

**U.S. Department of Labor  
Employment and Training  
Administration**



**November 2020**

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## TAB 1: AGENCY ORGANIZATIONAL OVERVIEW

### Mission

The [mission](https://www.dol.gov/agencies/eta/about/mission)<sup>1</sup> of the Employment and Training Administration (ETA) is to contribute to the more efficient functioning of the U.S. labor market by providing high quality workforce development, employment, labor market information, and income maintenance services primarily through state and local workforce development systems.

### Vision

Our vision is to promote pathways to economic liberty for individuals and families working to achieve the American Dream. On behalf of American taxpayers, ETA administers effective programs that have at their core the goals of enhanced employment opportunities and business prosperity.

### Authorizing Legislation

Public Law or U.S. Code Citation	Legislation	Expiration Date
29 U.S.C. 2916a	American Competitiveness and Workforce Improvement Act (H-1B)	No expiration date
P.L. 116-136	Coronavirus Aid, Relief and Economic Security (CARES) Act	<ul style="list-style-type: none"> <li>Federal Pandemic Unemployment Compensation (\$600 in extra UI benefits) expired on July 31, 2020.</li> <li>Pandemic Unemployment Assistance, Extended Benefits and most other unemployment rated provisions expire December 31, 2020.</li> <li>The National Reserve is available through September 30, 2022.</li> </ul>
P.L. 115-245	Labor, Health and Human Services, Education, Defense, State, Foreign Operations, and Energy and Water Development Appropriations Act, 2020	September 30, 2020
P.L. 116-127	Families First Coronavirus Response Act (FFCRA), including the Emergency Unemployment Insurance of Stabilization and Access Act of 2020 (EUISAA)	<ul style="list-style-type: none"> <li>100% Federal funding for Extended Benefits for states with high unemployment expires December 31, 2020.</li> </ul>

<sup>1</sup> <https://www.dol.gov/agencies/eta/about/mission>.

**TAB 1: Agency Organizational Overview**

Public Law or U.S. Code Citation	Legislation	Expiration Date
		<ul style="list-style-type: none"> <li>COVID emergency paid sick leave expires on December 31, 2020.</li> </ul>
26 U.S.C. 3301 et seq.	Federal Unemployment Tax Act	No expiration date
26 U.S.C. 3304	Federal-State Extended Unemployment Compensation Act of 1970	No expiration date
P.L. 115-435	Foundations for Evidence-Based Policymaking Act of 2018	No expiration date
25 U.S.C 3401	Indian Employment, Training and Related Services Consolidation Act of 2017	No expiration date
8 U.S.C. 1101 et seq.	Immigration and Nationality Act (foreign labor certification)	No expiration date
29 U.S.C. 50	National Apprenticeship Act (Fitzgerald Act)	No expiration date
P.L. 114-144	Older Americans Act Reauthorization Act of 2016	September 30, 2019
P.L. 114-113	Protecting Americans from Tax Hikes (PATH Act) of 2015 (Work Opportunity Tax Credit)	December 31, 2019
42 U.S.C. 5177 and 5189a	Robert T. Stafford Disaster Relief and Emergency Assistance Act (Disaster Unemployment Assistance)	No expiration date
42 U.S.C. 1101 et seq.	Social Security Act Title IX-Unemployment Security Administration Financing	No expiration date
42 U.S.C. 1320b-7	Social Security Act Title XI, Section 1137-Income and Eligibility Verification System	No expiration date
42 U.S.C. 1321 et seq.	Social Security Act Title XII-Advances to State Unemployment Funds	No expiration date
42 U.S.C. 501 et seq.	Social Security Act, Title III-Grants to States for Unemployment Compensation Administration	No expiration date
38 U.S.C. 36	Support for Veterans in Effective Apprenticeships Act of 2019	September 22, 2020
P.L. 114-27	Trade Preferences Extension Act of 2015, Title IV, Extension of Trade Adjustment Assistance	June 30, 2021
5 U.S.C. 8521 et seq.	Unemployment Compensation for Ex-Service members Program	No expiration date
5 U.S.C. 8501 et seq.	Unemployment Compensation for Federal Civilian Employees Program	No expiration date
P.L. 112-56	Veterans Opportunity to Work to Hiring Our Heroes Act of 2011	No expiration date
29 U.S.C. 49 et seq.	Wagner-Peyser Act	No expiration date
29 USC 3101 et seq.	Workforce Innovation and Opportunity Act (WIOA)	September 30, 2020

## Organizational Structure

ETA administers federal government job training, worker dislocation programs, and foreign labor certification. ETA also provides unemployment insurance benefits and federal grants to states for public employment service programs; state and local workforce development systems primarily provide these services.

