WANTO projects help create fair and diverse workplaces and support the Secretary's vision of *Good Jobs for Everyone*.

A total of \$1,000,000 is requested in FY 2012 for WANTO grants. This request is the same amount as the FY 2010 request level. ETA will continue to jointly administer the grants with the Women's Bureau, and will work with community-based organizations, education institutions, and registered apprenticeship program sponsors to expand the placement and retention of women in registered apprenticeship programs in green industries, which include green construction, transportation, environmental protection, sustainable agriculture, recycling and waste reduction, and energy efficiency and renewable energy. A competitive Solicitation for Grant Applications will be used to award the grants to consortia of community-based organizations and registered apprenticeship program sponsors.

### Indian and Native American Programs

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	52,758	52,758	54,158
Participants	25,000	26,196	25,376

The Indian and Native American Program (INAP) is authorized by Section 166 of the Workforce Investment Act (WIA) of 1998. The INAP serves American Indians and Native Americans through a network of 178 grantees through the Comprehensive Service Program (Adult) and Supplemental Youth Service Program (Youth) and the Indian Employment and Training and

Related Services Demonstration Act of 1992, Public Law 102-477. The goals of the WIA Section 166 program are twofold: 1) developing more fully the academic, occupational, and literacy skills of Indians and Native Americans to make them more competitive in the workforce; and 2) promoting economic and social development in accordance with the goals and values of participants' communities.

The INAP prepares American Indians and Native Americans for good jobs in three ways:

- Helps participants improve their skills through effective training programs so they can achieve their academic and occupation goals, enabling them to compete for better jobs.
- Increases the literacy skills of the participants to position them to be prepared for occupational training in growth occupations.
- Promotes economic and social development of Native Americans, consistent with community goals and values.

The overall priorities for the WIA Section 166 Program participants in FY 2012 are to:

- Increase skills and knowledge, through education, for underemployed Indian and Native Americans who participate in the program;
- Implement and provide training on priority of service for Indians and Native American veterans and eligible spouses;
- Increase employment and training opportunities for Indians and Native Americans;
- Establish career paths into middle-class jobs;
- Increase program effectiveness, through the use of information technology; and
- Increase compliance and technical assistance.

To meet the employment and training needs of the Indian, Native American, Alaskan Natives and Native Hawaiian population in FY 2012, the Department requests a total of \$54,158,000. At this funding level, the program expects to serve 25,376 unemployed, under-employed and under-skilled Indian and Native American adults and youth.

Migrant and Seasonal Farmworkers

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	84,620	84,620	86,620
Participants	17,833	17,833	18,283

The National Farmworker Jobs Program (NFJP) provides job training and employment assistance for migrant and seasonal farmworkers (MSFW) and their dependents to counter the impact of chronic unemployment and underemployment experienced by MSFWs and to help them prepare for jobs that provide stable, year-round employment both within and outside agriculture. Services include classroom and on-the-job training, as well as some supportive services such as nutrition, health, child care and temporary shelter.

The NFJP prepares migrant and seasonal farmworkers for good jobs in the following ways:

- Helps farmworkers who are in low-wage jobs or out of the labor market by providing training to increase their skill levels and offering supportive services to diminish the impact of employment barriers.
- Increases workers' incomes and narrows wage and income inequality by providing a unique array of employment and training services to a hard-to-serve population.
- Helps farmworkers enter the middle class by offering them and their dependents services that help them attain stable, good-paying, year-round jobs.

The Department is required to conduct a grant competition every two years to select the entities that will operate the NFJP. The grants competition is performed through a solicitation for grant applications. The competition is open to state agencies, local workforce investment boards, faith-based and community organizations, institutions of higher education, and other entities capable of delivering services on a statewide basis.

The Department is requesting \$86,620,000 for FY 2012 to fund the National Farmworker Jobs Program. These funds will serve approximately 18,283 participants.

YouthBuild

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	102,500	102,500	115,000
Participants	7,890	6,375	7,140

The YouthBuild program is a workforce development program that provides significant academic and occupational skills training, and leadership development to youth ages 16-24. YouthBuild provides services to approximately 7,000 youth annually by re-engaging them in innovative alternative education programs that provide individualized instruction as they work towards earning either a GED or high school diploma.

In FY 2012, the Department's YouthBuild program will provide education and occupational skills training for approximately 7,140 drop-outs by providing participants with a clear path into a chosen career field; supporting youth in obtaining educational and industry-recognized credentials; and preparing participants for post-secondary education, apprenticeships, and employment.

To assist youth who have dropped out in building the skills necessary to acquire long-term, well-paying career employment, the Department requests \$115,000,000 for the YouthBuild program, of which \$109,250,000 will fund grant awards to approximately 105 programs that will serve approximately 7,140 youth over a two-year period. The remaining funds will support technical assistance. The Department will host a competition for these funds in the Fall of 2011 with funds awarded in Spring 2012.

### Job Training for Employment in High Growth Industries

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	114,026	125,000	125,000
Participants	19,593	9,796	4,898

NOTE: BA numbers reflect actual and projected fee revenues, not discretionary appropriations

The Job Training for Employment in High Growth Industries Grants are designed to provide training for workers according to need in different sectors of the economy. The funding for this program is provided from employer-paid application fees for H-1B work visas, which are authorized under Section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998 (P.L. 105-277, Title IV), as amended by P.L. 108-447 (codified at 29 U.S.C. 2916a). The fees are collected when prospective employers file applications seeking to hire temporary foreign workers, as needed, in specialty occupations that require highly specialized knowledge. The revenues from H-1B fees authorized for use by the U.S. Department of Labor are not subject to appropriation.

To meet the training needs for high-growth industries and economic sectors, the Department will award grants to projects that: 1) target skills and competencies in demand by industries for which employers are using H-1B visas to hire foreign workers; 2) provide education/training for jobs currently available or job openings that are anticipated during the life of the grant; and 3) result in an employer- or industry-recognized credential. The Department's long-term goal is to decrease the need for H-1B visas by helping American workers develop the high level skills needed by employers.

## *OFFICE OF JOB CORPS*

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Operations	1,574,015	1,574,015	1,589,817
Construction	105,000	105,000	78,500
Administration	29,190	29,190	31,430
<b>Total Budget Authority</b>	<b>1,708,205</b>	<b>1,708,205</b>	<b>1,699,747</b>
<b>Total FTE</b>	<b>179</b>	<b>168</b>	<b>179</b>

NOTE: FY 2012 Request represents a \$25,000,000 rescission of the advance appropriation assumed in FY 2011. This lower advance level would continue into FY 2013.

Job Corps is an intensive education and vocational training program that helps eligible at-risk youth, ages 16-24, with academic and career technical training to prepare them for opportunities to enter the workforce, the military or enroll in postsecondary education. Eligible Job Corps participants must also be one or more of the following: basic skills deficient; a school dropout; homeless, a runaway, or a foster child; a parent; or an individual who requires additional education, vocational training, or intensive counseling and related assistance in order to participate successfully in regular schoolwork or to secure and hold employment. The program currently operates in a group setting at 125 centers, both residential and nonresidential, in 48 states, the District of Columbia, and the Commonwealth of Puerto Rico. Job Corps serves approximately 60,000 individuals per year. The authorizing statute is the Workforce Investment Act of 1998 (P.L. 105-220, Title I, Subtitle C, Section 141).

Large and small corporations and non-profit organizations manage and operate 97 of the 125 Job Corps centers under competitively bid contractual agreements. The Office of Job Corps uses performance-based service contracting as its primary procurement strategy for these centers. The 28 Civilian Conservation Centers are Federally-operated through the transfer of funds to the Department of Agriculture under an interagency agreement. In FY 2012, the Job Corps reform initiatives are expected to yield improvements in program performance. The Job Corps Reform Agenda will set high standards for all Job Corps centers and outputs will be measurable and evidence-based. The implementation of quick and decisive corrective action will resolve performance concerns and improvement strategies will be replicated system-wide.

The FY 2012 request for Operations is \$1,589,817,000 and includes a program increase of \$5,000,000 to fund 150 additional slots at the new center in Iowa. This increase will allow the center to reach its full capacity of 300 students in FY 2012. Job Corps plans to open the recently completed center in FY 2011 with an initial student population of 150. In addition, the request includes a transfer of approximately \$176,908,580 to the USDA to fund the 28 Civilian Conservation Centers operated by the USDA Forest Service. The majority of the remaining Operations budget will be used to fund student training expenses at the DOL contractor-operated centers.

To offset higher operations costs the Budget requests a reduced level for Construction, Rehabilitation, and Acquisition (CRA) of \$78,500,000, a decrease of \$26,500,000. This funding

will be used to rehabilitate current facilities; modernize classroom and training buildings; repair and upgrade deficiencies; address life, safety, and health concerns; and complete emergency repairs. Job Corps received a large infusion of Recovery Act funds, the majority of which was used for construction, and has been spending more slowly from available construction balances. This lower level will be sufficient to meet the program's high-priority construction needs.

This request would be allocated as follows:

- \$1,000,000 for conditions that threaten life or safety
- \$225,000 for abatement of environmentally unsafe conditions
- \$1,526,000 for energy saving investments
- \$2,000,000 for center telecommunication wiring upgrades
- \$2,500,000, for Green Way projects (sustainability)
- \$30,000 for preventive maintenance management system
- \$15,000,000 for engineering and contract support services
- \$7,902,000 contingency funds for emergency repairs
- \$48,317,000 for building rehabilitation and replacement projects

The FY 2012 request for Job Corps Administration is \$31,430,000 and 179 FTE, an increase of \$2,240,000 above the FY 2010 enacted level. This level also shifts \$1,500,000 from CRA to program administration to allow Job Corps to conduct procurement activities in-house, where they can be done less expensively and more effectively.

## *COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Community Service Employment for Older Americans	825,425	825,425	0
<b>Total Budget Authority</b>	<b>825,425</b>	<b>825,425</b>	<b>0</b>

NOTE: Although the FY 2010 appropriation provided \$825,425,000 to CSEOA, \$225,000,000 of that amount was a one-time special appropriation.

The Community Service Employment for Older Americans (CSEOA) program, also known as the Senior Community Service Employment Program, supports employment of older workers by providing part-time, paid community service positions and work-based training for unemployed, low-income individuals, age 55 and older. CSEOA grantees serve about 90,000 participants per program year. While the eligibility requirement is 125 percent of the Federal poverty level, nearly 90 percent of participants live at or below the poverty level. The average age of participants at entry is 64 years.

CSEOA has a dual purpose, as authorized by the Older Americans Act (OAA) – “to foster individual economic self-sufficiency and to increase the number of participants placed in unsubsidized employment in the public and private sectors, while maintaining the community service focus of the program.” In PY 2009, 46 percent of participants who exited the program were employed in the quarter following exit. Of those, 70 percent retained employment through the next two quarters. In PY 2009, CSEOA participants contributed more than 51 million hours of service to their communities. CSEOA grantees include 56 units of state and territorial government, and 18 competitively-selected national grantees. CSEOA-funded services are available in all 3,000 U.S. counties and territories. CSEOA funds are equitably distributed by a statutorily-prescribed formula that considers the number of low-income seniors residing in each state.

In FY 2012, the Budget would reduce funding for CSEOA and transfer it to the Department of Health and Human Services’ (HHS) Administration on Aging (AoA). This would place the program in an Agency that shares the mission of helping older American’s maintain their independence (both economic independence and living arrangements) and active participation in communities.

The OAA is the primary authorization for delivery of social services to seniors and their caregivers. Administered by DOL since 1965, CSEOA is the only program under the OAA not currently housed within AoA. At the state and local level, other OAA services work hand-in-hand with CSEOA. Of the 56 state and territorial grantees that operate CSEOA programs, 39 house their CSEOA programs within offices on aging, senior services or health and human services departments, while only 17 are in labor departments. A move to HHS would consolidate federal oversight of the OAA under one department, streamlining operations and putting federal administration of CSEOA in alignment with operations in the field.

At AoA, CSEOA will continue to be a pathway to economic self-sufficiency and a means for older workers to contribute meaningful community service. Transferring the program to AoA

will improve CSEOA's coordination with other programs supporting low-income seniors and allow CSEOA to better support not only employment, but also health, wellness, and independence for seniors. Additionally, AoA has an established relationship with the Corporation for National and Community Service's "Senior Corps" – an umbrella term for three federally-administered national service programs which offer an alternative to CSEOA for seniors who wish to be involved in community service. Because of its expertise in senior-focused programs, AoA is well positioned to provide strong support and technical assistance to SCSEP grantees.

The OAA is due for reauthorization in 2011. The Administration looks forward to working with Congress on ways to strengthen CSEOA and other programs providing critical support to seniors.

***FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES***

	2010	2011	2011	2012	2012
		<u>Full Year C.R.</u>	<u>Leg. Proposal.</u>	<u>Current Law</u>	<u>Leg. Proposal</u>
Trade Adjustments Assistance	1,818,400	1,818,400	2,228,400	1,100,100	1,671,100
Alternative/Reemployment TAA	65,000	65,000	67,000	35,000	52,000
TAA Benefits	1,067,000	1,067,000	1,067,000	805,000	932,000
TAA Training	686,400	686,400	1,094,400	260,100	687,100
<b>Total Budget Authority</b>	<b>1,818,400</b>	<b>1,818,400</b>	<b>2,228,400</b>	<b>1,100,100</b>	<b>1,671,100</b>

The Trade Adjustment Assistance (TAA) for Workers and Reemployment Trade Adjustment Assistance (RTAA) programs are authorized under the Trade Act of 1974, as amended. The program, collectively referred to as Trade Adjustment Assistance or TAA, provides assistance to workers who have been adversely affected by foreign trade. TAA is a vital tool for helping workers who have lost their jobs as a direct result of increased imports and competitive trade, to upgrade their skills or retrain in new careers leading to good jobs that ensure they remain in America's middle class. The 2012 Budget includes a legislative proposal to continue the program expansions and enhancements enacted in the Trade and Globalization Adjustment Assistance Act, described below.

The TAA program currently offers the following services to eligible individuals: training, weekly income support, out-of-area job search and relocation allowances, assistance with health insurance coverage through the utilization of the Health Coverage Tax Credit (HCTC) offered by the Internal Revenue Service, and wage insurance for some workers through RTAA. RTAA is a wage insurance option available to older workers authorized by the Trade and Globalization Adjustment Assistance Act of 2009. Additionally case management and employment services are available to all TAA program participants. At a minimum, TAA participants must be offered the following: comprehensive and specialized assessments of skill levels and needs; individual employment plans for each impacted worker; information on available training and how to apply for training (if appropriate); information on how to apply for financial aid; short-term prevocational services (if appropriate); individual career counseling; employment statistics information (labor market information); and information on the availability of supportive services. These services provided by the TAA program are designed to ensure TAA participants find a path back into middle class jobs.

On February 17, 2009, President Obama signed into law the Trade and Globalization Adjustment Assistance Act of 2009 (TGAAA), as part of the American Recovery and Reinvestment Act of 2009. The TGAAA reauthorized the Trade Adjustment Assistance program and expanded coverage to more workers and firms, including those in the service sector; made benefits available to workers whose jobs have been off-shored to another country, as opposed to only covering countries in a free-trade agreement with the United States; and improved workers' training opportunities and access to health insurance coverage. The reauthorization also expanded the scope of the program to better assist trade-dislocated workers in finding new employment. It raised the cap on the maximum amount of funds that may be allocated to the States for training from \$220,000,000 to \$575,000,000 per year, including additional funding for

employment and case management services that will provide the type of long-term training necessary for jobs in the 21<sup>st</sup> century economy. Included in the expansion of benefits to workers is an extension of income support, an expansion of the wage insurance option available to older workers, and earlier access to training for some employees. The TGAAA extended the TAA program through December 31, 2010, and the Omnibus Trade Act of 2010 further extends TAA through February 12, 2011.

For FY 2012, the Department requests \$1,671,100,000 (\$1,100,100,000 under current law and a legislative proposal for \$571,000,000), which includes funds for training, job search and relocation allowances, employment and case management services, Trade Readjustment Allowances (TRA), ATAA, and RTAA, and state administration. The request is a decrease of \$147,300,000 from FY 2010. Although the Department experienced a sharp increase in certified workers in FY 2009 and 2010, that spike begins to level off in FY 2011 and is expected to continue to decline as the economy continues to recover in FY 2012.

In addition, spending on TRA continues to be impacted by Emergency Unemployment Compensation (EUC). EUC payments substitute for TRA payments for many TAA participants, which decrease overall TRA costs. Current legislation extends EUC through January 3, 2012, after which, a phase-out period of up to five months will occur. As EUC is phased out, TRA will be phased in; however TRA spending in FY 2012 is still expected to be lower during this phase out.

***TAA COMMUNITY COLLEGE AND CAREER TRAINING GRANT FUND***

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
TAA Community College and Career Training Grant Fund	0	500,000	500,000
<b>Total Budget Authority</b>	<b>0</b>	<b>500,000</b>	<b>500,000</b>

NOTE: ETA is not requesting an additional \$500,000,000 for the TAA Community College and Career Training Grant Fund in FY 2012. These funds were appropriated by the Health Care and Education Affordability Reconciliation Act of 2010.

The Trade Adjustment Assistance Community College and Career Training (TAACCT) program is funded by the Health Care and Education Reconciliation Act of 2010 (P.L. 111-152), which provides \$500,000,000 annually in Fiscal Years 2011–2014 for competitive grants to eligible institutions of higher education. The program aims to improve education and employment outcomes for students at community colleges and other higher education institutions, helping more Americans prepare to succeed in growing, high-skilled occupations.

This funding will enable DOL to fund between 75-150 grants annually awarded on a competitive basis. The grants will help eligible institutions of higher education expand and improve their ability to deliver education and career training programs that can be completed in two years or less, are suited for workers who are eligible for training under the Trade Adjustment Assistance for Workers program, and prepare program participants for employment in high-wage, high-skill occupations.

This program, implemented in coordination with the Department of Education, is one of several new Federal grant programs which funds projects that use evidence to design program strategies. These initiatives award grants to eligible institutions that will use data to continuously improve the effectiveness of their strategies, and will participate in evaluations that determine program impacts. The Department believes community colleges are an ideal place to apply this new approach, because they have been leaders in seeking out strategies that get results. Community colleges have innovated in many ways, crossing traditional boundaries to collaborate with employers, the public workforce system, Registered Apprenticeship programs, and other service organizations; and have continuously adapted their programs to respond to local economic needs and produce better outcomes for their students.

**STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE  
OPERATIONS**

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Foreign Labor Certification	68,436	68,436	65,666
State Grants	15,129	15,129	15,129
Federal Administration	53,307	53,307	50,537
Unemployment Insurance	3,256,955	3,256,955	3,286,920
Reemployment Eligibility Assessments	50,000	50,000	60,000
State Administration	3,195,645	3,195,645	3,215,610
National Activities	11,310	11,310	11,310
Employment Service	724,570	724,570	785,751
Grants to State	703,576	703,576	703,576
Innovation Fund Contribution	0	0	61,181
Employment Service National Activities	20,994	20,994	20,994
TAT/SWA Retirement	2,474	2,474	2,474
WOTC	18,520	18,520	18,520
Workforce Information-Electronic Tools-System Building	63,720	63,720	63,720
<b>Total Budget Authority</b>	<b>4,113,681</b>	<b>4,113,681</b>	<b>4,202,057</b>
<b>Total FTE</b>	<b>160</b>	<b>174</b>	<b>174</b>

The State Unemployment Insurance and Employment Service Operations (SUIESO) account provides funding to support the Unemployment Insurance system, including State Administration, Reemployment and Eligibility Assessments, and National Activities. The SUIESO account also funds Employment Service Grants to States; Employment Service National Activities, which includes administration of the Work Opportunity Tax Credit, Technical Assistance and Training (TAT)/State Workforce Agency (SWA) Retirement; and Workforce Information-Electronic Tools-System Building.

**Unemployment Insurance**

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	3,256,955	3,256,955	3,286,920

The Federal-state Unemployment Insurance (UI) program, authorized by Title III of the Social Security Act (SSA), provides temporary, partial wage replacement to unemployed workers who are between jobs and helps to stabilize local economies where layoffs have occurred as well as the national economy. Research shows that for each dollar of UI benefits spent, \$2.00 in

economic activity is generated through the multiplier effect and that the program, including benefit extensions, boosted employment by 1.6 million jobs from July 1, 2008 to June 30, 2010.

To be eligible for benefits, unemployed workers must have worked recently, be involuntarily unemployed, and be able to and available for work. Virtually all wage and salary workers are potentially eligible for benefits if they lose their jobs. Regular UI benefits and administration are funded by state payroll and Federal taxes, respectively.

The UI program is an integral part of the public workforce investment system and is often the entry point for unemployed workers to One-Stop Career Center services that speed their return to work. Reemployment is crucial to maintaining workers' long-term economic security. States administer the UI program directly and also administer certain Federal benefit programs. These activities are covered under the Unemployment Insurance State Administration line item. A second line in the budget, "National Activities," provides funds to support the states collectively in administering their state UI programs. Reemployment and Eligibility Assessments, in-person interviews with selected UI claimants, are funded under a third line item.

The Federal role in this Federal-state cooperative relationship includes setting broad policy for the program, establishing performance measures and standards, providing technical assistance to states, monitoring state performance, ensuring conformity and compliance of state laws and operations with Federal law, and funding the cost of administering state and Federal UI laws.