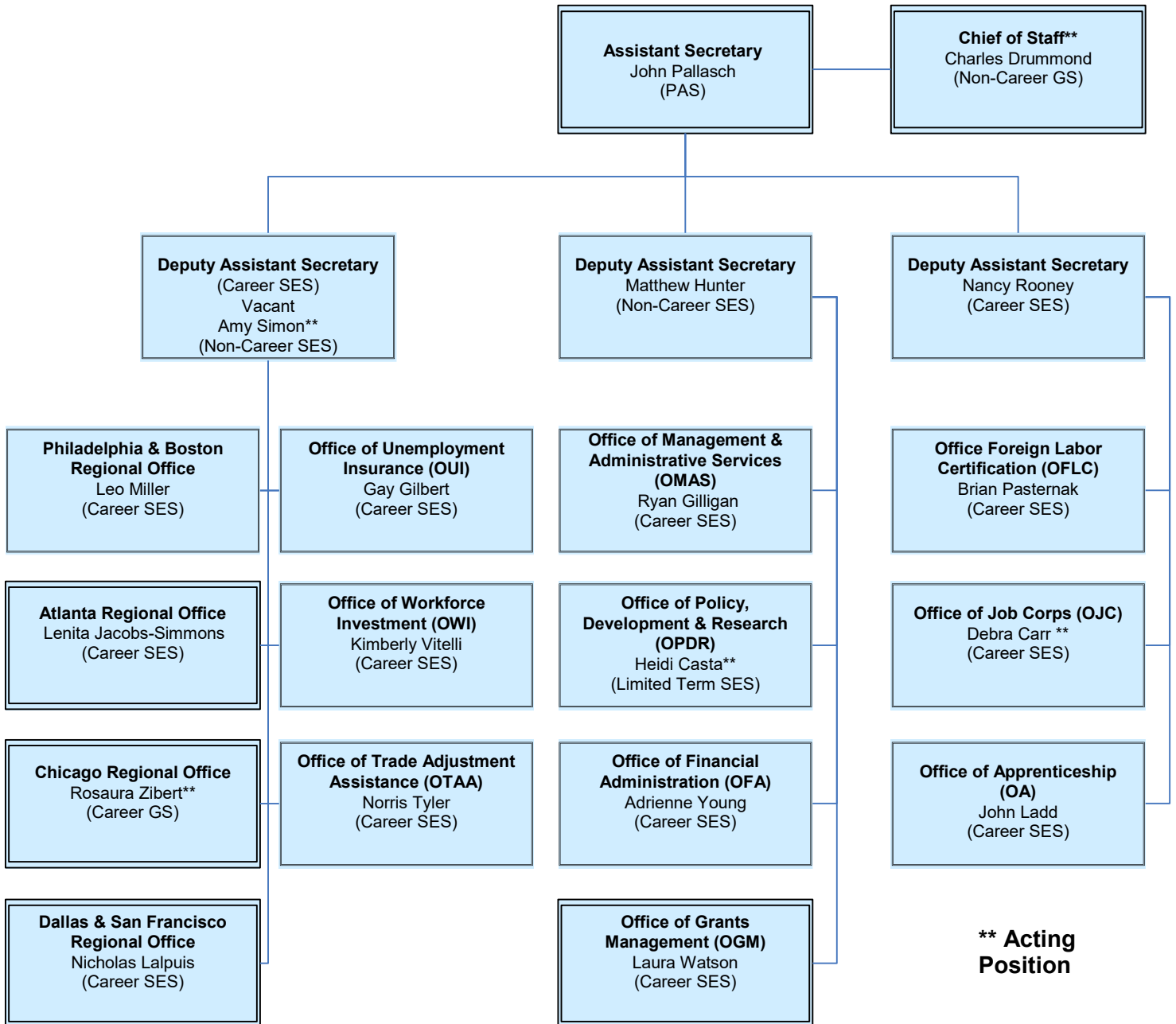
In addition to the Office of the Assistant Secretary (OASET), ETA includes ten *National Offices*:

- Office of Apprenticeship (OA)
- Office of Financial Administration (OFA)
- Office of Foreign Labor Certification (OFLC)
- Office of Grants Management (OGM)
- Office of Job Corps (OJC)
- Office of Management and Administrative Service (OMAS)
- Office of Policy Development and Research (OPDR)
- Office of Trade Adjustment Assistance (OTAA)
- Office of Unemployment Insurance (OUI)
- Office of Workforce Investment (OWI)

ETA also includes six *Regional Offices* in Boston, Philadelphia, Atlanta, Dallas, Chicago, and San Francisco under four Regional Administrators.

**TAB 1: Agency Organizational Overview**

*Organizational Chart*



**TAB 1: Agency Organizational Overview**

*Workforce At-A-Glance*

**DEPARTMENT OF LABOR EMPLOYMENT \*  
AS OF 11/1/2020 - ETA**

AGENCY			
Subagency	National Office	Regional Office	Total
ETA	445	504	949
<b>Total</b>	<b>445</b>	<b>504</b>	<b>949</b>
RACE & GENDER			
Ethnicity	F	M	Total
American Indian	7	5	12
Asian	40	19	59
Black	258	120	378
Hawaiian/PI	2	0	2
Hispanic	43	31	74
Two or more Races	8	2	10
White	187	227	414
<b>Total</b>	<b>545</b>	<b>404</b>	<b>949</b>

BARGAINING UNIT	
Local 12	288
NCFL	370
Non-BU	291
SUPERVISORY**	
Non Supervisor	724
Supervisor	225
WORK SCHEDULE	
F-Full Time	938
G-Full Time Seasonal	1
I-Intermittent	4
P-Part Time	6
REGIONS	
1 Boston	53
2 Philadelphia	53
3 Atlanta	122
4 Dallas	84
5 Chicago	132
6 San Francisco	60
Natl Ofc	445
<b>Total</b>	<b>949</b>

GRADE DISTRIBUTION	
00	17
04	2
05	3
06	3
07	9
08	6
09	15
11	57
12	274
13	312
14	169
15	82
<b>Total</b>	<b>949</b>
DISABLED STATUS	
No Disability	771
Non-targeted	145
Targeted	33
APPOINTMENT TENURE	
Indefinite	26
Permanent	899
Temporary	24
RETIREMENT ELIGIBILITY	
Early Out	127
Eligible	199
Not Eligible	623

METRO D.C. AREA EMPLOYEES BY BUILDING		
FRANCES PERKINS BLDG		422
PATRIOTS PLAZA		23
<b>Total</b>		<b>445</b>
Includes regional employees working in the D.C. area		
GRADE 13 & ABOVE		
Ethnicity	F	M
American Indian	5	3
Asian	28	11
Black	134	65
Hawaiian/PI	1	0
Hispanic	33	14
Two or more Races	6	1
White	129	151

\* Permanent and Temporary Employees  
\*\* Supervisor count includes manager levels 2 and 4

**Organizational Changes during the Past Four Years**

During the past four years, Acting Assistant Secretaries helmed ETA until the appointment of Assistant Secretary John Pallasch in July 2019. To support the Assistant Secretary, the Office of

the Assistant Secretary for Employment and Training also has three Deputy Assistant Secretaries and several special assistants and policy advisors.

Additional key organizational changes in the past four years include the following:

- Under the Department's Enterprise-wide Shared Services Initiative (ESS), the Office of Contracts Management, the Office of Human Resources, and the Office of Information Services and Technology moved from ETA to the Office of the Assistant Secretary for Administration and Management (OASAM). To date, 110 staff have been transferred from ETA to OASAM as part of ESS. Additionally, Job Corps-related information technology staff and equipment will move in the coming months.
- The Office of Job Corps added a second Deputy Administrator portfolio and now has a Deputy Administrator for Policy and a Deputy Administrator for Regional Operations.
- The Office of Grants Management (OGM), originally under the Office of Management and Administrative Services, became an independent office. OGM awards \$8.5 billion in grants each year and administers \$22 billion in annual grant investments for the Department, warranting an independent office with dedicated executive leadership.
- In the spring of 2019, the Office of Apprenticeship's National Office Divisions organization changed to position the office to better service the rapidly expanding investment portfolio, growing interest in national programs and partnerships, and the new Industry-Recognized Apprenticeship Program product. The new divisions are as follows:
  - Division of Industry Recognition, Analytics, and Promotion (IRAP);
  - Division of Policy and Registered Apprenticeship Program (RAP); and
  - Division of Workforce, Operations and Investments.
- Four Regional Offices experienced consolidation at the Regional Administrator-level (career SES positions). Both the Boston Regional Office and the Philadelphia Regional Office now report to a single Administrator; similarly, both the Dallas Regional Office and the San Francisco Regional Office report to a single Administrator. The Atlanta and Chicago Regional Offices continue to each have a Regional Administrator.