State Administration

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	3,195,645	3,195,645	3,215,610

States administer the Unemployment Insurance (UI) program directly and are responsible for establishing specific policies and operating methods that conform to the Federal Unemployment Tax Act (Chapter 23, Internal Revenue Code), Title III of the Social Security Act, and Federal regulations. The major functions performed by the states are: (1) determining benefit entitlement; (2) paying benefits; and (3) collecting state UI taxes from employers. The states also administer Federal programs for payments to: former Federal military and civilian personnel; claimants who qualify for extended or special Federal unemployment benefits; workers certified under the Trade Adjustment Assistance and Reemployment Trade Adjustment Assistance (formerly called Alternative Trade Adjustment Assistance) programs; and individuals unemployed due to disasters.

The FY 2012 budget request for UI State Administration is \$3,215,610,000, an increase of \$19,965,000 from the FY 2010 appropriated amount of \$3,195,645,000. The funds requested are sufficient to process 4,832,000 continued claims per week (referred to as average weekly insured unemployment (AWIU)) which includes processing benefit payments made under the Trade Act of 1974, as amended. During the year, states are expected to collect \$49,700,000,000 in state unemployment taxes and to pay an estimated \$68,800,000,000 in Federal and State UI benefits to 12.5 million beneficiaries, including former Federal military and civilian personnel, recipients of

federal-state extended benefits, and workers adversely affected by imports who may be eligible for benefits under the Trade Act.

The request continues the contingency reserve language which provides for additional funds to meet unanticipated workload. The formula for FY 2012 finances \$28,600,000 per 100,000 increase in the total AWIU. In addition, the appropriation language for FY 2012 continues to allow states up to three years to obligate their UI funds if those funds are used for automation activities and adds similar authority for grant funds to address worker misclassification. This provision effectively allows states to obligate FY 2012 funds used for these two purposes until September 30, 2014.

The FY 2012 Budget Request includes an increase of \$24,711,000 for an initiative focused on establishing capacity to address misclassification within the Federal/state administered Unemployment Insurance program. The first component, which was included in the FY 2011 Budget, which would provide states with the opportunity to compete for grants to: increase their capacity to participate in data sharing activities with the IRS and other Federal and state agencies; implement targeted audit strategies; establish a cross-state agency task force to target egregious employer schemes to avoid taxation through misclassification; and to develop education and outreach programs. The second component would pilot a high performance award program designed to incent states to improve misclassification efforts. States that are most successful (or most improved) at detecting and prosecuting employers that fail to pay their fair share of taxes due to misclassification and other illegal tax schemes that deny the Federal and State UI Trust Funds hundreds of millions of dollars annually will be rewarded. Modeled on a successful Food Stamps program, this initiative will provide a “high performance bonus” to the most successful states. States will be able to use these incentive funds to upgrade their misclassification detection and enforcement programs. In both components, states will be required to capture and report outcomes and cost/benefit information to enable evaluation and analysis of new strategies.

In addition, the Budget includes \$10,000,000 to create incentives for States to improve their UI operations. DOL currently provides non-monetary rewards to the top performing States nationwide in areas most critical to the UI system's success: appeals, eligibility decisions, benefit payments and tax operations. In 2012, the Budget proposes to provide awards to States with the most improved performance in improper payments, timeliness, and productivity.

The FY 2012 budget request includes three legislative proposals for later transmittal that affect spending from the Unemployment Trust Fund. The first proposal would address state Unemployment Trust Fund (UTF) account solvency. The Budget proposes legislative reforms that would provide immediate, short-term relief to employers and States from mandated tax increases and interest payments and strengthen the solvency of the Unemployment Insurance (UI) system over the long run. . Since 2008, 36 states were unable to pay UI benefits at some point in time and had to take advances from the Federal Unemployment Account. As of January 1, 2011, 31 states owed a total of \$41,000,000,000. Employers in those States are now facing tax increases as a result of this indebtedness. Projections show that as many as 40 states may need advances totaling \$80,000,000,000 before solvency of the system begins to improve.

The second proposal will create incentives for States to expand use of the Short-Time Compensation (STC) program. The STC program, also known as work sharing, promotes job retention and prevents workers from being laid off. Work sharing is a voluntary employer program designed to help employers maintain their staff by reducing the weekly hours of their employees, instead of temporarily laying off workers, when the employer is faced with a temporary slowdown in business. Workers with reduced hours under an approved STC plan receive a partial unemployment check to supplement the reduced paycheck. The Administration's proposal will provide temporary Federal financing of STC benefits for those States that have an STC law that meets certain guidelines. It will also create a temporary Federal program that will be available in other States and provide implementation funds for States to operate the program and conduct outreach to employers to expand use of STC.

The third legislative proposal is a multi-part legislative initiative to strengthen the financial integrity of the Unemployment Insurance (UI) system and to encourage the early reemployment of UI beneficiaries. This proposal builds upon the enactment of two key components of last year's UI integrity proposal that expanded collection of delinquent UI overpayments and employer taxes through garnishment of Federal tax refunds and improved the accuracy and utility of hiring data in the National Directory of New Hires. The 2012 proposal will boost States' ability to recover benefit overpayments and deter tax evasion schemes by permitting them to use a portion of recovered funds to expand enforcement efforts in these areas, including identification of misclassified employees. In addition, the proposal would require States to impose a monetary penalty on UI benefits fraud, which would be used to reduce overpayments, and to prohibit the non-charging of benefits to employers' UI accounts if they are found to be at fault when their actions lead to overpayments. The proposal would also improve the utility and accuracy of hiring data in the National Directory of New Hires by requiring employers to report rehires of employees who have been laid off. These efforts to strengthen the financial integrity of the UI system and encourage early reemployment of UI beneficiaries will keep State UI taxes down and improve the solvency of the State trust funds.

#### Reemployment Eligibility Assessments

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	50,000	50,000	60,000

Reemployment and Eligibility Assessments (REAs) are in-person interviews with selected Unemployment Insurance (UI) beneficiaries to review their efforts to find new employment and other state UI eligibility requirements, refer them to reemployment services or training if needed, and provide labor market information to aid in their job search. Research has shown that similar services reduce UI duration and save UI trust fund resources by helping beneficiaries find jobs faster and eliminating payments to ineligible individuals.

The FY 2012 budget requests \$60,000,000 for the REA initiative, which when combined with the \$10,000,000 included in State Administration would fund 980,000 REAs and save state UI Trust Fund Accounts \$237,000,000. This request level is \$10,000,000 higher than the amount that was appropriated for FY 2010 and will support continuation and expansion of the REA initiative in approximately 40 states.

## National Activities

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	11,310	11,310	11,310

Unemployment Insurance (UI) National Activities provides funds to support the states collectively in administering their state UI programs. These activities include: (1) assisting states in applying common technology-based solutions to improve the efficiency and performance of their UI operations; (2) supporting the private telecommunications network which links state agencies for interstate and combined wage claims purposes and through which they obtain information necessary for Federal civilian and military claims processing; (3) the purchase of standard hardware and software used by states to report critical economic and other data/reports to the Department of Labor electronically; (4) supporting training of state workforce agency staff related to Federal programs and activities such as claims adjudication; and (5) actuarial support for state trust fund management. National Activities is a vital component of the UI budget, supporting system functions that help ensure income support to unemployed workers.

The FY 2012 budget request for UI National Activities (NA) is \$11,310,000, no change from the amount appropriated for FY 2010. In addition to funding activities which support states collectively, NA will support continuation of upgrades to information technology systems and technical assistance activities will continue to focus on three priority areas including program performance and accountability, integrity, and connecting UI claimants to reemployment services through the workforce system.

## Employment Service

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	724,570	724,570	785,751
Participants	22,447,124	22,447,124	22,447,124

NOTE: Participant numbers do not include projected participants for the Workforce Innovation Fund contribution. Those projections are to be determined.

The Wagner-Peyser Act of 1933 established a nationwide system of public employment offices, known as the Employment Service. The Act was amended by the Workforce Investment Act (WIA) of 1998 to make the Employment Service part of the One-Stop Career Center system. Under WIA, the public Employment Service has evolved from a nationwide system of state-administered local employment offices to a partner program in the integrated One-Stop delivery system. Activities included within the Employment Service include Employment Service Grants to States and Employment Service National Activities, the latter of which includes the Work Opportunity Tax Credit and funding to support Technical Assistance and Training activities and to contribute the federal share of State Workforce Agencies Retirement System payments. Eight percent, \$61,181,000, of the increased level of Employment Service funds for FY 2012 will be contributed to the Workforce Innovation Fund.

### Employment Service National Activities

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	20,994	20,994	20,994
Participants	914,491	914,491	914,491

The Employment Service National Activities appropriation provides funding to support Technical Assistance and Training activities within the One-Stop Career Center system and contributions to the Federal share of State Workforce Agencies Retirement System payments. Employment Service National Activities also supports the Work Opportunity Tax Credit which is a Federal tax incentive provided to private-sector businesses that hire individuals who face significant barriers to employment.

### WOTC

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	18,520	18,520	18,520
Participants	914,491	914,491	914,491

The Work Opportunity Tax Credit (WOTC) Program was created by Congress through the enactment of the Small Business Job Protection Act of 1996. The program helps disadvantaged workers gain employment in good jobs by providing businesses with an estimated \$800,000,000 in tax credits for hiring individuals from 12 targeted groups that have consistently faced significant barriers to employment. The main objective of this program is to enable the targeted individuals to gradually move from economic dependency to self-sufficiency as they earn a steady income and become contributing taxpayers. The participating employers are compensated by being able to reduce their federal income tax liability. WOTC joins other workforce programs that help incentivize workplace diversity and facilitate access to good jobs for American workers.

### TAT-SWA Retirement

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	2,474	2,474	2,474

The Employment Service National Activities appropriation provides funding to support Technical Assistance and Training (TAT) activities that help to assure tools are available to provide the skills and knowledge are available to prepare workers to succeed in a knowledge-based economy and to contribute the Federal share of State Workforce Agencies (SWA) Retirement System payments.

A total of \$2,474,000 is requested for Employment Service National Activities, the same level of funding as FY 2010, to support TAT activities and to make contributions toward financing unfunded liabilities of independent SWA Retirement Systems in the current program year. The TAT investment in FY 2012 will focus on providing states access to expertise to improve the

provision of core services, job search assistance, and labor market information services to all unemployed workers including those with multiple barriers to employment such as individuals with disabilities and racial and ethnic minorities.

#### Employment Service: Grants to States

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	703,576	703,576	703,576
Participants	22,447,124	22,447,124	22,447,124

NOTE: Participant numbers do not include projected participants for the Workforce Innovation Fund contribution. Those projections are to be determined.

Employment Service Grants to States funds are allotted to each State Workforce Agency in accordance with the formula set forth in Section 6 of the Wagner-Peyser Act (29 U.S.C. 493). The formula is based on each state's share of the civilian labor force and unemployment. The Secretary of Labor is required to set aside up to three percent of the total available funds to assure that each State Workforce Agency will have sufficient resources to provide staff and other resources necessary to carry out employment service activities and related administrative and support functions on a statewide basis.

To address continuing high levels of unemployment and the acute needs of employers seeking qualified workers in FY 2012, the Department requests funds to fully operate the Employment Service nationwide. This includes serving 22,447,124 individuals with core services such as job search assistance, labor market information, career counseling, and other services. It also includes the infrastructure funding for the network of One-Stop Career Centers through which public workforce system services are delivered. Eight percent, \$61,181,000, of the increased level of Employment Service funds for FY 2012 will be contributed to the Workforce Innovation Fund.

#### Foreign Labor Certification

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	68,436	68,436	65,666
FTE	160	174	174

The Immigration and Nationality Act (INA) assigns specific responsibilities to the U.S. Secretary of Labor for the administration of certain employment-based immigration programs that require a labor certification. The Secretary has delegated the responsibility for the administration of these programs to the Employment and Training Administration's (ETA) Office of Foreign Labor Certification (OFLC). As part of these responsibilities, OFLC must certify that there are no able, willing, and qualified U.S. workers for a position for which certification is requested and whether there would be any adverse impact on similarly employed U.S. workers should labor certification be granted. Accordingly, employers seeking a labor certification for either permanent or temporary nonimmigrant labor are required by law to first apply to the Secretary of Labor for certification.

The programs currently administered by the OFLC include: the immigrant Permanent Labor Certification Program (PERM) or the “Green Card”; the nonimmigrant H-1B and H-1B1 (Chile and Singapore) Specialty Occupations Programs; E-3 Specialty Worker Program (Australia); H-2A Temporary Agricultural Program; H-2B Temporary Non-agricultural Program; and the D-1 Crewmember Program.

The FY 2012 request of \$50,537,000 for Program Administration represents a decrease of \$2,770,000 and 7 FTE from the FY 2010 enacted level of \$53,307,000. The request includes a program decrease of \$2,788,000 and a built-in increase of \$18,000 for rent. Base funding will continue to finance core functions.

Under the State Grant activity, the ETA provides annual grants to State Workforce Agencies (SWAs) in 55 states and U.S. territories to fund employment-based immigration activities that are required components of the various foreign labor certification programs. These activities include, but are not limited to, SWA posting and circulation of inter-state and intra-state job orders and other assistance to employers in the effective recruitment of U.S. workers, state safety inspection of employer provided H-2A housing, and developing and conducting prevailing practice and wage surveys used to set wages and standards in a defined occupation within their state. For FY 2012, ETA requests \$15,129,000 to support SWA foreign labor certification activities, the same as the FY 2010 appropriated level.

#### Workforce Information-Electronic Tools-System Building

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	63,720	63,720	63,720

U.S. Department of Labor programs funded through the Workforce Information/E-Tools/System Building line item assist working-age individuals, employers, government entities, and non-profit organizations. The resources supported through this line item are foundational to creating innovative workforce strategies to ensure a skilled workforce for renewable energy, energy efficiency, health care, broadband and telecommunications, advanced manufacturing, and other high demand and emerging industries and occupations providing good jobs for workers.

Program strategies that support the goal of providing advice, tools and knowledge about careers, skills and employment include: 1) collecting, producing and analyzing workforce information through activities such as state and local employment projections for occupations and industries; 2) collecting information on the skills necessary to perform work in occupations; and 3) disseminating information through Web-based guidance on how to search for work; where to obtain employment counseling; how to identify related education, training, credentials or licenses to qualify for careers; where to find relevant course offerings; and how to locate and benefit from government-financed employment programs and other assistance.

The FY 2012 budget requests \$63,720,000 for this activity, the same as the FY 2010 enacted appropriation. The Department plans to: 1) develop robust career information, industry competency models, and tools to identify career pathways and assess skills; 2) collect, analyze,

and widely disseminate economic and workforce data, and translate it into strategic intelligence to enable the workforce system and its customers to make informed decisions about careers, education and training; 3) maintain national electronic tools that support both self-service to individuals and provide assistance to One-Stop Career Centers that augment the Department's electronic tools with personalized customer service; 4) maintain the current infrastructure to ensure the system's performance accountability; and 5) bolster technical assistance and capacity building by expanding the use of social media and networking tools to foster the sharing of data, information and best practices.

The Department is requesting a total of \$24,000,000 for the Disability Employment Initiative (DEI). The DEI is funded at \$12,000,000 in this budget activity, and another \$12,000,000 from the Office of Disability Employment Policy (ODEP) request. The two agencies will collaborate on implementation. The DEI addresses the continuing problems of unemployment, underemployment, and poverty of persons with disabilities by funding full-time, dedicated staff person(s) with expertise in disability and workforce (Disability Resource Coordinators) in the One-Stop Career Centers to implement successful strategies that promote the meaningful and effective employment of persons with disabilities. The initiative is implemented through three-year competitive grants to fund projects via cooperative agreements with state WIA-administering entities. These grants are designed to improve the training and employment outcomes (especially focusing on career path jobs which lead to economic self-sufficiency) of persons with disabilities who are unemployed, underemployed, or receiving Social Security disability benefits.

*STATE PAID LEAVE FUND*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
State Paid Leave Fund	0	0	23,000
Operations	0	0	22,770
Administration	0	0	230
<b>Total Budget Authority</b>	<b>0</b>	<b>0</b>	<b>23,000</b>
<b>Total FTE</b>	<b>0</b>	<b>0</b>	<b>2</b>

The State Paid Leave Fund will provide grants to assist additional states to establish paid leave programs. Currently, California and New Jersey offer such programs, which are called family leave insurance, and Washington State is in the process of implementing a program. Typically, the programs are state-run insurance programs financed by employer and/or employee contributions, and the programs offer up to six weeks of benefits to workers for reasons covered under the Family Medical Leave Act who must take time off to care for a seriously ill child, spouse, or parent, or bond with a newborn or recently adopted child. In doing so, the programs may enhance job retention for many workers or help workers stay on their career paths.

Under this initiative, grants would be provided to assist additional states in planning and start-up activities relating to state family paid leave programs. These funds will be provided to states for either pre-implementation planning grants to support activities designed to position a state to enact act legislation and prepare for implementation and implementation grants. Planning activities will include designing a program, establishing protocol for legislation to withhold taxable wages, defining family eligibility and benefits requirements, and articulating start-up activities. Funds may also be used for activities such as research and analysis, coalition building; stakeholder consultation; development of a financing model and benefit structure; development of an outreach plan; and will culminate in a blue print for implementation.

In FY 2012 the Department requests \$23,000,000 for the State Paid Leave Fund. Of this amount, one percent (\$230,000) is requested for Federal administration of the program. The remaining \$22,770,000 will be used for grants and for technical assistance that will include: outreach to help identify and facilitate the participation of States; information and other assistance that could help the planning; and, start-up activities in multiple states.

*ADVANCES TO THE UNEMPLOYMENT TRUST FUND*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Advances to the Unemployment Trust Fund (Non-add)	105,000	200,000	0
<b>Total Budget Authority</b>	<b>105,000</b>	<b>200,000</b>	<b>0</b>

This account makes available funding for repayable and non-repayable advances (loans) to several accounts in the Unemployment Trust Fund (UTF) as well as to the Federal Unemployment Benefits and Allowances account and the Black Lung Disability Trust Fund. Repayable advances are shown as borrowing authority within the borrowing account and do not appear as budget authority or outlays in the Advances to the Unemployment Trust Fund and Other Funds account. Non-repayable advances are shown as budget authority and outlays within the Advances account.

The appropriations language for this account contains “such sums as may be necessary” authority. Congress adopted this language to address the potential need for significant, and somewhat unpredictable, advances to various accounts. The request for 2012 continues this language.

This account makes available funding as needed for non-repayable advances to the Federal Employees Compensation Account (FECA) to pay the costs of unemployment compensation for former Federal employees and ex-service members, and to the Federal Unemployment and Benefits and Allowances (FUBA) account to pay the costs of benefits and services under the Trade Adjustment Assistance for Workers (TAA) program. Non-repayable advances were needed for FECA in 2010 and are projected again for 2011. Non-repayable advances are not expected to be needed in 2012.

Repayable advances were needed for two UTF accounts in fiscal year 2010 totaling \$26,161,000,000. The Department estimates that an additional \$26,700,000,000 in advances will be needed in 2011 and another \$19,400,000,000 in 2012. These loans are repayable with interest.

*PROGRAM ADMINISTRATION*

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Adult Services	55,412	55,412	61,537
Youth Services	12,308	12,308	14,442
Workforce Security	42,986	42,986	46,011
Apprenticeship	27,784	27,784	28,718
Executive Direction	9,166	9,166	9,174
<b>Total Budget Authority</b>	<b>147,656</b>	<b>147,656</b>	<b>159,882</b>
<b>Total FTE</b>	<b>774</b>	<b>774</b>	<b>850</b>

The Program Administration (PA) account finances staff for leadership, policy direction, provision of technical assistance, funds management, and administration of the following programs authorized by the Workforce Investment Act (WIA): Adult, Dislocated Worker, Youth, Workforce Information, National Activities, the Indian and Native American Program, the Migrant and Seasonal Farmworker Program, and Women in Non-Traditional Occupations (WANTO). The PA account also finances staff to carry out similar responsibilities for Unemployment Insurance (UI), the Employment Service (ES), Work Opportunity Tax Credits, the Trade Adjustment Assistance (TAA) program, and the Office of Apprenticeship.

The FY 2012 Budget request of \$159,882,000 supports 850 direct full-time equivalent (FTE) staff. This represents an increase of \$12,226,000 and 76 FTE from the FY 2010 enacted level. Additionally, ETA estimates that four FTE and \$542,000 will be reimbursed by the Federal Emergency Management Agency (FEMA) to support disaster unemployment assistance (DUA) activities. The appropriation request is financed by both general revenues and transfers from the Unemployment Trust Fund. In addition to a built-in increase for rent, this request funds: an increase of 55 FTE - 50 FTE for the continued oversight and closeout of American Recovery and Reinvestment Act (Recovery Act) funds, 4 FTE for technical assistance and grant management for the Workforce Innovation Fund (WIF), and 1 FTE for the Taskforce for Advancing Regional Innovation Cluster (TARIC); an increase of 1 FTE for the Office of Apprenticeship; an increase of 4 FTE for the Office of Unemployment Insurance to implement the Misclassification Initiative, provide technical assistance to States to improve trust fund solvency, and other new initiatives; an increase of 9 FTE for the expanded TAA program; and, 5 FTE for the Career Training Grant program (TAACCCT).

In addition there is \$1,272,000 for upgrades in IT to support the increased reporting and data validation requirements.