Overall, ETA has downsized since 2016 by 18 percent (from 1,135 to 930), which included the transition of various ETA operations to OASAM as part of the Department's ESS initiative. During the last four fiscal years, ETA has eliminated four career SES positions and added three SES positions, now totaling 21 SES slots. Two of the eliminated SES positions transitioned to OASAM as part of the Department's ESS initiative. The Office of Job Corps added a career SES deputy position, and the other two additions are non-career positions in the Office of the Assistant Secretary. Currently, five SES positions are vacant.

Consistent with DOL's policy in response to the COVID-19 National Health Emergency, more than 96 percent of ETA's workforce has been in a maximum telework posture since mid-March 2020. ETA has utilized surge-hiring authorities provided by the CARES Act to onboard temporary staff to support ETA's response to the emergency.



## Key Leaders

*Office of the Assistant Secretary for Employment and Training*

### Assistant Secretary

- John Pallasch, Senate Confirmed Presidential Appointee

### Deputy Assistant Secretaries

- Vacant (Career SES) with Amy Simon (Acting) (Non-Career SES)
- Matthew Hunter (Non-Career SES)
- Nancy Rooney (Career SES)

### Chief of Staff

- Charles Drummond (Acting) (Non-Career Schedule C)
  - John Kashuba, Special Asst (Non-Career Schedule C)
  - James (Hunter) Blohm, Special Asst (Non-Career Schedule C)
  - Kate Lagomarsino, Special Asst (Non-Career Schedule C)

### Counselor

- Shawn Packer (Non-Career Schedule C)

### Senior Policy Advisors

- Jonathan Blyth (Non-Career Schedule C)
- Mary Powers (Non-Career Schedule C)

*Office Administrators and Deputy Administrators*

### Office of Apprenticeship (OA)

- John Ladd, Administrator
- Mike Qualter, Deputy
- Nathan Williamson, Deputy

### Office of Financial Administration (OFA)

- Adrienne E. Young, Administrator
- Nyesha Bailey, Deputy

### Office of Foreign Labor Certification (OFLC)

- Brian Pasternak, Administrator
- Renata Adjibodou, Deputy

### Office of Job Corps (OJC)

- Debra Carr, Acting Administrator
- Debra Carr, Deputy for Policy
- Timothy Smyth, Acting Deputy for Regional Operations (Detailed from the Department of Housing and Urban Development)

**Office of Management and Administrative Services (OMAS)**

- Ryan Gilligan, Administrator
- Nalini Close, Deputy

**Office of Grants Management (OGM)**

- Laura Watson, Administrator
- Latifa Jeter, Deputy

**Office of Policy Development and Research (OPDR)**

- Heidi M. Casta, Acting Administrator
- Melissa Smith, Acting Deputy

**Office of Trade Adjustment Assistance (OTAA)**

- Norris Tyler, Administrator

**Office of Unemployment Insurance (OUI)**

- Gay Gilbert, Administrator
- Jim Garner, Deputy

**Office of Workforce Investment (OWI)**

- Kim Vitelli, Administrator
- Robin Fernkas, Deputy

*Regional Office Administrators and Deputy Administrators*

**Region 1 (Boston) and Region 2 (Philadelphia)**

- Leo Miller, Administrator
- James Shanahan, Deputy (Boston)

**Region 3 (Atlanta)**

- Lenita Jacobs-Simmons, Administrator

**Region 4 (Dallas) and Region 6 (San Francisco)**

- Nicholas E. Lalpui, Administrator
- Ann Leonetti, Deputy (San Francisco)

**Region 5 (Chicago)**

- Rosaura Zibert, Acting Administrator
- Rosaura Zibert, Deputy

## TAB 2: STATE OF PLAY

### Key Meetings, Decisions, and Announcements

*By end of November 2020*

- ***H-2A Modernization Regulations Effective Q1 of FY 2021:*** The Department intends to implement new regulations to modernize the H-2A program in a way that streamlines the application process, eases unnecessary regulatory burdens on employers, and strengthens protections for U.S. and foreign agricultural workers. The new regulations will become effective in the first quarter of FY 2021, as currently scheduled.
- ***Implement Interagency Labor Certification Data Hub for Integrated Immigration System:*** OFLC, in collaboration with the Office of Chief Information Officer, will implement an open-source data-sharing platform that provides federal partner agencies (Departments of State (DOS), Homeland Security (DHS), and Justice (DOJ)) with access to near real-time transactional labor certification data using Application Program Interfaces (APIs) for two-way system communications. The Department recently renewed its Memorandum of Understanding (MOU) with DHS and by the end of November, OFLC will execute renewals of MOUs with DOS and DOJ, and complete Interconnectivity Service Agreements to identify data sets, enable API development, and system interconnectivity. This effort will continue to result in direct annual cost avoidances from saved printing and mailing costs, while re-purposing existing clerical staff for other important priorities. By issuing labor certifications digitally to employers and sharing that information with downstream agencies such as USCIS in near real-time, it will save over 4 days in employer filing steps.
- ***Strengthen Wage Protections for the Temporary and Permanent Employment of Certain Aliens in the United States:*** ETA is amending its regulations governing the computation of prevailing wage levels used for the permanent labor certifications and labor condition applications to better reflect the actual wages earned by similarly employed U.S. workers.
- ***Convene Quarterly Permanent and Temporary Foreign Labor Certification Stakeholder Meeting:*** Convene a regular quarterly meeting with representatives of national associations and worker advocacy organizations to provide organizational and program updates and engage in productive dialogue concerning OFLC's processing of employer applications for permanent and temporary labor certification.
- ***Native American Employment and Training Council (NAETC) Meeting:*** A Federal Advisory Committee established by the Workforce Innovation and Opportunity Act, the NAETC will meet in early November. NAETC provides advice to the Secretary of Labor regarding the overall operation and administration of Native American programs authorized by Section 166, as well as the implementation of other programs providing services to Native American youth and adults under WIOA.
- ***Publish Request for Federal Bonding State Grant Applications:*** ETA will publish a Training and Employment Guidance Letter in November 2020 that invites State Workforce Agencies to apply for funds to expand Federal Bonding for returning citizens and those

involved in the justice system. Applications will be due in January 2021, for review and award in February.

*By end of December 2020*

- ***Implement Online Industry Recognized Apprenticeship Program (IRAP) Performance System for Standards Recognition Entities (SREs):*** In support of Executive Order 13801, the Department intends to develop an online reporting form for use by SREs to facilitate transmittal of the IRAP program information described in § 29.22(h) of the final rule. The Department will work with SREs to explore the use of administrative data sources to collect required outcome information. The Department is also interested in conducting research studies to assess the effectiveness of IRAPs.
- ***Publish Reports on Pandemic Programs:*** ETA plans to publish report data and associated report documentation on pandemic programs, such as Pandemic Unemployment Assistance (PUA), Federal Pandemic Unemployment Compensation (FPUC), and Pandemic Emergency Unemployment Compensation (PEUC), reflecting activity occurring in FY 2020. These data include number of claims, dollars paid, and overpayments.
- ***Implement Trade Adjustment Assistance (TAA) Modernization IT Improvements for Investigations:*** ETA will implement new IT improvements for TAA investigations to ensure workers are provided prompt reemployment services. By end of December 2020, OTAA anticipates implementing the Petition Automated Workflow System (PAWS) and to train all investigators.
- ***Launch TrainingProviderResults.gov:*** The TrainingProviderResults.gov website will display employment outcomes, including training completion and credential attainment rates, for participants of training providers' programs under WIOA. The national site helps further ETA's mission to provide high quality job training and enhanced employment opportunities to the American workforce. The site allows American Job Center customers, and staff who assist them, to find training nearby and compare the performance of different training programs so they could make informed decisions about training services and the providers who offer those services.
- ***Launch 2020 Registered Apprenticeship Database to Public:*** By providing the public with Registered Apprenticeship Partners Information Data System (RAPIDS) data for research purposes, this initiative will increase data availability and transparency. The database extract includes tables on all apprentices, programs, and occupations in the system dating back to 2000.
- ***Launch Competition for Apprenticeship Technical Assistance Centers:*** Apprenticeship Extension Centers will create centers of excellence in registered apprenticeship to incubate innovative and evidenced-based program models and speed up the development of National Program Standards for employers and customers.
- ***Publish Reentry Projects Funding Opportunity Announcements:*** With annual appropriations, ETA publishes a set of Funding Opportunity Announcements (FOA) for Reentry Projects that serve adults and young adults.
- ***Announce Strengthening Community Colleges (SCC) Training Grant Awards:*** ETA published the FOA for this grant program in July 2020, with applications due in October