As part of its efforts to improve accountability and increase efficiency, ETA is proposing the conversion of 2 positions in the IT function currently encumbered by contractors to Federal positions. This conversion will result in the development of a stable workforce in a critical area and increased Federal oversight. Additionally, this conversion is financially advantageous to the agency. With the increased FTE in the FY 2012 Budget request, ETA intends to make extensive

use of Term Appointments to allow maximum flexibility in moving the positions to the most mission-critical areas as program needs change from oversight and closeout of the ARRA grants to technical assistance and oversight of the new grants awarded under the TAACCCT Grant Fund and the Workforce Innovation Fund.

### Apprenticeship

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	27,784	27,784	28,718
Participants	367,930	340,765	346,400
FTE	155	155	156

The Employment and Training Administration's (ETA) Office of Apprenticeship (OA) administers the National Apprenticeship Act of 1937 (NAA) which established the foundation for developing and expanding the nation's skilled workforce through registered apprenticeship programs and produces standards for safeguarding the welfare of apprentices. The NAA, also known as the Fitzgerald Act, created a comprehensive system of partnerships among business, labor, education, and government which have shaped skill training through registered apprenticeship for succeeding generations of American workers.

OA continues to provide leadership and basic oversight functions for the National Apprenticeship System. In cooperation with State Apprenticeship Agencies (SAAs) recognized by the Secretary of Labor, OA administers apprenticeship at the state and local levels by:

- Registering apprenticeship programs that meet federal standards;
- Issuing apprentices nationally recognized and portable certificates of completion;
- Promoting the development and recognition of new programs and occupations;
- Assuring that all programs provide high quality learning;
- Promoting partnerships of registered apprenticeship with other federal programs and agencies including the workforce and education systems;
- Providing oversight and technical assistance to SAAs in 25 states, the District of Columbia and three U.S. Territories;
- Ensuring equal employment opportunity (EEO) in registered apprenticeship programs; and
- Jointly administering the Women in Apprenticeship and Nontraditional Occupation (WANTO) grant program with the Department's Women's Bureau.

The "Earn and Learn" strategy of registered apprenticeship, which represents an effective public-private partnership, contributes to the Department's success in achieving the Secretary's vision of *good jobs for everyone*, the Department's Strategic Goal 1: prepare workers for good jobs and ensure fair compensation, and the Department's FY 2012 program emphasis on creating job opportunities for the long-term unemployed. (See chart below for how registered apprenticeship contributes to the Department's outcome goals). Across the nation there are over 25,900 active registered apprenticeship programs providing apprenticeship opportunities to 429,800 active apprentices.

The FY 2012 Budget request of \$28,718,000 supports 156 direct full-time equivalent (FTE) staff. This represents an increase of \$934,000 and 1 FTE from the FY 2010 enacted budget. The additional FTE will support initiatives related to green jobs, pre-apprenticeship, and updating the regulatory framework for apprenticeship. The request funds a built-in increase totaling \$25,000 for rent and \$759,000 for IT upgrades.

***EMPLOYEE BENEFITS SECURITY ADMINISTRATION***

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Enforcement and Participant Assistance	129,079	129,199	149,884
Policy and Compliance Assistance	19,185	18,994	40,926
Executive Leadership, Program Oversight and Administration	6,597	6,668	6,718
<b>Total Budget Authority</b>	<b>154,861</b>	<b>154,861</b>	<b>197,528</b>
<b>Total FTE</b>	<b>910</b>	<b>910</b>	<b>1,089</b>

The Employee Benefits Security Administration (EBSA) protects the integrity of pensions, health, and other employee benefits for more than 149 million people. EBSA is charged with administering and enforcing the Employee Retirement Income Security Act (ERISA) of 1974 (P.L. 93-406), 29 U.S.C. 1001 et. seq. as amended and related federal civil and criminal laws. ERISA sets uniform minimum standards to ensure that private sector employee benefit plans are established and administered in a fair and financially sound manner. ERISA does not require any employer to establish a pension plan, health plan or any other employee benefit plan, but it requires those plan sponsors who do to meet certain minimum standards and regularly provide participants and the government with information about the plan. EBSA's enforcement authority extends to more than 718,000 private retirement plans, 2.6 million health plans and a similar number of other employee welfare plans which together hold over \$6.1 trillion in assets (as of December 31, 2010) and provides critical benefits to America's workers, retirees and their families.

The FY 2012 budget request for EBSA is \$197,528,000 and 1,089 FTE. This request includes a program increase of \$41,426,000 and 179 FTE. These resources will ensure that EBSA remains on the forefront of an evolving and increasingly complex benefits security environment. Prompt and professional participant assistance, vigorous enforcement, and thoughtful regulations work as an integrated whole to enhance the security of benefits and provides the public with confidence in the private sector benefits system. In FY 2012, EBSA will: (1) continue a multi-faceted enforcement program that effectively targets the most egregious and persistent violators; (2) establish a strong regulatory framework with an active regulatory agenda; (3) undertake significant new responsibilities and workload items in response to Congressional action in the health benefits arena (e.g., the Genetic Information Nondiscrimination Act (GINA), the Mental Health Parity and Addiction Equity Act (MHPAEA), Michelle's Law, the Children's Health Insurance Program Reauthorization Act (CHIPRA), and the Affordable Care Act (ACA)); (4) provide innovative outreach and education that assists workers to protect their pension and health benefits; and (5) conduct a robust, well-integrated research program based on evidence and comprehensive analysis. The impact of EBSA's efforts will improve the retirement security and health benefits for all workers, retirees and their families.

If approved, the Agency's performance associated with the additional resources will conduct more than 3,800 civil and criminal investigations, a 12 percent increase above FY 2010. EBSA will achieve in excess of \$1,000,000,000 in total monetary results, an increase of over

\$88,000,000 above FY 2010 results. Included in total monetary results are recoveries obtained through informal, voluntary resolution of benefit disputes between employers, plan officials and participants that EBSA estimates will increase by 37 percent. With the resources requested, EBSA will also be positioned to undertake an anticipated 125 percent increase in regulatory projects, interpretations and other technical assistance. A significant portion of this increase for regulatory projects, interpretations and other technical assistance is to implement the recently enacted multiple employer welfare arrangements (MEWA) registration requirements. This enhancement will support DOL efforts to protect the interests of the public and will significantly strengthen enforcement action against fraudulent MEWAs that defraud the worker and their families out of the health care benefits they have earned and rely on.

## *PENSION BENEFIT GUARANTY CORPORATION*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Pension Insurance	86,412	74,506	86,023
Pension Plan Termination and Benefits Administration	231,205	242,300	243,372
Operational Support	146,450	147,261	147,506
Office of Inspector General - Non-Add	5,745	5,965	5,965
Single Employer Program Benefit Payments	5,823,000	6,009,000	6,688,000
Multi-Employer Program Financial Assistance	101,000	131,000	123,000
<b>Total Budget Authority</b>	<b>6,388,067</b>	<b>6,604,067</b>	<b>7,287,901</b>
<b>Total FTE</b>	<b>941</b>	<b>912</b>	<b>912</b>

The Pension Benefit Guaranty Corporation (PBGC) is a wholly-owned government corporation established under the Employee Retirement Income Security Act of 1974 as amended. PBGC works to preserve defined benefit pension plans and administers mandatory insurance programs to prevent loss of pension benefits under private, defined benefit pension plans. PBGC currently protects the retirement of 44,000,000 Americans in more than 27,500 ongoing pension plans.

The PBGC is administered by a presidentially-appointed, Senate-confirmed Director subject to the policies established by its Board of Directors consisting of the Secretaries of Labor, Commerce and Treasury, with the Secretary of Labor as Chair.

### **Plan Preservation Efforts**

PBGC tries, first, to preserve plans and keep pension promises in the hands of the employers who make them. When companies undertake major transactions that might threaten their ability to pay pensions, PBGC negotiates protections for their pension plans. Last year PBGC negotiated with dozens of companies, both in bankruptcy and otherwise, to preserve their plans. Partly as a result, 250,000 people will keep their pension plans that otherwise might not.

Similarly, when major layoffs or plant closures threaten a plan's viability PBGC steps in and works to negotiate protection for the plan. In FY 2010, PBGC secured an additional \$250,000,000 for participants in 20 companies' pension plans. Since 2006, PBGC has negotiated with sponsors for added protection totaling more than \$644,000,000 thereby strengthening the pensions of more than 76,000 workers and retirees.

### **Stepping in to Ensure Pensions if Plans Fail**

When plans do fail, PBGC steps in and makes sure benefits keep getting paid. Over the years PBGC has become responsible for almost 1,500,000 people in 4,200 failed plans. Every month, on average, PBGC pays \$467,000,000 for pensions for 801,000 retirees. PBGC is also

responsible for future payments to almost 700,000 who have not yet retired. During FY 2010, PBGC assumed responsibility for 109,000 additional workers and retirees in 172 failed plans, and made 8,500,000 payments totaling \$5,600,000,000.

The budget consists of five activities:

**Single-employer benefit payments** – The single-employer program protects about 33,800,000 participants. Under this program, a company may voluntarily seek to terminate its plan, or PBGC may seek termination. The PBGC must seek termination when a plan cannot pay current benefits. A plan that cannot pay all benefits may be ended by a "distress" termination, but only if the employer meets tests proving severe financial distress, for example, that continuing the plan would force the company to go out of business. If a terminated plan cannot pay at least the PBGC-guaranteed benefits, the PBGC uses its funds to ensure guaranteed benefits are paid. A sponsor may terminate a plan in a "standard" termination only if plan assets are sufficient to pay all benefits. In a standard termination, the sponsor closes out the plan by purchasing annuities from an insurance company or by paying benefits in a lump sum. After a standard termination, the PBGC guarantee ends.

**Multiemployer financial assistance** – The multiemployer insurance program protects about 10,400,000 participants. Multiemployer pension plans are maintained under collectively bargained agreements involving unrelated employers, generally in the same industry. If a PBGC-insured multiemployer plan is unable to pay guaranteed benefits when due, the PBGC will provide the plan with financial assistance to continue paying guaranteed benefits, in the form of a loan to the plan.

**Pension insurance activities** – This part of the administrative budget includes premium collections, purchase of U.S. Treasury securities using premium receipts, pre-trusteeship work, efforts to preserve pension plans, recovery of assets from former plan sponsors, and pension insurance program protection activities.

**Pension plan termination** – This part of the administrative budget includes all activities related to trusteeship; plan asset management, investment and accounting; as well as benefit payments and administration services.

**Operational support** – This part of the administrative budget includes the administrative, information technology infrastructure, and other shared program support for both PBGC's insurance and plan termination activities.

## **Financing**

The primary sources of financing are investment income, insurance premiums paid by sponsors of ongoing covered plans, plan assets from failed plans, and recoveries from sponsors of failed plans. When an underfunded single-employer pension plan is terminated, PBGC takes over the plan's assets. In FY 2010 PBGC assumed \$1,800,000,000 in assets from failed plans, and recovered additional assets of \$246,000,000 from plan sponsors to help pay for benefits. As

of September 30, 2010, PBGC reported assets totaling \$79,000,000,000 and total liabilities (measured in present value) of \$102,000,000,000, with a net financial deficit of \$23,000,000,000.

### **Reforming the Insurance Program to Help the PBGC Protect Pensions**

While PBGC can continue paying benefits for many years to come, at present the programs do not have the resources to fully satisfy PBGC's obligations in the long run. The PBGC receives no taxpayer funds and its premiums are much lower than what a private financial institution would charge. Furthermore PBGC is unable to adjust the premiums to reflect a company's financial situation or the risks to its pensions: the current premium structure both encourages irresponsible behavior and forces responsible companies to pay for those that are not. The Budget proposes to give the PBGC Board authority to adjust premiums and directs PBGC to take into account the risks that different sponsors pose to their retirees and to PBGC. Historically, Congress has responded to PBGC deficits by authorizing premium increases as part of broader substantive PBGC reform legislation. As an alternative, the Administration is proposing in the FY 2012 Budget to give the PBGC Board authority to adjust premiums gradually over time. Premiums would take into account the risks that different sponsors pose to their retirees and to PBGC. This will both encourage companies to fully fund their pension benefits and ensure the continued financial soundness of PBGC. In order to ensure that these reforms are undertaken responsibly during challenging economic times, the Budget would require two years of study and public comment before any implementation and gradual phasing in of any increases.

This proposal will help ensure that the PBGC can continue to play its part in protecting pensions without requiring any taxpayer funds. The proposal is estimated to save \$16,000,000,000 over the next decade while strengthening the defined benefit pension system for the millions of Americans who rely on it.

### **Cost Model**

The FY 2012 administrative operating budget (\$476,901,000) is comprised of three activities:

*Pension Insurance* (\$86,023,000 and 198 FTE) includes such functions as the collection and investment of premiums; monitoring, negotiating and litigating protections for participants in endangered plans; prosecuting claims recoveries in terminated plans; and assisting plan practitioners in their dealings with the Corporation.

*Pension Plan Termination and Benefits Administration* (\$243,372,000 and 346 FTE) includes the work necessary to fulfill PBGC's responsibilities toward the participants in trustee plans.

*Operational Support* (\$147,506,000 and 368 FTE) includes the vast range of activities necessary to keep the Corporation working, including facilities, information technology, and other administrative services such as accounting, budget, strategic planning and human resources management.

PBGC's Agency Request assumes:

- A one year increase of \$8,696,000 to fund implementation of a new Premium and Practitioner System (PPS) which will replace the current Premium Accounting System;
- A baseline increase of \$2,821,000 to provide enhanced actuarial and analytic support to Insurance Program Operations;
- A baseline increase of \$1,317,000 to reflect increased rental payments for office space and other inflation adjustments.

## WAGE AND HOUR DIVISION

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Wage and Hour Division	227,606	227,606	240,937
<b>Total Budget Authority</b>	<b>227,606</b>	<b>227,606</b>	<b>240,937</b>
<b>Total FTE</b>	<b>1,582</b>	<b>1,582</b>	<b>1,677</b>

NOTE: FY 2010 amounts reflect reallocated funds from the dissolution of ESA's Program Direction and Support office.

The Wage and Hour Division (WHD) was created by the Fair Labor Standards Act (FLSA) of 1938. WHD is responsible for the administration and enforcement of a wide range of laws, which collectively cover virtually all private and State and local government employment - over 135 million workers in more than 7.3 million establishments throughout the United States and its territories. WHD is comprised of a nationwide staff of investigators, supervisors, technical, and clerical employees responsible for enforcing the FLSA, Walsh-Healy Public Contracts Act, Contract Work Hours and Safety Standards Act, Davis-Bacon Act, Migrant and Seasonal Agricultural Worker Protection Act, McNamara-O'Hara Service Contract Act, Immigration and Nationality Act, Employee Polygraph Protection Act, and Family and Medical Leave Act.

The FY 2012 budget request includes sufficient funding to maintain staffing increases implemented in FY 2009 and FY 2010 which sought to restore WHD to FY 2001 staffing levels. The request is sufficient to enable the program to conduct more targeted investigations, provide meaningful compliance assistance, and respond promptly and appropriately to those complainants and others who need the services of the agency.

The budget also includes a new multi-agency **Misclassification Initiative** that will strengthen and coordinate Federal and State efforts to enforce labor violations that result from the misclassification of employees as "independent contractors" and to deter such violations in the future. For WHD, the request of \$15,223,000 and 107 FTE will support field investigator training activities and an additional 3,250 investigations. These investigations will be directed to industries that have higher rates of violations, such as construction, child care, home health care, grocery stores, janitorial, business services, poultry and meat processing, and landscaping.

To meet the challenge of ensuring "*good jobs for everyone*," within the framework of its regulatory responsibilities, WHD has aligned its program priorities to four key outcomes.

- Ensuring that the most vulnerable workers are employed in compliance with wage and hour laws;
- Securing sustained and verifiable future compliance with laws enforced by WHD;
- Fostering a customer-oriented quality-driven focus in WHD;
- Issuing prevailing wage determinations that are current and accurate.

WHD began FY 2010 with 898 investigators and ended the fiscal year with 1,038 investigators following an aggressive hiring effort throughout the last three quarters of the fiscal year. The

agency completed nearly 26,500 compliance actions and collected more than \$176,000,000 in back wages for nearly 210,000 workers nationwide.

*OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Office of Federal Contract Compliance Programs	105,386	105,386	109,010
<b>Total Budget Authority</b>	<b>105,386</b>	<b>105,386</b>	<b>109,010</b>
<b>Total FTE</b>	<b>788</b>	<b>775</b>	<b>786</b>

NOTE: FY 2010 and FY 2011 amounts reflect reallocated funds from the dissolution of ESA's Program Direction and Support office.

In 1965, President Johnson issued Executive Order 11246, which directs federal departments and agencies to include non-discrimination and affirmative action requirements in all federal contracts, including federally assisted construction contracts. Pursuant to that direction, the Secretary of Labor created the Office of Federal Contract Compliance within the Department of Labor (DOL), which was later renamed the Office of Federal Contract Compliance Programs (OFCCP). OFCCP is comprised of a national office and six regional offices distributed nationwide.

The appropriation for OFCCP's Salaries and Expenses provides discretionary funds for administering the following laws: Executive Order 11246, which prohibits employment discrimination on the basis of race, religion, color, national origin and sex; Section 503 of the Rehabilitation Act of 1973, which prohibits employment discrimination against individuals with disabilities; and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, which prohibits employment discrimination against certain protected veterans.

OFCCP is redirecting and expanding its enforcement activities to place a greater emphasis on affirmative action and equal employment opportunity for individuals with disabilities and covered veterans with respect to hiring, worker retention, and data collection. OFCCP will continue to conduct thorough, quality evaluations of federal contractors and subcontractors that focus on specific agency outcome goals. Modifying OFCCP's current investigation practices is a crucial component of effective enforcement. OFCCP continues to broaden enforcement beyond systemic, low-wage hiring discrimination cases brought under the Executive Order. The changes in enforcement strategy include a more comprehensive, thorough, and timely compliance evaluation process that will result in deeper and more effective enforcement of all EEO laws and regulations administered by OFCCP. Defined by programmatic priorities, OFCCP investigations will reflect the substantive goals of the agency.

In FY 2012, OFCCP will focus its resources on the following areas:

- Fostering compliance through worker education - OFCCP will educate workers about OFCCP's mission as the lead civil rights enforcement agency at the Department of Labor which is responsible for ensuring equal employment opportunity in the federal contractor workplace.

- Expanding efforts to deter, detect, and eliminate worker misclassification - OFCCP will expand its investigative process to include an analysis of workers' potential misclassification as independent contractors during compliance evaluations.
- Strengthening regulatory programs and improving transparency and public disclosure - OFCCP plans to execute a robust regulatory agenda. Additionally, to inform the public, OFCCP will design a web-based, searchable database system comprised of aggregated data from the Compensation Data Collection Tool.

For FY 2012, OFCCP is requesting a salaries and expenses appropriation of \$109,010,000 and 786 FTE. This level of funding will allow OFCCP to focus on this transformative strategy that encompasses providing worker education, scheduling and conducting compliance evaluations, and investigating complaints of discrimination. The successful implementation of this strategy will result in greater understanding and awareness among federal contract employees of their rights as workers, as well as increased enforcement of federal contractors to ensure that all individuals are afforded equal employment opportunities.

The agency is also making significant investments in its regulatory capacity which is focused on the promulgation of new rules. Federal contractors are obligated to "self-audit" and to correct identified problem areas. Specifically, OFCCP is:

- Issuing proposed rules to strengthen its affirmative action regulations in order to increase the hiring of protected veterans by Federal contractors.
- Issuing proposed rules to reduce discrimination against women and minorities in construction and strengthen its affirmative action regulations in order to increase the hiring of women and underutilized minorities by Federal contractors in the construction industry.
- Issuing proposed rules to strengthen its affirmative action regulations in order to reduce discrimination against applicants with disabilities and increase the hiring of individuals with disabilities by Federal contractors.
- Issuing a notice of proposed rescission of the interpretive standards for systemic compensation discrimination under Executive Order 11246 and the voluntary guidelines for self-evaluation of the compensation practices under Executive Order 11246.
- Issuing an Advance Notice of Proposed Rulemaking soliciting information on how it might collect and use appropriate data to identify compensation discrimination. Eliminating compensation discrimination is a priority issue for OFCCP.

*OFFICE OF LABOR-MANAGEMENT STANDARDS*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Office of Labor-Management Standards	41,367	41,367	41,367
<b>Total Budget Authority</b>	<b>41,367</b>	<b>41,367</b>	<b>41,367</b>
<b>Total FTE</b>	<b>269</b>	<b>249</b>	<b>249</b>

NOTE: FY 2010 amounts reflect reallocated funds from the dissolution of ESA's Program Direction and Support office.

OLMS is responsible for administering and enforcing most provisions of the Labor-Management Reporting and Disclosure Act of 1959, as amended (LMRDA) (P.L. 86-257), 29 U.S.C. 401. The LMRDA ensures basic standards of democracy and fiscal responsibility in labor organizations representing employees in private industry. OLMS does not have jurisdiction over unions representing solely state, county, or municipal employees. OLMS also administers provisions of the Civil Service Reform Act of 1978, (P.L. 95-454), 5 U.S.C. 7101, the Urban Mass Transportation Act of 1964 as amended (P.L. 88-365), (P.L. 102-240) 49 USC 533(b) and the Rail Passenger Service Act of 1970 as amended (P.L. 91-518), 45 U.S.C. 501 et seq. The FY 2012 request for OLMS is \$41,367,000 and 249 FTE.