2020. ETA plans to award up to \$40 million in grants in December 2020. SCC grants will increase the capacity and responsiveness of community colleges to address the skill development needs of employers and job seekers; offer accelerated career pathways to help participants gain skills and transition from unemployment to (re)employment quickly; and address new challenges associated with the COVID-19 health crisis by expanding online and technology-enabled learning and migrating services to a virtual environment.

- ***Complete Transition to New Senior Community Service Employment Program (SCSEP) Grantees:*** ETA published the FOA for SCSEP in May 2020, with applications due in June 2020. The effective date for new awards under the competition will be January 1, 2021, with incumbent grantees receiving funds to continue operating through December 31, 2020. In service areas where the grantee will change, the incumbent grantee and the new grantee will work to smoothly transition affected participants to ensure uninterrupted service. ETA will support this process through technical assistance and potentially additional funding to help cover extra administrative costs. SCSEP is a community service and work-based job-training program for older Americans. It is authorized by the Older Americans Act, and provides training for low-income, unemployed seniors. SCSEP participants gain work experience in a variety of community service activities at non-profit and public facilities, including schools, hospitals, day-care centers, and senior centers. The SCSEP primarily awards the competitive grants to national nonprofits, with set-asides organizations serving Indian/Native American and Asian/Pacific Islander.
- ***Hold Workforce Information Advisory Council (WIAC) Meeting:*** ETA plans to hold a second series of virtual meetings of the WIAC (a Federal Advisory Committee established by WIOA), following meetings held in September 2020. ETA expects that the December meetings will focus on refining key subject areas regarding which the committee will provide recommendations, as well as subcommittee work. The WIAC is a Federal Advisory Committee of workforce and labor market information experts representing a broad range of national, state, and local information users and producers. The purpose of the WIAC is to provide recommendations to the Secretary of Labor, working jointly through the Assistant Secretary for Employment and Training and the Commissioner of Labor Statistics, to evaluate and improve the nationwide workforce and information systems on labor markets.

*By end of January 2021*

- ***Strategic Plan 2022-2026:*** The Department's strategic plan process for 2022-2026 will launch in January 2021, with the plan's outline due to OMB on June 4, 2021. DOL agencies will provide input on the plan throughout the Spring of 2021 (objective and goal statement development).
- ***Review Workforce Pathways for Youth Applications:*** The FY 2020 appropriation provided \$10 million for a Workforce Pathways for Youth grant program to make awards to national out-of-school time (OST) organizations to expand workforce readiness programs to include career exploration, job readiness, summer jobs, and apprenticeships. The FOA plans to publish in December with applications due in February 2021. In March 2021, grant panels will begin to review the applications for award in May 2021. Grant awards will go to national OST non-profit (501(c)(3)) organizations with local affiliate networks. An OST organization is a non-profit that operates a supervised program that young people regularly attend when school is not in session. This can include before- and after-school programs on

a school campus or facilities off of a school campus such as academic programs (e.g., reading or math focused programs), specialty programs (e.g., sports teams, STEM, arts enrichment), and multipurpose programs that provide an array of activities.

- **Determine Awards for YouthBuild Grants:** The YouthBuild program, authorized under WIOA and appropriated annually, is a community-based alternative education program for disadvantaged youth between the ages of 16 and 24. The FOA is likely to publish in early December 2020, with applicants submitted, panels completed, award determinations made by April 2021, and awards announced by May 2021. YouthBuild programs must provide construction training and work on low-income housing in their communities, but they can also offer additional in-demand industry training (Construction Plus) to align with local in-demand occupations and provide more diverse placement opportunities for youth who choose not to pursue construction careers.
- **Award H-1B One Workforce Grants:** The H-1B One Workforce Grant Program will provide up to \$150 million to develop replicable, comprehensive workforce strategies for preparing the workforce for middle-to high-skilled H-1B occupations within key sectors, such as information technology/cybersecurity, advanced manufacturing, and transportation. The FOA published in September 2020, with applications submitted, panels completed, and awards determined and announced in January 2021. H-1B One Workforce grantees will implement a wide range of employment and training models, including online and distance learning and work-based training, such as Registered Apprenticeship Programs and IRAPs.
- **Award H-1B Rural Healthcare Grant:** The H-1B Rural Healthcare Grant Program will provide approximately \$40 million to alleviate healthcare workforce shortages by creating sustainable employment and training programs in healthcare occupations (including behavioral and mental healthcare) that are scalable and replicable after this funding expires. The grants will serve rural populations. The FOA published in September, with applications submitted, panels completed, and awards determined and announced in January 2021.