In carrying out its LMRDA responsibilities, OLMS performs four types of activities: public disclosure of reports; union audits; investigations; and compliance assistance. In FY 2010, OLMS:

- Processed 31,405 reports for public disclosure.
- Conducted 541 union compliance audits and 1 international union compliance audits.
- Investigated 145 union officer elections and 29 union officer re-run elections.
- Conducted 355 criminal investigations.
- Provided 25,967 participant hours of compliance assistance.

## *OFFICE OF WORKER'S COMPENSATION PROGRAMS*

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Division of Federal Employees' Compensation	98,432	98,432	99,986
Division of Longshore and Harbor Workers' Compensation	13,534	13,534	17,223
General	11,410	11,410	15,039
Trust	2,124	2,124	2,184
Division of Information Technology Management and Services (DITMS)	6,329	6,329	6,329
Division of Coal Mine Workers' Compensation	32,720	32,720	32,906
<b>Total Budget Authority</b>	<b>151,015</b>	<b>151,015</b>	<b>156,444</b>
<b>Total FTE</b>	<b>1,078</b>	<b>1,035</b>	<b>1,044</b>

NOTE: FY 2010 amounts reflect reallocated funds from the dissolution of ESA's Program Direction and Support office.

### Overview

The Office of Workers' Compensation Programs (OWCP) administers four compensation programs that help workers who become ill or are injured on the job:

- The Federal Employees' Compensation Act (FECA) program provides benefits to civilian employees of the Federal Government injured at work and to certain other designated groups.
- The Longshore and Harbor Workers' Compensation Act (LHWCA) program provides benefits to injured private sector workers engaged in certain maritime and related employment.
- The Black Lung Benefits program provides compensation and medical benefits to totally disabled miners suffering from coal mine pneumoconiosis stemming from mine employment, and monetary benefits to their dependent survivors.
- The Energy Employees Occupational Illness Compensation Program Act (EEOICPA) provides compensation and medical benefits to employees or survivors of employees of the Department of Energy (DOE), contractors or subcontractors with DOE, who have been diagnosed with cancer due to exposure to radiation or toxic substances.

The accounts managed by OWCP include:

- **Federal Programs for Workers' Compensation, Salaries and Expenses (S&E):** Funds the administration of the FECA, Longshore, and Black Lung Part C statutes, and provides funding for OWCP's Division of Information Technology Management and Services (DITMS).
- **Special Benefits:** Finances payments to Federal civilians and Longshore and Harbor Workers and their dependents for work-related injuries and illnesses. Under

legislative amendments to extensions of FECA, benefits are also paid to certain groups such as War Hazards claimants, non-Federal law enforcement officers, Job Corps enrollees, and certain Federally-supported volunteers.

- **Special Benefits for Disabled Coal Miners:** Finances income maintenance to miners suffering from Black Lung disease and eligible survivors for claims filed under Part B of the Black Lung Benefits Act between December 30, 1969, and June 30, 1973, and associated administrative costs; and
- **Energy Employees Occupational Illness Compensation Program (EEOICP):** Part B and Part E provide compensation to Department of Energy (DOE) employees and their survivors, as well as contractors, for illness or death stemming from work in the (DOE) nuclear weapons complex.
- **Black Lung Disability Trust Fund (BLDTF),** which was established under the Black Lung Benefits Reform Act of 1977 to provide for payment of Part C benefits (income maintenance and medical payments to miners suffering from Black Lung disease and eligible survivors), administrative expenses, and interest on repayable advances.
- **The Panama Canal Commission (PCC) Compensation Fund,** which was established to provide for the accumulation of funds to meet the Commission's FECA workers' compensation cost obligations that extend beyond the dissolution of the PCC on December 31, 1999, under the Panama Canal Treaty of 1977. This Fund was established in conjunction with the transfer of the administration of the FECA program from the Commission to the Department of Labor (DOL), OWCP effective January 1, 1989.
- **The Special Workers Compensation Fund,** which consists of amounts received from employers pursuant to an annual assessment of the industry and for the death of an employee where no person is entitled to compensation for such death, and for fines and penalty payments under the LHWCA, as amended. Fund expenses include benefit payments in second injury cases, for vocational rehabilitation services to injured workers, and benefits for cases involving insolvency or other circumstances precluding payment by the employer.

Resources requested by OWCP in FY 2012 support:

- The Presidential “*Protecting Our Workers and Ensuring Reemployment (POWER)*” initiative jointly led by OWCP and OSHA, and Executive Order 13548, *Increasing Employment of Individuals with Disabilities*;
- Workplace Flexibility through DOL’s High Priority Performance Goal to “Create a Model Return to Work Program”;
- The expanding claims workload requirements under the Defense Base Act;
- The workload impact of recent Black Lung amendments;
- IT modernization through infrastructure investments; expanded automation of business processes; centralization of functions; claims processing and disability case management enhancements; and improvement of information systems and communications services; and

- Continuation of efficiency and cost savings such as Telework and Flexiplace expansion, videoconferencing, document imaging, electronic claims filing, and work process automation.

The Department of Labor has proposed legislation entitled “Federal Injured Employees’ Reemployment Act (FIERA)”. The reform will standardize FECA benefit rates, including establishing a “conversion benefit” for beneficiaries at the age of retirement; provide additional benefits; and enable recovery of particular costs. The proposed legislation also contains conforming amendments and administrative improvements to the legislation. Ten-year projected net cost savings of the reform is over \$411,000,000.

#### Division of Federal Employees Compensation

The Division of Federal Employees’ Compensation (DFEC) provides income and medical benefits to civilian employees of the Federal government injured at work and to certain other designated groups. Not all benefits are paid by the program, since the first 45 days of disability are usually covered by keeping injured workers in pay status with their employing agencies (i.e., the continuation-of-pay period). Key program statistics for FY 2010 include:

- Some 127,000 injured Federal workers or their survivors filed claims.
- Nearly 50,000 received long-term wage replacement benefits for job-related injuries, diseases, or deaths. Most of the costs are charged back to the beneficiaries’ employing agencies.
- Average lost production days in new FECA cases were 156 days.
- Over 7,800 injured workers needing FECA nurse assistance or receiving vocational rehabilitation went back to work.
- Directed review of FECA long-term cases saved \$14,200,000 in compensation benefits, and other cost containment measures kept average FECA medical treatment cost changes below national trends.
- Customer service goals were exceeded as DFEC improved responsiveness to FECA telephone callers.

Resources requested for DFEC administration in the Salaries and Expenses account total \$99,986,000 and 745 FTE. This represents a funding increase of \$1,554,000 over the FY 2010 Enacted Level. Also for FECA program administration, DFEC is requesting 120 FTE and \$59,488,000 in Fair Share collections to the Special Benefits account from non-appropriated agencies. Total administrative resources requested by DFEC are \$159,474,000 and 865 FTE.

DFEC emphasizes return to work to most effectively mitigate the impact of workplace injuries and illnesses on workers. These outcomes produce significant savings through the avoidance of long-term compensation costs and restores productivity for employers. Cost reduction also advances DFEC’s fiduciary responsibility to Federal employers (who are billed for the cost of their employees’ benefits) and taxpayers.

In FY 2012, DFEC's major emphasis will be the continuing support for two recent Executive-level initiatives, *Protecting Our Workers and Ensuring Reemployment (POWER)* and *Executive*

*Order 13548*, emphasizing workplace safety, improving Federal workplace flexibility for return to work after injury, and creating a model for Return to Work of persons injured on the job and workers with disabilities.

DFEC activities in FY 2012 will also include:

- Continue assisting Federal agencies in the reemployment of injured workers and in efforts to employ persons with disabilities of all kinds, including identification and mitigation of obstacles within their organizations and enhance and promote new job recruitment and placement approaches.
- Maintaining the accessibility of general FECA program information, regulations, forms and publications, as well as case-specific information, to employing agencies through DFEC's Internet site.
- Providing better access through improved communications systems and automated claims intake for all program stakeholders (medical providers, employing agencies and injured workers).

#### Division of Longshore and Harbor Workers Compensation

The Longshore and Harbor Workers' Compensation Act, as amended, provides protection to approximately 500,000 workers for injuries or occupational diseases occurring during the course of covered employment. These benefits are paid directly by an authorized self-insured employer; or through an authorized insurance carrier; or, in particular circumstances, by the Special Workers' Compensation Fund administered by the Division of Longshore and Harbor Workers' Compensation (DLHWC).

Longshore also administers injury and occupational disease coverage for non-maritime employees under several extensions of the Act. These include the District of Columbia Workmen's Compensation Act (enacted in 1928 and repealed effective July 26, 1982); the Defense Base Act (1941); the Non-appropriated Fund Instrumentalities Act (1952); and the Outer Continental Shelf Lands Act (1953).

The Division currently receives 30,000 new lost time injury claims per year. Annual assessments are collected from Longshore employers or their insurance carriers for the Special Fund. Annually, 522 companies are evaluated and authorized to participate in the Fund. The Fund maintains over \$2,000,000,000 in securities to ensure the continuing provision of benefits for covered workers in case of employer/carrier insolvency.

DLHWC continues to receive increasing numbers of claims for reimbursement from employer/carriers for injuries and deaths, particularly in Iraq and Afghanistan, under the Defense Base Act (DBA). In FY 2010, 14,844 new DBA claims were received. The FY 2012 Budget requests a program increase of \$3,200,000 and 9 FTE for the transformation of Longshore operations which will enable the program to modernize the DBA claims process, provide additional staffing for DBA claims processing and in-country contractor claims support, and improve IT capability.

## Division of Information Technology Management and Services

The Division of Information Technology Management and Services (DITMS) maintains the IT enterprise architecture and the operating platform shared by the four former Employment Standards Administration agencies. DITMS develops the IT strategic plan and performance goals, oversees the development and evolution of new capabilities, and develops standards and procedures consistent with the Department's policies, procedures, and standards. Across the four agencies serviced, DITMS provides technological support to more than 4,000 employees in over 360 locations across the country.

DITMS provides shared information technology General Services Support (GSS) for the Wage and Hour Division (WHD), the Office of Federal Contract Compliance Programs (OFCCP), the Office of Workers' Compensation Programs (OWCP), and the Office of Labor Management Standards (OLMS).

## Division of Coal Mine Workers Compensation

The Division of Coal Mine Workers' Compensation (DCMWC) program provides monetary and medical benefits to former coal mine workers who are totally disabled by occupational pneumoconiosis (or black lung disease) and their dependent survivors under the Black Lung Benefits Reform Act of 1977. The Act shifted fiscal responsibility for Black Lung benefits from the Federal Government to the coal industry. The budget provides for the administration of the Black Lung Disability Trust Fund and the claims filed under the Act's Part C provisions. The administration of Part B falls under a separate appropriation, Special Benefits for Disabled Coal Mine Workers.

The Black Lung Part C program provides two types of medical services related to black lung disease: (1) diagnostic testing to determine the presence or absence of black lung disease and the degree of associated disability; and, (2) for miners entitled to monthly benefits, medical coverage for treatment of black lung disease and disability. Present and former coal miners and their surviving dependents may file claims.

As a result of the provisions of the Patient Protection and Affordable Care Act of 2010, claim filings increased by 62 percent from FY 2009 to FY 2010 (from 4,354 to 7,044). This is an indication of the increased workload the Black Lung Program will experience over the next few years. In FY 2012, DCMWC estimates that 25,800 beneficiaries will receive benefits and an estimated 6,600 claims will be received under Part C.

*SPECIAL BENEFITS*

	<u>2010</u>	<u>2011</u>	<u>2012 Current Law</u>	<u>2012 Legislative Proposal</u>
FECA Fair Share	58,120	58,120	59,488	0
Longshore and Harbor Workers' Compensation Benefits	3,000	3,000	3,000	0
Federal Employees' Compensation Act Appropriation	184,000	180,000	347,000	-10,000
<b>Total Budget Authority</b>	<b>245,120</b>	<b>241,120</b>	<b>409,488</b>	<b>0</b>
<b>Total FTE</b>	<b>127</b>	<b>120</b>	<b>120</b>	<b>0</b>

NOTE: Compensation Benefits are not subject to annual appropriation.

The Special Benefits fund is comprised of two accounts representing obligations for benefits under the Federal Employees' Compensation Act (FECA), and the Longshore and Harbor Workers' Compensation Act (Longshore). The FECA program provides workers' compensation coverage to three million Federal and Postal workers around the world for employment-related injuries and occupational diseases. Benefits include wage replacement, payment for medical care, and where necessary, medical and vocational rehabilitation assistance in returning to work. The Longshore funding provides a specific component of the benefits provided by the Act.

A total budget authority requested for Special Benefits in FY 2012 is \$3,128,348,000 and 120 FTE. This amount includes \$59,488,000 in spending authority out of an estimated total \$70,300,000 in "Fair Share" collections from non-appropriated agencies for FECA program administration. Authority also includes \$3,068,860,000 for FECA benefit payments.

In FY 2010, 251,000 workers and survivors received \$2,858,000,000 in benefits for work-related injuries or illnesses. Over 128,000 new FECA cases were created. The program managed over 50,000 long-term disability cases. Approximately 5,200,000 bills for medical benefits were processed.

Fair Share financing provides for operations and maintenance of the Integrated Federal Employees' Compensation System (iFECS), support for the document imaging system, operation of centralized mail intake and centralized bill processing; maintenance of DFEC's telecommunications system, and Periodic Roll Management (PRM) and Medical Bill Review (MBR). These investments have a proven track record of improving claims services and the management of FECA Compensation Fund expenditures. PRM produced \$14,200,000 in compensation benefit savings in FY 2010. Quality controls and system checks and edits ensure containment of FECA medical benefit costs.

***BLACK LUNG DISABILITY TRUST FUND***

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Indefinite Appropriation	240,731	237,808	241,689
ESA, OWCP, Salaries and Expenses	32,720	32,720	32,906
DM, Legal Services, Salaries and Expenses	7,778	7,778	7,817
DM, Adjudication, Salaries and Expenses	17,313	17,313	17,400
DM, Office of Inspector General	327	327	327
Treasury	356	356	356
<b>Total, Black Lung Disability Trust Fund</b>	<b>299,225</b>	<b>296,302</b>	<b>300,495</b>

The Black Lung Disability Trust Fund (BLDTF) was established by the Black Lung Benefits Revenue Act of 1977 to assign responsibility for Black Lung benefit payments with the coal industry. The payment of benefits directly supports the Secretary's vision of "*good jobs for everyone*" and *Strategic Goal 4: Secure health benefits and, for those not working, provide income security* by providing income support and medical care for beneficiaries who are unable to perform their previous coal mine work due to occupational lung disease.

Enacted on October 3, 2008, the Emergency Economic Stabilization Act of 2008 authorized restructuring of the Black Lung Disability (BLDTF) debt by: (1) extending current coal excise tax rates of \$1.10 per ton on underground-mined coal and \$0.55 per ton on surfaced-mined coal until December 31, 2018, when it will revert to the 1978 levels, or \$0.50 per ton on underground coal, and \$0.25 per ton on surface coal; (2) providing a one-time appropriation for the BLDTF to repay the market value of parts of the outstanding repayable advances and the accrued interest; and (3) refinancing the remainder of the outstanding debt through the issuance of zero-coupon bonds. Pursuant to the refinancing legislation, these amounts are to be retired using the BLDTF's annual operating surpluses until all of its remaining obligations have been paid.

The Trust Fund pays all Part C Black Lung benefits, including income maintenance and medical benefits, when no coal mine operator can be held liable for payments. Income maintenance payments are calculated at 37.5 percent of the GS-2, Step 1 salary level. The Fund also pays for the DOL costs of administering Part C of the Black Lung benefits program and the costs incurred by the Department of the Treasury to collect coal excise taxes and manage the Trust Fund.

The Patient Protection and Affordable Care Act (PPACA) of 2010 had a significant effect on the Black Lung Benefits Act, as it reinstated two provisions in the Act that had been removed in 1981 for claims filed on or after January 1, 1982. Both these provisions, including automatic entitlement to benefits for survivors of miners who have been awarded, and a presumption that a miner who has at least 15 years of qualifying coal mine employment and has a totally disabling lung condition has pneumoconiosis even in the absence of a negative x-ray, are favorable to claimants.

In FY 2012, it is estimated that monthly compensation and ongoing medical treatment benefits of \$204,499,000 will be paid to 21,400 recipients under Part C. The program will monitor cash and medical treatment benefits disbursed by coal mine operators in the private sector to approximately 4,400 additional recipients under Part C and will process an estimated 6,600 incoming claims.

*SPECIAL BENEFITS FOR DISABLED COAL MINERS*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Special Benefits for Disabled Coal Miners	5,180	5,180	5,227
Advanced Appropriation - Benefits	56,000	45,000	41,000
Benefit Payments	164,000	153,000	136,000
<b>Total Budget Authority</b>	<b>225,180</b>	<b>203,180</b>	<b>182,227</b>
<b>Total FTE</b>	<b>17</b>	<b>17</b>	<b>17</b>

The Black Lung Benefits Act Part B authorizes Federal benefits to former coal mine workers who are totally disabled by occupational pneumoconiosis and their dependent survivors for claims filed on or before December 31, 1973. These monetary benefits support the Secretary's vision of good jobs for everyone and Strategic Goal 4: Secure health benefits and, for those not working, provide income security by providing income support for those who are unable to work. Each year an Advance Appropriation is requested for the first quarter of the next fiscal year to ensure that Part B benefit payments are delivered timely, even if enactment of the appropriation is delayed. The amount of the advance appropriation requested for the first quarter of FY 2013 is \$40,000,000.

In FY 2012 approximately \$177,000,000 in compensation benefits will be paid to 21,150 beneficiaries.

***ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION  
FUND***

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Energy Employees Occupational Illness Compensation Program Part B	51,900	51,900	52,147
Energy Employees Occupational Illness Compensation Program Part E	75,236	73,706	73,443
<b>Total Budget Authority</b>	<b>127,136</b>	<b>125,606</b>	<b>125,590</b>
<b>Total FTE</b>	<b>580</b>	<b>540</b>	<b>540</b>

The Energy Employees Occupational Illness Compensation Program provides benefits authorized by Part B and Part E of the Energy Employees Occupational Illness Compensation Program Act (EEOICPA or Act).

**Energy Employees Occupational Illness Compensation Part B**

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	51,900	51,900	52,147
FTE	305	285	285

Part B provides benefits to covered employees or survivors of employees of the Department of Energy (DOE), and private companies under contract with DOE, who have been diagnosed with a radiation-related cancer, beryllium-related disease, or chronic silicosis as a result of their work in producing or testing nuclear weapons. These benefits supplement benefits for uranium workers awarded by the Department of Justice (DOJ) under Section 5 of the Radiation Exposure Compensation Act (RECA).

Under Part B, more than 113,946 claims have been received from nuclear energy workers and their survivors. As of January 13, 2011, the Division has issued recommended and/or final decisions on 101,653 claims, and payments in over 45,639 Part B claims, with benefit payments totaling \$3,749,137,859. In addition, more than \$674,244,510 has been paid in medical benefits.

**Energy Employees Occupational Illness Compensation Part E**

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	75,236	73,706	73,443
FTE	275	255	255

Part E provides eligible DOE contractor employees Federal benefits based on the level of impairment and/or wage loss if they developed an occupational illness as a result of exposure to toxic substances at a DOE facility. Part E provides payment for RECA benefits awarded by DOJ to uranium workers as defined under Section 5 of the RECA for illnesses due to toxic substance exposure at uranium mines or mills. Part E also provides benefits to survivors of workers who

died as a result of such exposure.

Under Part E, EEOICPA has received nearly 93,814 claims and issued recommended and/or final decisions on 82,214 claims. EEOICPA has delivered \$2,208,828,018 in Part E benefits to more than 20,865 claimants.

## *OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION*

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Safety and Health Standards	19,569	19,569	25,982
Federal Enforcement	208,563	208,563	216,365
Whistleblower Programs	14,836	14,836	20,948
State Programs	104,393	104,393	105,893
Technical Support	25,920	25,920	25,950
Compliance Assistance-Federal	73,380	73,380	74,039
Compliance Assistance-State Consultations	54,798	54,798	55,798
Compliance Assistance-Training Grants	10,750	10,750	12,000
Safety and Health Statistics	34,875	34,875	34,875
Executive Direction	11,536	11,536	11,536
<b>Total Budget Authority</b>	<b>558,620</b>	<b>558,620</b>	<b>583,386</b>
<b>Total FTE</b>	<b>2,335</b>	<b>2,315</b>	<b>2,387</b>

OSHA's mission, as defined in its authorizing legislation (P.L. 91-596, the Occupational Safety and Health Act of 1970), is to assure, so far as possible, safe and healthful working conditions for every working man and woman in the American workplace. OSHA's responsibilities extend to over 7.5 million private-sector establishments and 200,000 major construction worksites, employing more than 107,000,000 people.

Federal OSHA covers approximately 2,100,000 Federal employees, while State Programs, providing comparable protections and services, cover almost 10,500,000 state and local government workers.

OSHA utilizes all of its programs – conducting workplace inspections; the issuance of standards and guidance; and outreach, training, and technical assistance – to achieve its mission. The agency provides services both directly and through collaboration and cooperation with state agencies and a wide array of organizations interested in occupational safety and health. Although workplace conditions are much safer than when OSHA was created, over 4,400 workers are still killed in the workplace each year and millions injured. Tens of thousands continue to die from occupational illnesses.

OSHA must address new challenges, including hazards faced by immigrant workers and ensuring that small employers are able to successfully provide safe workplaces to their employees. OSHA's budget request represents efforts to aggressively respond to these challenges by strengthening and reinvigorating the agency's enforcement presence and bolstering the ability to address claims of retaliation. The agency is responsible for administering 21 whistleblower statutes, including the new protections in laws governing health care reform, finance reform, and food safety. In all of its programs, OSHA is directing additional resources to the hazards and

industries where they are most needed, in furtherance of the Secretary's outcome goals of securing safe and healthy workplaces and ensuring that workers have a stronger voice in the workplace.

In FY 2012, OSHA will continue to develop and revise regulations and standards under the agency's regulatory agenda, and will continue to direct inspections and outreach at establishments and industries with the highest injury, illness, and fatality rates. The agency is focused on the ultimate goal of striving to have all workers return to their homes safe and healthy after completing their work by demonstrating national leadership in occupational safety and health.

The FY 2012 budget will promote the Agency's mission and priorities through a request of \$583,386,000 and 2,387 FTE, an increase of \$24,766,000 and 52 FTE over the FY 2010 enacted level.

The FY 2012 budget includes a program increase of \$6,400,000 -- \$2,400,000 for the Injury and Illness Prevention Program rule and \$4,000,000 to support safety and health standards by expanding the Agency's regulatory program to meet the complex safety and health threats in today's workplaces. OSHA will expand its capability to examine and streamline its regulatory approach in light of new data, information, and approaches available in workplaces, while promoting economic growth, innovation, competitiveness, and job creation. The agency will continue to develop its Injury and Illness Protection Program (I2P2) rule in FY 2012.

A program increase of \$7,714,000 and 25 FTE will further support a reinvigorated enforcement program by expanding the compliance safety and health officer (CSHO) workforce to meet the challenges raised by changes in worker demographics and new technologies. Increasing the number of CSHOs will allow the agency to address the challenges raised by changes in worker demographics and the increasing number of immigrant and vulnerable worker populations.

The FY 2012 budget also includes a program increase of \$5,988,000 and 45 FTE for the 21 whistleblower protection programs administered by OSHA. The increase is designed to reduce the backlog of whistleblower claims, expedite the handling of current complaints received by the agency, and prepare for a high volume of complex cases with recently passed laws involving health care reform, food and safety, and finance reform.

The Department's FY 2012 budget builds upon a multi-agency Misclassification Initiative to strengthen and coordinate Federal and State efforts to enforce statutory prohibitions, identify, and deter misclassification of employees as independent contractors. OSHA's budget includes an additional \$650,000 and 2 FTE to modify the training curriculum for agency compliance officers to enable them to better identify potential employee misclassifications.

Since OSHA's State Plans had not received regular cost-of-living adjustments over the ten years prior to FY 2010, an increase of \$1,500,000 in the FY 2012 budget will allow State Plans to increase their number of compliance officers and fill other staff positions that have remained vacant over the years.

To bolster outreach to workers, the FY 2012 budget requests an increase of:

- \$1,250,000 for the Susan Harwood Training Grant Program to provide innovative training that targets high hazards and immigrant workers.
- \$1,000,000 for on-site consultation programs focused on small businesses in high hazard industries.

## *MINE SAFETY AND HEALTH ADMINISTRATION*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Coal Mine Safety and Health	158,662	158,662	161,303
Metal and Nonmetal Mine Safety and Health	85,422	85,422	89,990
Office of Standards, Regulations, and Variances	3,481	3,481	5,550
Office of Assessments	6,233	6,233	6,574
Educational Policy and Development	38,605	38,605	36,338
Technical Support	30,642	30,642	33,403
Program Evaluation and Information Resources	16,857	16,857	20,654
Program Administration	17,391	17,391	30,465
<b>Total Budget Authority</b>	<b>357,293</b>	<b>357,293</b>	<b>384,277</b>
<b>Total FTE</b>	<b>2,362</b>	<b>2,385</b>	<b>2,428</b>

NOTE: FY 2010 Enacted does not include \$7,259,000 provided to MSHA in the Supplemental Appropriations Act, P.L. 111-212. This amount has been transferred from the Departmental Management account via a non-expenditure transfer. FY 2011 C.R. level also does not include 15 FTE supported through these funds.

The Mine Safety and Health Administration (MSHA) protects the safety and health of the nation's miners through enforcement of the Federal Mine Safety and Health Act of 1977 (Mine Act), as amended by the Mine Improvement and New Emergency Response Act of 2006 (MINER Act). MSHA, mine operators, and miners each have a role in assuring the safety and health of the nation's miners. Operators are responsible for preventing and eliminating unsafe and unhealthful conditions, with the assistance of miners. MSHA enforces current regulations, provides technical assistance and training, and develops improved regulations and programs to increase protections. The Mine Act requires four complete inspections annually at active underground mines and two complete inspections annually at active surface mines. MSHA protects the health and safety of more than 2,100 coal mines and 12,700 metal and nonmetal mines.

MSHA develops and promulgates mandatory safety and health standards for the mining industry to ensure the best protection for the health and safety of all miners. MSHA also assesses civil monetary penalties for violations, and collects and accounts for all penalties paid. In FY 2010, MSHA assessed a total of \$132,059,624 in civil penalties for over 168,400 citations and withdrawal orders.

MSHA develops and coordinates mine safety and health education and training activities to the mining industry throughout the country, and provides classroom instruction at the National Mine Health and Safety Academy (Academy). In 2010, MSHA conducted 1,357 course days of training at the Academy. MSHA administers a State Grants Program, which provides funds to assist 49 states, the Navajo Nation, and Puerto Rico. In 2010, MSHA provided \$8,991,000 in health and safety training grants.

In FY 2012, MSHA will continue to aggressively enforce mine safety and health laws by completing 100 percent of its mandated inspections and increased sampling of airborne coal dust, and providing enhanced training opportunities to miners across the nation.

In FY 2012, the budget requests \$384,277,000 for MSHA, an increase of \$26,984,000 above the FY 2010 enacted level. MSHA's primary focus will be to maintain a 100 percent completion rate of mandated inspections, enhance enforcement initiatives, expand outreach and training efforts, and continue active partnerships with industry, labor, and equipment manufacturers. The FY 2012 budget includes:

- An increase of \$2,100,000 for *Coal Mine Safety and Health* to purchase Continuous Personal Dust Monitors that will provide real-time respirable dust concentration exposure data to both MSHA and the coal miner.
- An increase of \$634,000 for *Coal Mine Safety and Health* to support the split of District 4 into two districts to more effectively provide oversight and manage enforcement activities.
- An increase of \$3,293,000 and 15 FTE for the *Coal Mine Safety and Health* and *Metal and Nonmetal Mine Safety and Health* activities to continue progress toward reducing the defined backlog project of contested citations at the Federal Mine Safety and Health Review Commission. This project was initiated under FY 2010 Supplemental funding.
- An increase of \$2,300,000 and 21 FTE for the *Metal and Nonmetal Mine Safety and Health* budget activity to integrate the Small Mines Office program and personnel.
- An increase of \$950,000 and six FTE for *Metal and Nonmetal Safety and Health* to hire health specialists who will help ensure that operators provide adequate protection to miners from exposure to hazardous contaminants.
- An increase of \$2,112,000 and 10 FTE for the *Office of Standards, Regulations, and Variances* to provide services needed to promulgate standards and rules related to reducing health hazards, including those associated with exposure to respirable coal mine dust.
- An increase of \$355,000 and two FTE for Technical Compliance and Investigations (*Office of Assessments*) personnel to strengthen oversight through field audits and evaluations, and assure timely processing of civil, criminal, and discrimination cases.
- Increases of \$550,000 and \$450,000 for the *Technical Support* and *Program Evaluation and Information Resources (PEIR)* activities, respectively, to upgrade mine emergency response and rescue capabilities available for rapid response in case of an emergency.
- An increase of \$300,000 for *Technical Support* to provide continued essential maintenance of the mine emergency equipment.

- An increase of \$2,000,000 and 10 FTE for *Technical Support* to modernize the Mount Hope Laboratory.
- An increase of \$2,000,000 for the *PEIR* activity to transform the current outdated health database system into a modern, stable system compatible with MSHA's enterprise data system to ensure the integrity of the samples data and to support compliance reporting.
- An increase of \$1,000,000 for the *PEIR* activity to migrate the functionality of the data system that collects and tracks information on mine accidents, injuries, and employment to run within MSHA's Standardized Information System.
- An increase of \$15,000,000 for the *Program Administration* activity, with the flexibility to transfer funds to the Office of the Solicitor, to provide for the personnel and activities necessary to match an increase of Administrative Law Judges at the Federal Mine Safety and Health Review Commission and to continue progress toward reducing the backlog of contested citations at the Commission.
- A reduction of \$2,000,000 in the *Coal Mine Safety and Health* budget activity to eliminate one-time funding provided for additional dust sampling in FY 2010.
- The transfer of the Small Mines Office (SMO) (*Educational Policy and Development*), for a reduction of \$2,300,000 and 21 FTE, and the integration the SMO personnel throughout its programs. By doing so, MSHA will realize greater efficiencies through the use of their expertise at all mines and improved implementation through more meaningful compliance assistance, leading to lower overall fatality and accident rates at all mines.
- The elimination of an FY 2010 United Mine Workers of America (UMWA) earmark for a reduction of \$1,450,000 and elimination of \$1,808,000 in funding for the same project in FY 2009 within the Program Administration activity.

MSHA remains dedicated and focused on its core mission to ensure the safety and health of America's miners. MSHA supports the Secretary's outcome goal to *ensure workers' Voice in the Workplace* through its commitment to assure that miners are free to exercise their legal right to identify hazardous conditions and request Agency inspections without discrimination.

## *BUREAU OF LABOR STATISTICS*

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Labor Force Statistics	197,852	211,095	219,043
Trust Funds	78,264	67,438	69,136
Prices and Cost of Living	201,081	205,822	232,839
Compensation and Working Conditions	88,553	80,579	81,197
Productivity and Technology	11,904	12,102	10,201
Executive Direction and Staff Services	33,793	34,411	34,614
<b>Subtotal Bureau of Labor Statistics</b>	<b>611,447</b>	<b>611,447</b>	<b>647,030</b>
<b>Total Budget Authority</b>	<b>611,447</b>	<b>611,447</b>	<b>647,030</b>
<b>Total FTE</b>	<b>2,393</b>	<b>2,334</b>	<b>2,456</b>

The Bureau of Labor Statistics (BLS) produces some of the Nation's most sensitive and important economic data. The BLS is an independent national statistical agency within the Department of Labor responsible for measuring labor market activity, working conditions, and price changes in the economy. It collects, analyzes, and disseminates essential economic information to support public and private decision-making. These policies and decisions affect virtually all Americans.

The June 27, 1884 Act that established the BLS states, "The general design and duties of the Bureau of Labor Statistics shall be to acquire and diffuse among the people of the United States useful information on subjects connected with labor, in the most general and comprehensive sense of that word, and especially upon its relation to the capital, the hours of labor, social, intellectual, and moral prosperity."

The BLS comprises five activities, encompassing 21 economic programs in 2012:

### **Labor Force Statistics**

The Labor Force Statistics programs provide comprehensive and timely information on the labor force, employment, unemployment, and related labor market characteristics at the national level; industrial and occupational employment at the State and local levels; and labor force and unemployment at State and local levels. In addition, these programs develop projections of the labor force, economic growth, industrial output, and employment by industry and occupation for 10 years into the future for the Nation as a whole.

The Labor Force Statistics programs are authorized by an Act dated July 7, 1930, which provides that the BLS shall prepare "...full and complete statistics of the volume of and changes in employment..." (29 U.S.C. 1 and 2). Programs in this area help fulfill many requirements of the Workforce Investment Act (WIA) of 1998, including requirements that the Secretary of Labor "...oversee the development, maintenance, and continuous improvement of a nationwide employment statistics system..." as well as the development and maintenance of national

projections of employment opportunities by occupation and industry. This Act requires the development of information on the outlook for jobs and research to improve the methods of projecting future labor demand and supply relationships.

In 2012, the BLS is requesting \$1,577,000 and 3 FTE to add one annual supplement to the Current Population Survey (CPS). In odd years, the BLS will conduct the Contingent Work Supplement to capture data on contingent work and alternative work arrangements. In even years, the BLS will conduct other supplements relevant to the BLS mission, including topics that will provide more data on workplace flexibility and work-family balance.

In 2012, the BLS also is requesting \$10,000,000 and 1 FTE to establish a new National Longitudinal Surveys (NLS) youth cohort to ensure that information is available on the employment and socioeconomic conditions of youth, including differences by sex, race, and ethnicity, and subsequent labor market experiences as they progress through later stages of their lives.

The new cohort will be offset partially by elongating the fielding schedules of the 1979 and 1997 cohorts of the NLS of Youth, a reduction of \$6,000,000 and 0 FTE. Each survey gathers information on the labor market experiences of groups of American men and women at multiple points in time. Decreased frequency of data collection and dissemination will lead to lower response rates and higher attrition over time, degrading data quality and usability.

### **Prices and Cost of Living**

Prices and Cost of Living programs produce and disseminate a wide variety of information on price change in the U.S. economy, and conduct research to improve the measurement process. This budget activity publishes the Consumer Price Index (CPI), the Producer Price Index, the U.S. Import and Export Price Indexes, and data from the Consumer Expenditure (CE) Survey.

In addition to meeting general statutory responsibilities assigned to the BLS (29 U.S.C. 1 and 2), data produced by the price programs are used by the Social Security Administration to adjust payments to beneficiaries, the Department of Health and Human Services to update Medicare services and payments, the Internal Revenue Service and State tax offices to adjust tax brackets and personal exemption amounts, and the Bureau of Economic Analysis as a principal input to the Gross Domestic Product, among other uses.

In 2012, the BLS requests funding to:

- Modernize the CE Survey, improving the quality of data generated by the current survey and the accuracy of its inputs into the CPI (an increase of \$8,800,000 and 10 FTE);
- Increase the number of CPI commodity and services price quotes collected by 43 percent, reducing the variance to the overall CPI and the other published lower level indexes (an increase of \$13,000,000 and 113 FTE);

Research how to improve or replace the current survey for identifying the sample of retail outlets that are used to initiate and reprice items in the CPI (an increase of \$1,000,000 and 2 FTE); and

Modify the CE Survey to support the Census Bureau in its development of a statistical poverty measure, using CE data, to complement the current official measure (an increase of \$2,500,000 and 9 FTE).

### **Compensation and Working Conditions**

The Compensation and Working Conditions programs publish data on employee compensation, including information on wages, salaries, and employer-provided benefits, by occupation for major labor market areas and industries. The programs also publish information on work stoppages. In addition, the BLS compiles annual information on the incidence and number of work-related injuries, illnesses, and fatalities.

In addition to meeting general statutory requirements assigned to the BLS (29 U.S.C. 1, 2, and 4), programs in the compensation levels and trends category are designed to meet specific legal requirements, including the requirements of the Federal Employees Pay Comparability Act of 1990 (FEPCA) [5 U.S.C. 5301-5304]. The Occupational Safety and Health Act of 1970 (29 U.S.C. 673) requires the Secretary of Labor (who, in turn, authorizes the BLS) to compile statistics and to "promote, encourage, or directly engage in programs of studies, information, and communication concerning occupational safety and health statistics."

### **Productivity and Technology**

The Productivity and Technology programs measure productivity trends for major sectors of the economy and individual industries, and analyze trends in order to examine the factors underlying changes in productivity.

The productivity measurement programs are authorized by an act dated June 7, 1940 (29 U.S.C. 2b), which directs that the BLS "make continuing studies of productivity and labor costs in manufacturing, mining, transportation, distribution, and other industries."

In 2012, the BLS will eliminate the International Labor Comparisons program. The \$1,957,000 and 16 FTE in savings associated with this reduction will be used to finance other critical needs.

### **Executive Direction and Staff Services**

The Executive Direction program provides agency-wide policy and management direction, including all centralized support services in the administrative, publications, information technology, and statistical methods research areas.

*OFFICE OF DISABILITY EMPLOYMENT POLICY*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Office of Disability Employment Policy	39,031	39,031	39,031
<b>Total Budget Authority</b>	<b>39,031</b>	<b>39,031</b>	<b>39,031</b>
<b>Total FTE</b>	<b>52</b>	<b>52</b>	<b>52</b>

Congress authorized the Office of Disability Employment Policy (ODEP) in the U.S. Department of Labor's (DOL) FY 2001 appropriation to bring a permanent focus within DOL and across the Federal government on the issue of disability employment, with the goal of increasing the employment rate of workers with disabilities in the U.S. labor force. ODEP provides national leadership by developing and influencing disability employment-related policies and practices affecting an increase in the employment of people with disabilities through expansion of employment opportunities and reduction of the significant barriers to employment.

Increasing the workforce participation of people with disabilities requires the removal of barriers to employment that exist in workforce systems, businesses and workplaces, and in the access to and usability of employment-related supports programs and services. ODEP leads collaborative efforts within DOL, with other Federal agencies, private sector employers and organizations, and national community and advocacy organizations to develop, validate, disseminate, and provide technical assistance and collaboration to foster implementation of its policy and policy strategies to expand access to systems (such as employment and training, education, vocational rehabilitation), improve public and private-sector employers' recruiting, hiring and retention efforts, and increase availability and access to employment-related supports (such as transportation, technology, health care and mental health services) for job seekers and workers with disabilities. ODEP will continue to carry out its leadership role by utilizing policy, research and outreach experts to identify, analyze, develop, validate, disseminate and support through collaboration and the provision of technical assistance the implementation of policy and strategies critical to the increased employment of people with disabilities.

The FY 2012 Budget will enable ODEP to build on its collaborative efforts with ETA under the Disability Employment Initiative (DEI) to build disability service capacity in the WIA One-Stop system by continuing the \$12,000,000 investment in each agency to support the initiative. Work will prioritize the provision of service to job seekers with disabilities, including those who are receiving SSI and/or SSDI benefits, as well as youth with disabilities transitioning into the workforce through establishing eligibility for funding through SSA's Ticket to Work program. Lessons learned and expertise developed through the initial FY 2010 and FY 2011 DEI investments will support efforts in FY 2012.

## *DEPARTMENTAL MANAGEMENT*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
Program Direction and Support	33,200	33,200	33,213
Legal Services	117,121	117,121	132,578
Trust Funds	327	327	331
International Labor Services	92,669	92,669	101,504
Administration and Management	30,826	30,826	30,745
Adjudication	29,286	29,286	30,576
Women's Bureau	11,604	11,604	11,620
Civil Rights	7,220	7,220	7,223
Chief Financial Officer	5,361	5,361	5,364
Information Technology Systems	0	0	0
Departmental Program Evaluation	8,500	8,500	18,400
<b>Subtotal Departmental Management</b>	<b>336,114</b>	<b>336,114</b>	<b>371,554</b>
Departmental Management, Legal Services, BLDTF	7,778	7,778	7,817
Departmental Management, Adjudication, BLDTF	17,313	17,313	17,400
<b>Total Budget Authority</b>	<b>361,205</b>	<b>361,205</b>	<b>396,771</b>
<b>Total FTE</b>	<b>1,392</b>	<b>1,360</b>	<b>1,460</b>

NOTES: Prior and current year resources for Information Technology Systems are found in the corresponding table in the Information Technology Modernization section. Also, FY 2010 Enacted does not include \$10,941,000 provided to Legal Services in the Supplemental Appropriations Act, P.L. 111-212. FY 2011 C.R. level also does not include 74 FTE supported through these funds.

The Act to Establish the Bureau of Labor, 1884, was amended by the Act of 1913 to establish the Department of Labor (29 U.S.C. 1); this act also authorizes Departmental Management (DM) functions. The DM Salaries and Expenses (S&E) appropriation is responsible for formulating and overseeing the implementation of Departmental policy and management activities. DM is composed of nine budget activities.

### Program Direction and Support

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
BA in Thousands	33,200	33,200	33,213
FTE	151	130	130

The Program Direction and Support (PDS) activity includes the following eight offices:

- Office of the Secretary of Labor
- Office of the Deputy Secretary of Labor

- Office of the Assistant Secretary for Policy (OASP)
- Office of Congressional and Intergovernmental Affairs (OCIA)
- Office of Public Affairs (OPA)
- Center for Faith-Based and Neighborhood Partnerships (CFBNP)
- Office of Public Engagement (OPE)
- Office of Recovery for Auto Communities and Workers.

This activity provides essential leadership and policy direction for the Department. Other responsibilities include: (1) serving as the primary economic advisor to the Secretary of Labor and providing economic analysis of special topics, as well as general labor issues; (2) overseeing a program of analysis and general research on issues affecting the American workforce; (3) evaluating the effectiveness of Departmental programs; (4) serving as the principal representative on the Department's legislative program; (5) coordinating legislative proposals with other Federal agencies; and (6) maintaining a program of public information and communications to inform the public of the services and protections afforded by Departmental agencies.

The FY 2012 budget requests \$33,213,000 and 130 FTE for PDS. The request will support leadership on key DOL initiatives and mandates; and ensure that Department-wide policy-related responsibilities are met. Funding will be used to continue leadership efforts to further the Secretary's vision of *good jobs for everyone*.

#### Legal Services

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	125,226	125,226	140,726
FTE	636	642	726

The Office of the Solicitor (SOL) is the legal enforcement and support arm of the Department of Labor. Its mission is to "meet the legal service demands of the entire Department, including providing the legal support necessary to enable the Secretary of Labor to accomplish [the Administration's]... goals." SOL provides its legal services through nine divisions in the National Office devoted to the major laws under the Department's jurisdiction and eight regions that undertake front-line enforcement initiatives, including trial-level litigation to protect and improve the working conditions and security of America's working women and men.

SOL plays a critical role in advancing the Department's overall efforts to ensure *good jobs for everyone* by aggressive enforcement of worker protection laws and robust implementation of the Secretary's regulatory and program agendas. SOL contributes to the accomplishment of all of the Department's strategic goals and agency outcome goals by:

- Undertaking litigation to carry out the Secretary's priority enforcement initiatives, and to defend the Secretary and the program agencies of the Department; Office of the Deputy Secretary of Labor

- Assisting in the development, drafting and legal review of legislation, regulations, Executive Orders, and other matters affecting Departmental programs; and by
- Providing legal opinions/advice to the Secretary, Departmental and agency officials.

The FY 2012 Budget Request of \$140,726,000 for SOL consists of \$18,672,000 and 102 FTE in program increases and \$3,306,000 and 18 FTE in program decreases, for a net program change of \$15,366,000 and 84 FTE. SOL's FY 2012 budget includes the following increases:

- \$9,904,000 and 54 FTE to reduce the Mine Safety and Health (MSH) enforcement case backlog at the Federal Mine Safety and Health Review Commission (FMSHRC), focusing on a continuation of the defined backlog reduction project initiated with FY 2010 Supplemental funding.
- \$4,770,000 and 26 FTE to respond to the increase in the number of Administrative Law Judges (ALJ) processing MSH citation cases at FMSHRC.
- \$1,067,000 and 6 FTE to provide necessary legal support for the Occupational Safety and Health Administration (OSHA) as it enhances its Whistleblower protection program.
- \$1,368,000 and 7 FTE to support the litigation and related legal work resulting from a joint Misclassification initiative in the Wage and Hour Division, Office of Federal Contract Compliance Programs, and OSHA. This initiative will detect and deter the inappropriate classification of workers as independent contractors.
- \$665,000 and 4 FTE to support the increase in health care related regulatory and enforcement work that is now the responsibility of the Employee Benefits Security Administration (EBSA).
- \$866,000 and 5 FTE to provide base funding for the Office of Information Services (OIS), which provides Freedom of Information Act administrative and operational support for the entire Department. This increase is necessary to continue operational improvements of the Department's FOIA response and reporting capabilities.

In FY 2012, SOL is proposing three program reductions, including \$1,653,000 and 9 FTE to eliminate Compliance Assistance and Outreach, \$551,000 and 3 FTE to eliminate SOL activities related to Longshore litigation, and \$1,102,000 and 6 FTE to eliminate review of USERRA case referrals to the Department of Justice.

#### International Labor Affairs

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	92,669	92,669	101,504
FTE	95	104	110

The Bureau of International Labor Affairs (ILAB) supports the President's international labor agenda and coordinates the international activities for the Department of Labor. Activities include promotion of good labor policies and labor rights through intergovernmental organizations and bilateral relationships with other countries, as well as implementation of projects in developing countries to improve workers' rights and living standards and to protect vulnerable workers including women and children. ILAB's duties and operations derive from

the President's agenda in conjunction with legal mandates from the Congress in three primary areas:

- International trade and labor, including mandates related to free trade agreements.
- International child labor, forced labor, and human trafficking, including reporting and program mandates.
- International organizations, including mandated representation before the International Labor Organization (ILO).

ILAB was established by General Order No. 33, dated October 10, 1947, and its activities are authorized through the Trade Act of 1974; the North American Free Trade Agreement Implementation Act of 1993; the Trade Act of 2000 and 2002; Executive Orders 11846, 13277 and 13126; Trafficking Victims Protection Reauthorization Act (TVPRA) of 2005 and 2008; the Farm Bill of 2008; and Secretary's Order 18-2006. ILAB currently oversees over 80 technical assistance projects totaling some \$300,000,000. These projects tackle an array of labor-related issues, including:

- Addressing harmful child labor, forced labor, and human trafficking by withdrawing or preventing children from involvement in exploitive labor;
- Promoting formal and transitional education opportunities for these children;
- Developing model programs to enable workers to exercise their rights;
- Reducing discrimination in the workplace related to HIV/AIDS; and
- Improving safety for mine workers.

In addition, ILAB carries out ongoing activities to support the President's agenda on international labor. Most notably, ILAB provides annual input into numerous worldwide reports, participation and coordination of interagency policy groups, and representation on several international bodies. These activities require significant expertise on labor matters unique to ILAB, and often support both Administration priorities and the fulfillment of Congressional mandates for other federal agencies. ILAB will continue to adjust staff assignments and organizational structures to phase out old programs and fulfill new mandates.

In FY 2012, ILAB requests \$101,504,000 and 110 FTE. This amount includes additional resources of \$8,835,000 and 6 FTE. These increases will enable ILAB to fulfill its expanding congressional mandates; undertake active oversight and monitoring of labor rights in countries with free trade agreements (FTAs) or preferential access to the U.S. market; and design and launch innovative technical assistance programs that address the root causes of workers' rights violations.

With this increase ILAB will establish and maintain Better Work programs in key countries such as Egypt, Bangladesh, Vietnam, Nicaragua and other Central American countries, in addition to the currently funded programs in Haiti and Lesotho. The countries were selected due to their significance in the international garment industry, their history of poor labor rights, and their significance to U.S. international interests. Better Work was originally established in Cambodia and has proven to be an effective model for improving labor rights and working conditions while simultaneously assisting economic development of participating countries.

Furthermore, the additional FY 2012 funds will enable ILAB to target key countries for

monitoring and enforcement of labor issues thereby contributing to the strengthening of regulatory programs. These countries will include as many as feasible of the following: the thirteen developing countries with which the U.S. has existing free trade agreements (the six Central American countries, Peru, Chile, Mexico, Bahrain, Oman, Morocco and Jordan); potential new free trade partners such as South Korea, Colombia, and Panama; selected new negotiating partners such as Vietnam and Brunei; and high priority trade preference countries where labor rights and conditions are a significant concern, such as Bangladesh, Philippines, Uzbekistan, Sri Lanka, Niger, Pakistan and the Democratic Republic of the Congo.

#### Administration and Management

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	30,826	30,826	30,745
FTE	128	121	126

The Office of the Assistant Secretary for Administration and Management (OASAM) provides the infrastructure and support that enables DOL to carry out its mission to achieve the Secretary's vision for *good jobs for everyone*. OASAM provides leadership and support for the Department via the following management disciplines: Business Operations, Procurement, Budget and Performance Integration, Information Technology, Human Resources, Civil Rights, Security and Emergency Management, and Strategic Planning.

In FY 2012, OASAM's budget request is \$30,745,000 and 126 FTE, which supports key aspects of Department-wide administration and management, including the Departmental Budget Center, Human Resources Center, Information Technology Center, Business Operations Center, and the Center for Program and Results (CPPR). The FY 2012 budget proposes to in-source contractor support at the Wirtz Labor Library for net savings of \$90,000.

#### Adjudication

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	46,599	46,599	47,976
FTE	250	244	249

Adjudication conducts formal hearings and renders timely decisions on appeals of claims filed under worker protection acts in approximately 8,500 cases each year. Among these are the Black Lung Benefits Act, the Longshore and Harbor Workers' Compensation Act and its extensions, including the Defense Base Act, Permanent and Temporary Labor Certifications, the Federal Employees' Compensation Act, the whistleblower protection provisions of environmental, transportation, securities, and other acts, and statutes guaranteeing prevailing wages and other rights for employees of government contractors, child laborers, migrant workers, and H-1B non-immigrant workers. Adjudication components include the Office of Administrative Law Judges, Administrative Review Board (ARB), the Benefits Review Board, and the Employees' Compensation Appeals Board.

The FY 2012 Request for Adjudication is \$47,976,000 and 249 FTE. The request includes a three-part program increase of \$1,302,000 and 5 FTE: \$1,033,000 and 5 FTE—including two judges—will allow the ARB to significantly increase its closed appeals rate, reduce the time elapsed between the filing and determination of appeals, and keep pace with an increasing workload; and \$237,000 will provide for the operation and maintenance of the new, consolidated all-Board computer-based appeals management system.

#### Women's Bureau

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	11,604	11,604	11,620
FTE	58	59	59

The Women's Bureau carries out Public Law 66-259, which directs it to "...formulate standards and policies which shall promote the welfare of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunities for profitable employment." The Bureau is the only federal office exclusively concerned with serving and promoting the interests of women in the workforce. The Bureau conducts research, projects, outreach, and evaluations on issues of importance to working women, and provides information about women in the labor force to stakeholders and customers.

The Bureau's FY 2012 budget request of \$11,620,000 and 59 FTE will allow the Bureau to support the support the Department's strategic goals and the Secretary's vision of *good jobs for everyone*.

#### Civil Rights

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	7,220	7,220	7,223
FTE	45	38	38

The Civil Rights Center (CRC) is responsible for: (1) administering DOL's equal employment opportunity (EEO) program and administering an effective discrimination complaint processing system for discrimination complaints filed by DOL employees and applicants for employment with DOL; (2) ensuring compliance with Federal equal opportunity and nondiscrimination laws and regulations by recipients of financial assistance and in DOL conducted programs through program monitoring and complaint processing; (3) processing work-related complaints under Title II of the Americans with Disabilities Act; (4) coordinating enforcement of DOL compliance with the Architectural Barriers Act of 1968, which requires that certain federally owned or leased buildings be in compliance with the General Services Administration's accessibility standards; and (5) overseeing the implementation of DOL employee rights policies (e.g., harassing conduct policy).

For FY 2012, CRC is requesting \$7,223,000 and 38 FTE. The request will support CRC's mission and related goals that support the Secretary's vision for *good jobs for everyone*.

#### Chief Financial Officer

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	5,361	5,361	5,364
FTE	29	22	22

The mission of the Office of the Chief Financial Officer (OCFO) is to foster effective stewardship of public funds, safeguard fiscal integrity through effective internal controls, and provide timely, accurate, and useful financial information to decision makers. The OCFO is responsible for oversight of all financial management activities in the Department.

OCFO serves as a support agency to all the agencies within DOL. The efficiency and effectiveness of OCFO allows the client agencies within DOL to accomplish their missions and ultimately the Secretary's goals. In FY 2012, the budget requests \$5,364,000 and 22 FTE for OCFO to continue to provide and enhance a broad range of financial information and services for the Department and other federal agencies, such as the Department of Treasury.

#### Departmental Program Evaluation

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
BA in Thousands	8,500	8,500	18,400
FTE	0	0	0

The underlying goals of the Department's focus on program evaluations are to: (1) build evaluation capacity and expertise in the Department; (2) ensure high standards in evaluations undertaken by, or funded by the Department of Labor; (3) ensure the independence of the evaluation and research functions; and (4) make sure that evaluation and research findings are available and accessible in a timely and user-friendly way, so they inform policymakers, program managers, and the public. As part of this initiative, the Department of Labor is building partnerships with the academic community, foundations and other outside parties to leverage private-sector research activities. The Chief Evaluation Office, in the Office of the Assistant Secretary for Policy in the Program Direction and Support activity, is responsible for the distribution and oversight of the Departmental Program Evaluation funds.

The Department of Labor will continue to fund rigorous, objective assessments of existing federal programs to help improve results and better inform funding decisions. Starting in FY 2010, the Department expanded evaluation activities to Departmental programs beyond job training and employment with an emphasis on large, lightly examined, and/or high-priority programs, such labor law enforcement activities and workplace safety programs. In particular, the Department plans to examine the effectiveness of various workforce and enforcement strategies using administrative data, consider the deterrent effects of specific enforcement activities, and investigate the best ways to ensure that workers both know their rights and have a

voice in the workplace when it comes to their working conditions, remuneration and benefits. The Department is also working to improve the online accessibility of its program evaluation findings.

For FY 2012, the Department requests \$18,400,000 to pursue the evaluation agenda that was established in FY 2010, and requests a new Labor General Provision that would provide authority for the Department to use up to 0.5 percent of funds from major program accounts for evaluations. The Department will continue to conduct rigorous evaluations to determine which programs and interventions work well, and which do not, providing invaluable information to help guide policy, management, and resource allocation decisions.

*DOL IT MODERNIZATION*

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Departmental Support Systems	19,892	19,892	17,000
IT Infrastructure Modernization	0	0	8,000
<b>Total Budget Authority</b>	<b>19,892</b>	<b>19,892</b>	<b>25,000</b>

The FY 2012 request supports \$25,000,000 in new or ongoing IT investments that support the Department's IT Modernization program that includes activities for Departmental Support Systems and IT Infrastructure Modernization. More specifically, the Departmental Support Systems activity request of \$17,000,000 represents a permanent centralized IT investment fund for the Department of Labor managed by the Chief Information Officer. The fund is used to support process improvements, modernization, and enhancements to Departmental common universal support processes and systems, and enterprise-wide programs for effective IT management and decision making. Before FY 2012, this fund was included within the Department Management account as "Information Technology Systems," commonly referred to as the "IT Crosscut."

The IT Infrastructure Modernization activity is also a Chief Information Officer-managed activity and will use the \$8,000,000 in efforts to move nine major independently funded and managed IT infrastructure silos at the sub-agency level towards a unified IT infrastructure. The unified infrastructure will provide agencies with general purpose business productivity tools, a shared environment for common data sources, and the underlying IT services to support it. Additionally, the Department will meet the Federal Chief Information Officer requirement to upgrade external facing services and services to use Internet Protocol Version 6 by the end of FY 2012; fulfill the Federal mandate for more secure, uniform agency gateways to external IT resources by completing the migration of all Internet connections to the Managed Trusted Internet Protocol Services (MTIPS); and deploy a unified, secured remote access platform to support telework, mobility of DOL workers on field assignments, employees on travel status, and other needs to working remotely.

## *VETERANS' EMPLOYMENT AND TRAINING SERVICE*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
State Grants	165,394	165,394	165,394
Transition Assistance Program	7,000	7,000	9,000
Homeless Veterans Reintegration Program	36,330	36,330	39,330
Veterans Workforce Investment Program	9,641	9,641	9,641
National Veterans Employment and Training Service Institute	2,449	2,449	2,449
Federal Administration	35,313	35,313	35,222
<b>Total Budget Authority</b>	<b>256,127</b>	<b>256,127</b>	<b>261,036</b>
<b>Total FTE</b>	<b>234</b>	<b>227</b>	<b>227</b>

NOTE: The above table displays the Transition Assistance Program (TAP) funds as a separate activity from the State Grant funds.

The Veterans' Employment and Training Service (VETS) provides veterans and transitioning service members with the resources and services to succeed in the civilian workforce by maximizing their employment opportunities, protecting their employment rights, and meeting labor market demands with qualified veterans. VETS was established by Secretary's Order No. 5-81 in December 1981. The agency's programs are authorized through 38 U.S.C. 4100-4110 A, 4212, 4214 and 4321-4327; as amended, and P.L. 103-353; Stewart B. McKinney Homeless Assistance Act and 38 U.S.C. 4111; and the Workforce Investment Act of 1998, Section 168. In addition, VETS administers and enforces the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).

VETS' mission is a direct reflection of the Nation's responsibility to meet the employment, training and job security needs of Americans who served in uniform. VETS helps Veterans obtain positive employment outcomes through services provided at One-Stop Career Centers and other locations. Grants are provided to State Workforce Agencies (SWA) to support staff dedicated to serving Veterans. VETS ensures that Veterans who return with a requirement for special employment assistance due to disabilities or other barriers to employment receive appropriate services based on their needs. VETS also provides funding to organizations that serve eligible Veterans through the Homeless Veterans' Reintegration Program (HVRP) and the Veterans' Workforce Investment Program (VWIP).

Transition Assistance Program (TAP) Employment Workshops at military installations help Service Members and their spouses make the initial transition from military service to the civilian workplace with less difficulty and at less overall cost to the government. TAP Employment Workshops consist of comprehensive two and one-half day employment workshops at military installations nationwide and at select military installations overseas. Professionally-trained workshop facilitators from the JVSG, State Employment Services, Department of Labor contractors, or VETS' staff present the workshops.

The Department of Defense has established a goal for TAP Employment Workshop participation of 85 percent of separating service members and demobilizing National Guard and Reserve Forces. TAP Employment Workshop participation is expected to increase during FY 2011 and FY 2012.

- In PY 2011, VETS expects to deliver over 4,500 TAP Employment Workshops to approximately 142,000 participants worldwide.
- In PY 2012, VETS expects to increase the number of TAP Employment Workshops to 5,000 to approximately 156,000 participants worldwide.

VETS also protects the reemployment and employment rights of veterans and members of the National Guard and Reserve Forces under the provisions of USERRA so that they can serve on active duty without harm to their employment status. VETS provides outreach and enforcement of the Veterans preference rights of eligible individuals. Funds appropriated under Federal Administration support this work, in addition to conducting on-site reviews and administering all VETS grant programs.

The National Veterans' Employment and Training Service Institute (NVTI) was established in 1986 and authorized in 1988 by P.L. 100-323. NVTI develops and delivers competency-based training to the State DVOP and LVER veteran service providers. The purpose of NVTI is to guarantee the universality of services for veterans by ensuring that all direct client service providers have been properly trained on their job, thereby increasing their productivity and knowledge of services available to veterans. NVTI is currently administered by VETS staff through a contract with the University of Colorado at Denver (UCD).

The Homeless Veterans' Reintegration Program (HVRP) was the first nationwide Federal program focused on placing homeless veterans into jobs. The program was authorized under Section 738 of the Stewart B. McKinney Homeless Assistance Act (MHAA) of 1987, and amended by Section 5 of the Homeless Veterans Comprehensive Assistance Act (HVCAA) of 2001. VETS administers the program through a competitive grant process. Through these competitive grant awards, the Homeless Veterans' Reintegration Program (HVRP) provided employment and training services to an estimated 23,500 homeless veterans in FY 2010 at an average cost of \$1,546. The FY 2012 budget requests \$39,330,000 to allow HVRP to provide services to more than 26,000 homeless veterans, including homeless women veterans. This supports the President's initiative to end chronic homelessness among veterans.

The Veterans' Workforce Investment Program (VWIP) supports efforts to ensure veterans' lifelong learning and skills development, under 29 U.S.C. 2913 (Veterans' Workforce Investment Programs - Sec. 168, Workforce Investment Act, P.L. 105-220) in programs designed to serve current eligible and targeted veteran subgroups with severe employability barriers. Operated on a program year that begins on July 1, VWIP awards competitive grants to veterans and eligible persons with emphasis on Special Disabled veterans, and veterans with other barriers to employment. About 4,600 participants are targeted to receive employment and training services through this program in FY 2012, which provides competitive grants to various eligible organizations.

*OFFICE OF THE INSPECTOR GENERAL*

	<u>2010</u>	<u>2011</u>	<u>2012</u> <u>Request</u>
OIG Program Activity	78,093	78,093	78,453
Trust Funds	5,921	5,921	5,992
<b>Subtotal Office of Inspector General</b>	<b>84,014</b>	<b>84,014</b>	<b>84,445</b>
Office of Inspector General, OIG Program Activity, BLDTF	327	327	327
<b>Total Budget Authority</b>	<b>84,341</b>	<b>84,341</b>	<b>84,772</b>
<b>Total FTE</b>	<b>425</b>	<b>420</b>	<b>420</b>

The Office of Inspector General (OIG) is an independent agency within the Department of Labor (DOL) and was created by the Inspector General Act of 1978. The OIG is responsible for conducting audits and investigations of DOL programs and operations; identifying actual and potential problems or abuses; developing and making recommendations for corrective action; and informing the Secretary and the Congress of problems or concerns. The OIG is also responsible for carrying out a criminal investigations program to eliminate the influence of organized crime and labor racketeering on employee benefit plans, labor-management relations, and internal union affairs.

In FY 2012, the OIG requests a total of \$84,772,000. This level of funding will enable the OIG to carry out its mandate under the Inspector General Act. In addition, the OIG received \$6,000,000 from the American Recovery and Reinvestment Act, which is available for obligation through September 30, 2012.

In FY 2010, the OIG issued 67 audits, recommended that over \$1,400,000,000 in funds be put to better use, and questioned \$4,400,000 in costs. With respect to investigative work, the OIG completed approximately 470 program fraud and labor racketeering investigations. The OIG's work led to 344 indictments, 315 convictions and over \$133,000,000 in investigative monetary accomplishments.

*WORKING CAPITAL FUND*

	<u>2010</u>	<u>2011</u>	<u>2012 Request</u>
Financial and Administrative Services	145,318	143,883	147,622
Field Services	43,171	42,731	42,683
Telecommunications	19,121	21,000	21,000
Human Resources	21,378	21,374	21,303
Non-DOL Reimbursables	573	573	573
<b>Total Budget Authority</b>	<b>229,561</b>	<b>229,561</b>	<b>233,181</b>
<b>Total FTE</b>	<b>700</b>	<b>654</b>	<b>674</b>

The Working Capital Fund (WCF) was established by Public Law 85-67 and amended by Public Laws 86-703 and 91-204 to provide authority, without fiscal year limitation, for expenses necessary to provide certain administrative services and activities on a centralized basis. As an intra-governmental revolving fund, the WCF is authorized to finance a cycle of operations in which expenditures generate receipts that are available for continuous use without annual appropriation by Congress. Public Law 105-78 amended the WCF authorization in 1997 to authorize an annual transfer of up to \$3,000,000 from unobligated balances in the Department's salaries and expenses account to the unobligated balances of the WCF. The WCF's centralized services are performed at rates that will return all expenses of operations in full, including reserves for accrued leave and depreciation of property and equipment.

- The Working Capital Fund is comprised of four budget activities, including Financial and Administrative Services, Field Services, Human Resources Services, and Telecommunications.
- Key administrative functions that are financed through the WCF are Frances Perkins Building (DOL's national headquarters) operations and maintenance, payroll operations, procurement services, and invoice payment services.

The FY 2012 budget request for the Working Capital Fund is \$233,181,000 and 674 FTE. The Working Capital Fund provides centralized procurement services to the Department of Labor. Included in this request is a direct appropriation of \$4,620,000 and 20 FTE to support a government-wide initiative to improve Federal procurement activities.

# Summary of Discretionary Funds, FY 2003-2012

## UNITED STATES DEPARTMENT OF LABOR Summary of Discretionary Funds, Fiscal Years 2003-2012 (dollars in thousands)

Program	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Change from	
	2003	2004	2005	2006	2007	2008	2009 5/	2010 6/	2011	2012 Request	FY2003 - FY2012 Request Amount	Percent
<b>Employment and Training</b>												
Training and Employment Services												
Adult Employment and Training Activities	869,949	898,891	890,922	857,079	864,199	849,101	861,540	861,540	861,540	860,527	-29,422	-3%
WIA Innovation Fund Reserve [non-add]	0	0	0	0	0	0	0	0	0	88,842		
Dislocated Worker Employment and Training Activities	1,448,001	1,454,419	1,467,584	1,337,553	1,471,903	1,446,189	1,341,891	1,413,000	1,413,000	1,403,763	-44,238	-3%
WIA Innovation Fund Reserve [non-add]	0	0	0	0	0	0	0	0	0	93,968		
Career Pathways Innovation Fund (formerly CBJTG)	0	0	124,000	0	0	0	125,000	125,000	125,000	0	0	0%
Youth Activities	994,459	995,059	986,288	940,500	940,500	924,069	924,069	924,069	924,069	923,913	-70,546	-7%
Youth Innovation Fund Reserve [non-add]	0	0	0	0	0	0	0	0	0	73,913		
Youth Opportunity Grants	44,211	0	0	0	0	0	0	0	0	0	-44,211	-100%
Green Jobs Innovation Fund	0	0	0	0	0	0	0	40,000	40,000	60,000	60,000	0%
Workforce Data Quality Initiative	0	0	0	0	0	0	0	12,500	12,500	13,750	13,750	0%
Responsible Reintegration for Young Offenders	54,643	49,705	49,600	49,104	49,104	0	0	0	0	0	-54,643	-100%
Prisoner Re-entry	0	0	19,840	19,642	19,642	0	0	0	0	0	0	0%
Reintegration of Ex-Offenders	0	0	0	0	0	73,493	108,493	108,493	108,493	90,000	90,000	0%
National Programs	90,923	79,604	103,505	46,411	27,976	61,080	60,077	104,050	104,050	19,216	-71,707	-79%
Native Americans	55,636	54,676	54,238	53,696	53,696	52,758	52,758	52,758	52,758	54,158	-1,478	-3%
Migrants and Seasonal Farmworkers	76,823	76,370	79,252	79,752	79,752	79,668	82,620	84,620	84,620	86,620	9,797	13%
Youth Build	0	0	0	0	49,500	58,952	70,000	102,500	102,500	115,000	115,000	0%
Subtotal, Training and Employment Services	3,654,645	3,608,724	3,771,736	3,383,237	3,556,272	3,545,311	3,626,448	3,828,530	3,828,530	3,626,947	-27,698	-1%
Older Workers 7/	442,306	438,650	436,678	432,311	483,611	521,625	571,925	825,425	825,425	0	-442,306	-100%
Workers Compensation	0	0	0	0	0	0	0	0	0	0	0	0%
State Unemployment Insurance and Employment Services 1/	3,607,380	3,647,133	3,636,709	3,399,737	3,340,350	3,451,368	4,187,367	4,113,681	4,113,681	4,202,057	594,677	16%
Program Administration 1/ 2/	174,510	177,349	170,101	198,000	199,709	172,323	130,463	147,656	147,656	159,882	-14,628	-8%
State Paid Leave Program	0	0	0	0	0	0	0	0	0	23,000	23,000	0%
Subtotal, Employment and Training Administration	7,878,842	7,871,856	8,015,224	7,413,285	7,579,941	7,690,647	8,516,193	8,915,292	8,915,292	8,248,609	369,767	5%
Job Corps 2/	1,504,603	1,541,151	1,546,333	1,557,270	1,578,277	1,598,434	1,683,938	1,708,205	1,683,205	1,699,747	195,144	13%
Subtotal, Employment and Training	9,383,444	9,413,007	9,561,557	8,970,555	9,158,218	9,289,081	10,200,131	10,623,497	10,598,497	9,948,356	564,912	6%
<b>Worker Protection</b>												
Employee Benefits Security Administration	116,283	124,040	131,213	133,551	141,573	139,313	143,419	154,861	154,861	197,528	81,245	70%
Pension Benefit Guaranty Corporation 3/	12,965	20,553	0	0	0	0	0	0	0	0	-12,965	-100%
Employment Standards Administration 4/	381,114	392,015	400,848	411,064	420,872	420,925	440,267	492,654	442,654	514,852	133,738	35%
Occupational Safety and Health Administration	450,310	457,540	464,156	472,427	486,925	486,000	513,042	558,620	558,620	583,386	133,076	30%
Mine Safety and Health Administration	272,955	268,858	279,135	277,685	301,570	331,847	347,003	357,293	357,293	384,277	111,322	41%
Solicitor	77,483	80,726	80,080	80,451	85,796	89,323	100,709	117,448	117,448	132,909	55,426	72%
Subtotal, Worker Protection	1,311,110	1,343,733	1,355,432	1,375,178	1,436,735	1,467,407	1,544,440	1,680,876	1,630,876	1,812,952	501,842	38%
<b>Bureau of International Labor Affairs</b>												
Bureau of Labor Statistics	147,053	109,862	93,248	72,516	72,516	81,074	86,074	92,669	92,669	101,504	-45,549	-31%
Bureau of Labor Statistics	492,234	518,496	529,004	537,098	548,123	544,251	597,182	611,447	611,447	647,030	154,796	31%
<b>Other Salaries and Expenses</b>												
Departmental Management, Other	163,306	159,731	147,366	144,613	140,808	123,555	127,415	145,889	145,889	162,141	-1,165	-1%
Office of Disability Employment Policy	47,178	47,024	47,164	27,655	27,712	27,228	26,679	39,031	39,031	39,031	-8,147	-17%
Office of Inspector General	61,851	65,339	68,995	71,101	72,766	74,390	82,141	84,014	84,014	84,445	22,594	37%
Subtotal, Other Salaries and Expenses	272,335	272,094	263,515	243,369	241,085	225,173	236,235	268,934	268,934	285,617	13,282	5%
<b>Veterans' Employment and Training</b>												
Working Capital Fund	212,820	218,646	222,832	222,091	223,189	228,097	239,439	256,127	256,127	261,036	48,216	23%
Working Capital Fund	0	13,768	9,920	6,168	6,168	0	0	0	0	4,620	4,620	0%
<b>Total, Department of Labor Discretionary Funds</b>	<b>11,818,995</b>	<b>11,889,606</b>	<b>12,035,509</b>	<b>11,426,974</b>	<b>11,686,034</b>	<b>11,835,083</b>	<b>12,903,501</b>	<b>13,533,550</b>	<b>13,458,550</b>	<b>12,824,392</b>	<b>1,005,397</b>	<b>9%</b>

1/ Beginning in FY 2009, Foreign Labor Certification is included with State Unemployment Insurance and Employment Services.

2/ Beginning in FY 2008, Job Corps admin is separate from TES Program Administration.

3/ Beginning in FY 2005, PBGC's funding is all mandatory.

4/ Beginning in FY 2010, the Employment Standards Administration was reorganized into 4 separate components: The Wage and Hour Division; Office of Federal Contract Compliance Programs; Office of Labor-Management Standards; and Office of Workers' Compensation Programs. See following detail table for further information.

5/ Does not include supplemental budget authority of \$4.8 billion provided by the American Recovery and Reinvestment Act, P.L. 111-5.

6/ Excludes \$18.2 million supplemental appropriation to DM (of which \$7.259 million was transferred to MSHA) for mine safety and legal services related to DOL's caseload before the Federal Mine Safety and Health Review Commission.

7/ Proposed to be transferred to HHS in FY 2012.

# All Purpose Table

UNITED STATES DEPARTMENT OF LABOR  
FY 2012 President's Budget  
(Dollars in Thousands)

Office, Account, Program and Activity	Category Code	FY 2010 Comparable	FY 2011 Comparable 1/	FY 2012 President's Request Current Law	FY 2012 Proposed Legislation	FY 2012 President's Request Current Law versus FY 2011 Comparable	
						Amount	Percent
<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b>							
<i>Training and Employment Services:</i>							
<b>1. Grants to States / Innovation Funds</b>							
<b>(a) Adult Employment and Training</b>							
Annual appropriation	D	149,540	149,540	149,540	-	-	0%
Advance for succeeding fiscal year	D	712,000	712,000	642,145	-	-69,855	-10%
WIA Innovation Fund Reserve (advance)	D	-	-	68,842	-	68,842	100%
Subtotal		861,540	861,540	860,527	-	-1,013	0%
<b>(b) Dislocated Worker Employment</b>							
Annual appropriation	D	323,840	323,840	323,840	-	-	0%
Advance for succeeding fiscal year	D	860,000	860,000	766,795	-	-103,205	-12%
WIA Innovation Fund Reserve (advance)	D	-	-	93,968	-	93,968	100%
Subtotal		1,183,840	1,183,840	1,174,603	-	-9,237	-1%
<b>(c) Youth Activities</b>							
Annual appropriation	D	924,069	924,069	860,000	-	-74,069	-8%
Youth Innovation Fund Reserve	D	-	-	73,913	-	73,913	100%
Subtotal		924,069	924,069	923,913	-	-156	0%
Subtotal, Grants to States / Innovation Funds		2,969,449	2,969,449	2,969,043	-	-10,406	0%
Annual appropriation		1,397,449	1,397,449	1,323,360	-	-74,069	-5%
Advance for succeeding fiscal year		1,572,000	1,572,000	1,635,663	-	63,663	4%
<b>2. Federally Administered Programs:</b>							
<b>(a) Dislocated Worker Assistance National Reserve:</b>							
Annual appropriation	D	29,160	29,160	29,160	-	-	0%
Advance for succeeding fiscal year	D	200,000	200,000	200,000	-	-	0%
Subtotal, Dislocated Worker Assistance National Reserve		229,160	229,160	229,160	-	-	0%
Recovery Act Health Insurance Assistance	M	-110,000	-	-	-	-	100%
(b) Native Americans	D	52,758	52,758	54,158	-	1,400	3%
(c) Migrant and Seasonal Farmworkers	D	84,620	84,620	86,620	-	2,000	2%
(d) Women in apprenticeship	D	1,000	1,000	1,000	-	-	0%
(e) YouthBuild	D	102,500	102,500	115,000	-	12,500	12%
Subtotal, Federally Administered Programs		360,038	470,038	485,938	-	15,900	3%
Mandatory		-110,000	-	-	-	-	100%
Discretionary		470,038	470,038	485,938	-	15,900	3%
Annual appropriation		270,038	270,038	285,938	-	15,900	6%
Advance for succeeding fiscal year		200,000	200,000	200,000	-	-	0%
<b>3. National Programs:</b>							
(a) Pilots, Demonstrations and Research (includes Transitional Jobs)	D	93,450	93,450	6,616	-	-86,834	-93%
(b) Reintegration of Ex-Offenders	D	108,493	108,493	90,000	-	-18,493	-17%
(c) Evaluation	D	9,600	9,600	11,600	-	2,000	21%
(d) Green Jobs Innovation Fund	D	40,000	40,000	60,000	-	20,000	50%
(e) Career Pathways Innovation Fund (formerly Community Based Job Training Grants)	D	125,000	125,000	-	-	-125,000	-100%
(f) Workforce Data Quality Initiative	D	12,500	12,500	13,750	-	1,250	10%
Subtotal, National Programs		389,043	389,043	181,966	-	-207,077	-53%
Mandatory		-	-	-	-	-	100%
Discretionary		389,043	389,043	181,966	-	-207,077	-53%

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UNITED STATES DEPARTMENT OF LABOR  
 FY 2012 President's Budget  
 (Dollars in Thousands)

Office, Account, Program and Activity	Category Code	FY 2010 Comparable	FY 2011 Comparable 1/	FY 2012 President's Request Current Law	FY 2012 Proposed Legislation	FY 2012 President's Request Current Law versus FY 2011 Comparable Amount	Percent
<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b>							
<i>Training and Employment Services: (cont)</i>							
4. Skills Training Grants (H-1B Fees)	M	114,000	125,000	125,000	-	-	0%
Total Appropriation, Training and Employment Services		3,832,530	3,963,530	3,751,947	-	-201,583	-5%
Mandatory		4,000	125,000	125,000	-	-	0%
Discretionary		3,828,530	3,828,530	3,626,947	-	-201,583	-5%
Annual appropriation		2,056,530	2,056,530	1,791,264	-	-265,246	-13%
Advance for succeeding fiscal year		1,772,000	1,772,000	1,835,663	-	63,663	4%
Outlays							
Mandatory		144,000	35,000	90,000	-	55,000	157%
Discretionary		4,965,375	4,750,594	3,900,000	-	-850,594	-18%
<b>Office of Job Corps:</b>							
<i>(a) Operations</i>							
Annual appropriation	D	983,015	983,015	998,817	-	15,802	2%
Advance for succeeding year	D	591,000	591,000	591,000	-	-	0%
<i>(b) Construction and Renovation</i>							
Annual appropriation	D	5,000	5,000	3,500	-	-1,500	-30%
Advance for succeeding year	D	100,000	75,000	75,000	-	-	0%
<i>(c) Administration</i>							
Annual appropriation	D	29,190	29,190	31,430	-	2,240	8%
Total Appropriation, Job Corps		1,708,205	1,683,205	1,699,747	-	16,542	1%
Annual appropriation		1,017,205	1,017,205	1,033,747	-	16,542	2%
Advance for succeeding fiscal year		691,000	666,000	666,000	-	-	0%
Outlays		1,848,205	1,711,648	1,707,916	-	-3,732	0%
<b>Workers Compensation:</b>							
1. Workers Compensation	D	-	-	-	-	-	100%
Total Appropriation, Workers Compensation		-	-	-	-	-	100%
Outlays		4,000	-	-	-	-	100%
<b>Community Service Employment for Older Americans:</b>							
<i>(Proposed to be transferred to HHS in FY 2012)</i>							
1. Annual Appropriation	D	600,425	600,425	-	-	-600,425	-100%
2. Special Funding	D	225,000	225,000	-	-	-225,000	-100%
Total Appropriation, Community Service Employment for Older Americans		825,425	825,425	-	-	-825,425	-100%
Outlays		718,000	818,000	669,000	-	-149,000	-18%
<b>TAA Community College and Career Training Grant Fund</b>							
1. Annual Appropriation	M	-	500,000	500,000	-	-	0%
Total Appropriation, TAA Community College and Career Training Grant Fund		-	500,000	500,000	-	-	0%
Outlays		-	25,000	350,000	-	325,000	1300%
<b>Federal Unemployment Benefits and Allowances</b>							
1. Annual Appropriation	M	1,818,400	1,818,400	1,100,100	571,000	-718,300	-40%
Total Appropriation, Federal Unemployment Benefits and Allowances		1,818,400	1,818,400	1,100,100	571,000	-718,300	-40%
Outlays		614,000	1,204,000	1,286,000	415,000	82,000	7%

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**UNITED STATES DEPARTMENT OF LABOR**  
**FY 2012 President's Budget**  
**(Dollars in Thousands)**

Office, Account, Program and Activity	Category Code	FY 2010 Comparable	FY 2011 Comparable 1/	FY 2012 President's Request Current Law	FY 2012 Proposed Legislation	FY 2012 President's Request Current Law versus FY 2011 Comparable	
						Amount	Percent
<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b>							
<b>State Unemployment Insurance and Employment Service Operations:</b>							
<b>1. Unemployment Trust Fund (UTF):</b>							
(a) UTF Base	M	154,576,553	134,379,086	97,586,346	-	-36,792,740	-27%
(b) UTF Transfer	M	-4,371,553	-4,372,086	-4,395,346	-	-23,260	1%
Subtotal, UTF Residual		150,205,000	130,007,000	93,191,000	-	-36,816,000	-28%
<b>2. Unemployment Compensation (UI):</b>							
(a) State Operations (Trust funds)	D	3,195,645	3,195,645	3,215,610	-56,000	19,965	1%
(b) UI Integrity (Trust funds)	D	50,000	50,000	60,000	-	10,000	20%
(c) AWIU (Trust funds)	D	-	-	-	-	-	100%
(d) National Activities (Trust funds)	D	11,310	11,310	11,310	-	-	0%
(e) Federal Additional Unemployment Compensation	M	12,474,000	1,920,000	-	-	-1,920,000	-100%
Subtotal, Unemployment Compensation		15,730,955	5,176,955	3,286,920	-56,000	-1,890,035	-37%
<b>3. Employment Service:</b>							
<b>(a) Allotments to States</b>							
Federal Funds	D	22,683	22,683	22,683	-	-	0%
Federal Funds -- Innovation Fund Contribution	D	-	-	61,181	-	61,181	100%
Trust Funds	D	680,893	680,893	680,893	-	-	0%
Subtotal, Allotments to States		703,576	703,576	764,757	-	-	0%
(b) ES National Activities (Trust funds)	D	20,994	20,994	20,994	-	-	0%
Subtotal, Employment Service		724,570	724,570	785,751	-	-	0%
<b>4. Foreign Labor Certification:</b>							
(a) State Grants (Trust funds)	D	15,129	15,129	15,129	-	-	0%
(b) Federal Administration (Trust funds)	D	53,307	53,307	50,537	-	-2,770	-5%
(c) Federal Administration (H-1B Fees)	M	11,000	13,000	13,000	-	-	0%
Subtotal, Foreign Labor Certification		79,436	81,436	78,666	-	-2,770	-3%
5. One-Stop Career Centers / Labor Market Information	D	63,720	63,720	63,720	-	-	0%
<b>Total Appropriation, State Unemployment Insurance and Employment Service Operations</b>		<b>166,803,681</b>	<b>136,053,681</b>	<b>97,406,057</b>	<b>-56,000</b>	<b>-38,647,624</b>	<b>-28%</b>
Mandatory		162,690,000	131,940,000	93,204,000	-	-38,736,000	-29%
Discretionary		4,113,681	4,113,681	4,202,057	-56,000	88,376	2%
Federal Funds		86,403	86,403	147,584	-	61,181	71%
Trust Funds		4,027,278	4,027,278	4,054,473	-56,000	27,195	1%
<b>Outlays</b>		<b>162,320,125</b>	<b>135,723,100</b>	<b>97,741,801</b>	<b>-100,000</b>	<b>-37,981,299</b>	<b>-28%</b>
Mandatory		157,964,000	131,945,000	93,463,000	-	-38,482,000	-29%
Discretionary		4,356,125	3,778,100	4,278,801	-100,000	500,701	13%
Federal Funds		-335,083	-536,000	98,600	-	634,600	-118%
Trust Funds		4,691,208	4,314,100	4,180,201	-100,000	-133,899	-3%
<b>State Paid Leave Program:</b>							
1. Grants	D	-	-	23,000	-	23,000	100%
<b>Total Appropriation, State Paid Leave Program</b>		<b>-</b>	<b>-</b>	<b>23,000</b>	<b>-</b>	<b>23,000</b>	<b>100%</b>
<b>Outlays</b>		<b>-</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>5,000</b>	<b>100%</b>
<b>Advances to the UI and Other Trust Funds:</b>							
1. Advances to the Unemployment Trust Fund	M	105,000	200,000	-	-	-200,000	-100%
<b>Total Appropriation, Advances to the UI and Other Trust Funds</b>		<b>105,000</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>-200,000</b>	<b>-100%</b>
<b>Outlays</b>		<b>110,000</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>-200,000</b>	<b>-100%</b>
<b>Payments to the UI Trust Fund:</b>							
1. Payments to the Unemployment Trust Fund	M	75,476,000	53,408,000	22,171,000	-	-31,237,000	-58%
<b>Total Appropriation, Payments to the UI Trust Fund</b>		<b>75,476,000</b>	<b>53,408,000</b>	<b>22,171,000</b>	<b>-</b>	<b>-31,237,000</b>	<b>-58%</b>
<b>Outlays</b>		<b>75,282,000</b>	<b>53,408,000</b>	<b>22,171,000</b>	<b>-</b>	<b>-31,237,000</b>	<b>-58%</b>

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**UNITED STATES DEPARTMENT OF LABOR  
FY 2012 President's Budget  
(Dollars in Thousands)**

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				Current Law		Amount	Percent
<b>EMPLOYMENT AND TRAINING ADMINISTRATION</b>							
<i>Program Administration:</i>							
1. Adult Services	D	46,859	46,859	51,577	-	4,718	10%
Trust Funds	D	8,553	8,553	9,960	-	1,407	16%
2. Youth Services	D	12,308	12,308	14,442	-	2,134	17%
3. Workforce Security	D	3,490	3,490	4,713	-	1,223	35%
Trust Funds (beginning in FY 2009, no longer includes Foreign Labor Certification)	D	39,496	39,496	41,298	-	1,802	5%
4. Apprenticeship Training, Employer and Labor Services	D	27,784	27,784	28,718	-	934	3%
5. Executive Direction	D	7,075	7,075	7,083	-	8	0%
Trust Funds	D	2,091	2,091	2,091	-	-	0%
Total Appropriation, Program Administration		147,656	147,656	159,882	-	12,226	8%
Mandatory		-	-	-	-	-	100%
Discretionary		147,656	147,656	159,882	-	12,226	8%
Federal Funds		97,516	97,516	106,533	-	9,017	9%
Trust Funds		50,140	50,140	53,349	-	3,209	6%
Outlays		161,457	175,903	162,329	-	-13,574	-8%
Mandatory		-	-	-	-	-	100%
Discretionary		161,457	175,903	162,329	-	-13,574	-8%
Total Appropriation, Employment and Training Administration		250,716,897	198,589,897	126,811,733	515,000	-71,778,164	-36%
Mandatory		240,093,400	187,991,400	117,100,100	571,000	-70,891,300	-38%
Discretionary		10,623,497	10,598,497	9,711,633	-56,000	-886,864	-8%
Federal Funds		6,546,079	6,521,079	5,603,811	-	-917,268	-14%
Annual appropriation		4,083,079	4,083,079	3,102,148	-	-980,931	-24%
Advance for succeeding fiscal year		2,463,000	2,438,000	2,501,683	-	63,683	3%
Trust Funds		4,077,418	4,077,418	4,107,822	-56,000	30,404	1%
Total Outlays		246,167,162	198,051,245	128,083,046	315,000	-69,968,199	-35%
Mandatory (includes Advances to the UI and Other Trust Funds)		234,114,000	186,817,000	117,360,000	415,000	-69,457,000	-37%
Discretionary		12,053,162	11,234,245	10,723,046	-100,000	-511,199	-5%
<b>EMPLOYEE BENEFITS SECURITY ADMINISTRATION</b>							
1. Enforcement and Participant Assistance 1/	D	129,199	129,199	149,884	-	20,685	16%
2. Poly and Compliance Assistance	D	18,994	18,994	40,926	-	21,932	115%
3. Executive Leadership, Program Oversight and Administration	D	6,668	6,668	6,718	-	50	1%
Total Appropriation, Employee Benefits Security Administration		154,861	154,861	197,528	-	42,667	28%
Total Outlays		161,730	161,000	187,000	-	26,000	16%
<b>PENSION BENEFIT GUARANTY CORPORATION</b>							
1. Pension insurance activities [non-add]	M	74,506	74,506	86,023	-	11,517	15%
2. Pension plan termination [non-add]	M	242,300	242,300	243,372	-	1,072	0%
3. Operational support [non-add]	M	147,261	147,261	147,506	-	245	0%
Total Appropriation, Pension Benefit Guaranty Corporation (Admin Operations) [non-add]		464,067	464,067	476,901	-	12,834	3%
Total Outlays (Program)		-1,332,768	-619,000	-782,000	-	-163,000	26%
<b>WAGE AND HOUR DIVISION</b>							
1. Salaries and Expenses	D	227,606	227,606	240,937	-	13,331	6%
2. H-1B	M	20,000	60,000	51,000	-	-9,000	-15%
3. H-1B Balance Cancellation	D	-	-50,000	-	-	50,000	-100%
Total Appropriation, Wage and Hour Division		247,606	237,606	291,937	-	54,331	23%
Mandatory		20,000	60,000	51,000	-	-9,000	-15%
Discretionary		227,606	177,606	240,937	-	63,331	36%
Total Outlays		230,109	294,535	286,500	-	-8,035	-3%
Mandatory		1,000	75,000	46,000	-	-29,000	-39%
Discretionary		229,109	219,535	240,500	-	20,965	10%

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UNITED STATES DEPARTMENT OF LABOR  
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						Amount	Percent
<b>OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS</b>							
1. Salaries and Expenses	D	105,386	105,386	109,010	-	3,624	3%
Total Outlays		104,863	101,171	108,950	-	7,779	8%
<b>OFFICE OF LABOR-MANAGEMENT STANDARDS</b>							
1. Salaries and Expenses	D	41,367	41,367	41,367	-	-	0%
Total Outlays		39,895	40,539	40,900	-	361	1%
<b>OFFICE OF WORKERS' COMPENSATION PROGRAMS</b>							
<i>Salaries and Expenses:</i>							
1. Salaries and Expenses	D	116,171	116,171	121,354	-	5,183	4%
Trust Funds	D	2,124	2,124	2,184	-	60	3%
Subtotal, Salaries and Expenses		118,295	118,295	123,538	-	5,243	4%
Outlays		112,354	110,163	123,294	-	13,131	12%
<i>Special Benefits:</i>							
1. Federal employees' compensation benefits	M	184,000	180,000	347,000	-10,000	167,000	93%
2. Longshore and harbor workers' benefits	M	3,000	3,000	3,000	-	-	0%
Subtotal, Special Benefits		187,000	183,000	350,000	-10,000	167,000	91%
Outlays		216,000	183,000	350,000	-10,000	167,000	91%
<i>Energy Employees Occupational Illness Compensation Fund:</i>							
1. Part B, Program Benefits [non-add]	M	658,000	621,190	624,004	-	2,814	0%
2. Part B, Administrative Expenses	M	51,900	51,900	52,147	-	247	0%
3. Part E, Program Benefits [non-add]	M	570,000	388,599	352,748	-	-35,851	-9%
4. Part E, Administrative Expenses [non-add]	M	75,238	73,706	73,443	-	-263	0%
Subtotal, Energy Employees Occupational Illness Compensation Fund		1,355,138	1,135,395	1,102,342	-	-33,053	-3%
Outlays		1,190,155	1,141,606	1,108,590	-	-33,016	-3%
EEOIC Benefits		1,074,000	1,016,000	983,000	-	-33,000	-3%
EEOIC Administrative Expenses		116,155	125,606	125,590	-	-16	0%
<i>Special Benefits for Disabled Coal Miners:</i>							
1. Benefit payments	M	220,000	198,000	177,000	-	-21,000	-11%
2. Administration	M	5,180	5,180	5,227	-	47	1%
3. Less funds advanced in prior year	M	-66,000	-45,000	-41,000	-	4,000	-9%
Subtotal		169,180	158,180	141,227	-	-16,953	-11%
4. New advances, 1st quarter next fiscal year	M	45,000	41,000	40,000	-	-1,000	-2%
Subtotal, Special Benefits for Disabled Coal Miners		214,180	199,180	181,227	-	-17,953	-9%
Outlays		218,180	213,180	188,227	-	-24,953	-12%
<i>Black Lung Disability Trust Fund:</i>							
1. Benefit payments and interest on advances	M	180,737	237,808	241,689	-	3,881	2%
2. Office of Workers' Compensation, Salaries and expenses	M	32,720	32,720	32,906	-	186	1%
3. Departmental Management, Salaries and expenses	M	25,091	25,091	25,217	-	126	1%
4. Departmental Management, Inspector General	M	327	327	327	-	-	0%
5. BLTF Refinancing	M	-	-	-	-	-	100%
Subtotal		238,875	295,946	300,139	-	4,193	1%
6. Treasury Department, Administrative Costs	M	356	356	356	-	-	0%
6. Authority to Borrow	M	60,000	-	-	-	-	100%
Subtotal Appropriation, Black Lung Disability Trust Fund		299,231	296,302	300,495	-	4,193	1%
Outlays		299,494	295,994	299,806	-	3,812	1%

1/ FY 2011 amounts reflect the annualized level as provided by the continuing resolution (P.L. 111-242, as amended)

UNITED STATES DEPARTMENT OF LABOR  
 FY 2012 President's Budget  
 (Dollars in Thousands)

Office, Account, Program and Activity	Category Code	FY 2010 Comparable	FY 2011 Comparable 1/	FY 2012	FY 2012	FY 2012 President's Request	
				President's Request Current Law	Proposed Legislation	Current Law versus FY 2011 Comparable Amount	Percent
<b>OFFICE OF WORKERS' COMPENSATION PROGRAMS</b>							
<i>Panama Canal Commission:</i>	M	1,000	6,000	6,000	-	-	0%
Outlays		6,000	6,000	6,000	-	-	0%
<i>Special Workers' Compensation:</i>	M	145,876	145,876	146,816	-	940	1%
Outlays		138,876	139,876	138,816	-	-1,060	-1%
Total Appropriation, Office of Workers' Compensation		2,320,720	2,084,048	2,210,418	-10,000	126,370	6%
Mandatory		2,202,425	1,965,753	2,086,880	-10,000	121,127	6%
Discretionary		118,295	118,295	123,538	-	5,243	4%
Federal Funds		116,171	116,171	121,354	-	5,183	4%
Trust Funds		2,124	2,124	2,184	-	60	3%
Total Outlays		2,181,059	2,089,819	2,214,733	-10,000	124,914	6%
Mandatory		2,068,705	1,979,656	2,091,439	-10,000	111,783	6%
Discretionary		112,354	110,163	123,294	-	13,131	12%
<b>OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION</b>							
1. Safety and Health Standards	D	19,569	19,569	25,982	-	6,413	33%
2. Federal Enforcement	D	223,399	223,399	237,313	-	13,914	6%
3. State Programs	D	104,393	104,393	105,893	-	1,500	1%
4. Technical Support	D	25,920	25,920	25,960	-	30	0%
5. Compliance Assistance:							
(a) Federal Assistance	D	73,380	73,380	74,039	-	659	1%
(b) State Consultation Grants	D	54,798	54,798	55,798	-	1,000	2%
(c) Training Grants	D	10,750	10,750	12,000	-	1,250	12%
Subtotal, Compliance Assistance		138,928	138,928	141,837	-	2,909	2%
6. Safety and Health Statistics	D	34,875	34,875	34,875	-	-	0%
7. Executive Direction and Administration	D	11,536	11,536	11,536	-	-	0%
Total Appropriation, Occupational Safety and Health Administration		558,620	558,620	583,386	-	24,766	4%
Total Outlays		532,355	566,000	583,000	-	17,000	3%
<b>MINE SAFETY AND HEALTH ADMINISTRATION</b>							
1. Coal Enforcement	D	158,662	158,662	161,303	-	2,641	2%
2. Metal / Non-Metal Enforcement	D	85,422	85,422	89,990	-	4,568	5%
3. Standards Development	D	3,481	3,481	5,550	-	2,069	59%
4. Assessments	D	6,233	6,233	6,574	-	341	5%
5. Educational Policy and Development	D	38,605	38,605	36,338	-	-2,267	-6%
6. Technical Support	D	30,642	30,642	33,403	-	2,761	9%
7. Program evaluation and information resources	D	16,857	16,857	20,654	-	3,797	23%
8. Program Administration	D	17,391	17,391	30,465	-	13,074	75%
Total Appropriation, Mine Safety and Health Administration		357,293	357,293	384,277	-	26,984	8%
Total Outlays		354,287	364,000	383,000	-	19,000	5%
<b>BUREAU OF LABOR STATISTICS</b>							
1. Employment and Unemployment Statistics	D	197,852	211,095	219,043	-	7,948	4%
2. Labor Market Information (Trust funds)	D	78,264	67,438	69,136	-	1,698	3%
3. Prices and Cost of Living	D	201,081	205,822	232,839	-	27,017	13%
4. Compensation and Working Conditions	D	88,553	80,579	81,197	-	618	1%
5. Productivity and Technology	D	11,904	12,102	10,201	-	-1,901	-16%
6. Executive Direction and Staff Services	D	33,793	34,411	34,614	-	203	1%
Total Appropriation, Bureau of Labor Statistics		611,447	611,447	647,030	-	35,583	6%
Federal Funds		533,183	544,009	577,894	-	33,885	6%
Trust Funds		78,264	67,438	69,136	-	1,698	3%
Total Outlays		598,523	569,264	641,030	-	71,766	13%

1/ FY 2011 amounts reflect the annualized level as provided by the continuing resolution (P.L. 111-242, as amended)

**UNITED STATES DEPARTMENT OF LABOR**  
**FY 2012 President's Budget**  
(Dollars in Thousands)

Office, Account, Program and Activity	Category Code	FY 2010 Comparable	FY 2011 Comparable 1/	FY 2012 President's Request Current Law	FY 2012 Proposed Legislation	FY 2012 President's Request Current Law versus FY 2011 Comparable	
						Amount	Percent
<b>DEPARTMENTAL MANAGEMENT</b>							
<i>Salaries and Expenses:</i>							
1. Program Direction and Support	D	33,200	33,200	33,213	-	13	0%
2. Departmental IT Crosscut (shown as comparable transfer in IT Modernization below)	D	-	-	-	-	-	100%
3. Legal Services	D	117,121	117,121	132,578	-	15,457	13%
Trust Funds	D	327	327	331	-	4	1%
4. International Labor Affairs	D	92,669	92,669	101,504	-	8,835	10%
5. Administration and Management	D	30,826	30,826	30,745	-	-81	0%
6. Adjudication	D	29,286	29,286	30,576	-	1,290	4%
7. Women's Bureau	D	11,604	11,604	11,620	-	16	0%
8. Civil Rights Activities	D	7,220	7,220	7,223	-	3	0%
9. Chief Financial Officer	D	5,361	5,361	5,364	-	3	0%
10. Departmental Program Evaluation	D	8,500	8,500	18,400	-	9,900	116%
Total Appropriation, Salaries and Expenses		336,114	336,114	371,554	-	35,440	11%
Federal Funds		335,787	335,787	371,223	-	35,436	11%
Trust Funds		327	327	331	-	4	1%
Outlays		330,641	372,999	375,000	-	2,001	1%
<i>Office of Disability Employment Policy:</i>							
1. Salaries and expenses	D	39,031	39,031	39,031	-	-	0%
Total Appropriation, Office of Disability Employment Policy		39,031	39,031	39,031	-	-	0%
Outlays		28,066	35,400	35,891	-	491	1%
<i>Office of the Inspector General:</i>							
1. Program Activities	D	78,093	78,093	78,453	-	360	0%
Trust Funds	D	5,921	5,921	5,992	-	71	1%
Total Appropriation, Office of the Inspector General		84,014	84,014	84,445	-	431	1%
Federal Funds		78,093	78,093	78,453	-	360	0%
Trust Funds		5,921	5,921	5,992	-	71	1%
Outlays		79,587	86,921	85,992	-	-929	-1%
<i>Veterans Employment and Training:</i>							
1. State Administration, Grants (TF)	D	165,394	165,394	165,394	-	-	0%
2. Transition Assistance Program (TF)	D	7,000	7,000	9,000	-	2,000	29%
3. Federal Administration (TF)	D	35,313	35,313	35,222	-	-91	0%
4. National Veterans Training Institute (TF)	D	2,449	2,449	2,449	-	-	0%
5. Homeless Veterans Program	D	36,330	36,330	39,330	-	3,000	8%
6. Veterans Workforce Investment Programs	D	9,641	9,641	9,641	-	-	0%
Total Appropriation, Veterans Employment and Training		256,127	256,127	261,036	-	4,909	2%
Federal Funds		45,971	45,971	48,971	-	3,000	7%
Trust Funds		210,156	210,156	212,065	-	1,909	1%
Outlays		243,964	248,762	273,000	-	24,238	10%
<i>IT Modernization</i>							
1. Departmental Support Systems		19,892	19,892	17,000	-	-2,892	-15%
2. IT Infrastructure Modernizations		-	-	8,000	-	8,000	100%
Total Appropriation, IT Modernization		19,892	19,892	25,000	-	5,108	26%
Outlays		-	-	6,250	-	6,250	100%
1/ FY 2011 amounts reflect the annualized level as provided by the continuing resolution (P.L. 111-242, as amended)							

**UNITED STATES DEPARTMENT OF LABOR**  
**FY 2012 President's Budget**  
(Dollars in Thousands)

Office, Account, Program and Activity	Category Code	FY 2010 Comparable	FY 2011 Comparable 1/	FY 2012	FY 2012	FY 2012 President's Request	
				President's Request Current Law	Proposed Legislation	Current Law versus FY 2011 Comparable Amount	Percent
<b>Working Capital Fund:</b>							
1 Working Capital Fund	D	-	-	4,620	-	4,620	100%
Mandatory Funds	M	-	-	-	-	-	100%
Total Appropriation, Working Capital Fund		-	-	4,620	-	4,620	100%
Mandatory		-	-	-	-	-	100%
Discretionary		-	-	4,620	-	4,620	100%
Outlays		-13,000	1,000	5,620	-	4,620	462%
Mandatory		-	-	-	-	-	100%
Discretionary		-13,000	1,000	5,620	-	4,620	462%
<b>DEPARTMENTAL MANAGEMENT</b>							
Total Appropriation, Departmental Management		735,178	735,178	785,686	-	50,508	7%
Mandatory		-	-	-	-	-	100%
Discretionary		735,178	735,178	785,686	-	50,508	
Federal Funds		518,774	518,774	567,298	-	48,524	9%
Trust Funds		216,404	216,404	218,388	-	1,984	1%
Total Outlays		669,258	745,082	781,753	-	36,671	5%
Mandatory		-	-	-	-	-	100%
Discretionary		669,258	745,082	781,753	-	36,671	5%
<b>RECEIPTS</b>							
Proprietary Receipts, UTF	M	-1,000	-1,000	-1,000	-	-	0%
Offsetting Collections, PCC	M	-1,000	-6,000	-6,000	-	-	0%
CMIA Receipts, UTF	M	-	-	-	-	-	100%
Interest on UI Loans to States	M	-	-1,220,000	-1,830,000	1,830,000	-610,000	50%
Misc Receipts, BLDTF	M	-1,000	-2,000	-2,000	-	-	0%
Undistributed Offsetting Receipts	M	-831,000	-449,000	-304,000	-	145,000	-32%
Interfund Transactions	M	-76,649,000	-54,939,000	-23,717,000	-	31,222,000	-57%
Total, Receipts / Interfund Transactions		-77,483,000	-56,617,000	-25,860,000	1,830,000	30,757,000	-54%
Total Outlays		-77,483,000	-56,617,000	-25,860,000	1,830,000	30,757,000	-54%
<b>TOTAL APPROPRIATION, DEPARTMENT OF LABOR</b>							
Mandatory		178,366,375	146,868,703	106,202,372	2,335,000	-40,656,331	-28%
Discretionary		164,832,825	133,400,153	93,377,980	2,391,000	-40,022,173	-30%
Federal Funds		13,533,550	13,458,550	12,824,392	-56,000	-634,158	-5%
Annual appropriation		9,159,340	9,095,166	8,426,862	-	-668,304	-7%
Advance for succeeding fiscal year		6,696,340	6,657,166	5,925,199	-	-731,967	-11%
Trust Funds		2,463,000	2,438,000	2,501,663	-	63,663	3%
Discretionary		4,374,210	4,363,384	4,397,530	-56,000	34,146	1%
<b>TOTAL OUTLAYS, DEPARTMENT OF LABOR</b>							
Mandatory (includes Advances to UTF and Pension Benefit Guaranty Corp)		172,223,473	145,746,855	106,667,912	2,135,000	-39,078,743	-27%
Discretionary		157,367,937	131,635,656	92,855,439	2,235,000	-38,780,217	-29%
Discretionary		14,855,536	14,110,999	13,812,473	-100,000	-298,526	-2%

1/ FY 2011 amounts reflect the annualized level as provided by the continuing resolution (P.L. 111-242, as amended)

## FY 2012 Full Time Equivalent (FTE) Table

U. S. DEPARTMENT OF LABOR  
FULL - TIME EQUIVALENT (FTE) EMPLOYMENT  
FY 2012 President's Budget

	FY 2010 Actual Non-ARRA	FY 2010 Actual ARRA	FY 2010 Actual Total	FY 2011 Comparable	Program Increases	Program Decreases	FY 2012 Pres Bud	FY '12 Pres Bud vs. '11 Comp
Employment and Training Administration	915	190	1,105	983	78	0	1,061	78
Job Corps	156	11	167	168	11	0	179	11
Employee Benefits Security Administration	878	43	921	910	179	0	1,089	179
Pension Benefit Guaranty Corporation	899	0	899	912	0	0	912	0
Employee Standards Administration	4,130	79	4,209	4,318	127	(12)	4,433	115
Office of Workers' Compensation Programs	1,140	0	1,140	1,172	9	0	1,181	9
Energy Employees' Occupational Illness Comp	540	0	540	540	0	0	540	0
Wage-Hour Division	1,495	43	1,538	1,582	107	(12)	1,677	95
Office of Federal Contract Compliance Programs	662	34	696	775	11	0	786	11
Office of Labor-Management Standards	254	2	256	249	0	0	249	0
Program Direction	39	0	39	0	0	0	0	0
Occupational Safety and Health Administration	2,170	19	2,189	2,319	72	0	2,391	72
Mine Safety and Health Administration	2,362	0	2,362	2,400	64	(36)	2,428	28
Bureau of Labor Statistics	2,347	0	2,347	2,340	138	(16)	2,462	122
Departmental Management	1,335	34	1,369	1,494	113	(87)	1,520	26
Office of Disability Employment Policy	49	0	49	52	0	0	52	0
Office of Inspector General	418	2	420	420	0	0	420	0
Veterans' Employment and Training	224	0	224	227	0	0	227	0
Working Capital Fund	642	0	642	654	20	0	674	20
<b>Total FTE Employment</b>	<b>16,525</b>	<b>378</b>	<b>16,903</b>	<b>17,197</b>	<b>802</b>	<b>(151)</b>	<b>17,848</b>	<b>651</b>