## Policy and Regulatory Issues

ETA's top priorities for FY 2021 are to maintain the competitiveness of the U.S. workforce to meet the needs of job creators and to get America back to work during the ongoing COVID-19 pandemic by ensuring benefits are available to eligible unemployed workers and by supporting the rapid reemployment of American workers.

The agency's priorities are rooted in the principles of WIOA and driven by the overarching vision of *One Workforce System*—an aligned, flexible, and simplified state- and local-driven system of workforce services and programs that brings together disparate workforce programs with a shared goal of achieving self-sufficiency for American workers and job seekers.

ETA is committed to managing cost-effective, evidence-based, and streamlined programs, while eliminating activities that are ineffective, unproven, nonessential, or duplicative. ETA continues leveraging all of its partnerships across federal agencies to enhance service delivery integration and flexibility at the state and local levels. Additional agency objectives include ensuring accountability, improving outcomes, and building on and utilizing evidence for policymaking.



In addition, ETA continues to implement additional strategic priorities that specifically address workforce and economic recovery activities in response to the unprecedented COVID-19 national emergency and resulting economic downturn.

*COVID-19 Pandemic National Emergency*

On March 13, 2020, the President declared the ongoing COVID-19 pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the “Stafford Act”). The current economic situation is unprecedented in its sudden onset and unprecedented in post-World War II history for its unemployment impact, exceeded only during the Great Depression. During the COVID-19 pandemic, ETA has focused on assisting states as they deliver traditional unemployment and expanded unemployment benefits under the CARES Act. Activities include providing states with guidance, technical assistance, flexibility, and funding, and supporting the rapid reemployment of American workers to get America back to work during the COVID-19 pandemic.

*Pandemic Unemployment Insurance Benefits*

On March 18, 2020, President Trump signed into law the Families First Coronavirus Response Act (FFCRA), which provided additional flexibility and administrative funding for state unemployment insurance (UI) agencies to respond to the COVID-19 pandemic. For more information on ETA’s implementation of FFCRA, please see [Unemployment Insurance Program Letter \(UIPL\) 13-20](#).

On March 27, 2020, the President signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which expanded states’ ability to provide UI for many workers impacted by the COVID-19 pandemic, including for workers not ordinarily eligible for unemployment benefits. Further, in August 2020, the President issued a memorandum authorizing the Federal Emergency Management Agency (FEMA) to make additional unemployment support payments, Lost Wages Assistance (LWA), available to workers.

The CARES Act contains the majority of the UI provisions that ETA has implemented in response to the pandemic. For an overview of the ETA CARES Act programs, please see [UIPL No. 14-20](#). Generally, the CARES Act authorized the following UI programs:

- Pandemic Unemployment Assistance (PUA) providing temporary benefits to workers (including self-employed, independent contractors, and gig workers) who lost work for certain COVID-19 related reasons (generally providing up to 39 weeks of unemployment benefits).
- Pandemic Emergency Unemployment Compensation (PEUC) allowing states to extend unemployment benefits by up to 13 weeks available for most individuals who exhausted all rights to regular unemployment compensation under state or federal law and are able to work, available for work, and actively seeking work as defined by state law.
- Federal Pandemic Unemployment Compensation (FPUC) providing an additional \$600 per week to individuals collecting regular unemployment compensation.

For more information on the UI relief during the ongoing pandemic, go to <https://www.dol.gov/coronavirus/unemployment-insurance>. For a list of UI COVID-19 related guidance, policies, and resources that are helping states respond to the ongoing COVID-19 pandemic, go to <https://oui.doleta.gov/unemploy/coronavirus/>.

#### COVID-19 NATIONAL DISLOCATED WORKER GRANTS

The CARES Act provided funding for National Dislocated Worker Grants (DWGs) to communities significantly impacted as a result of the ongoing COVID-19 global pandemic. The approved emergency applications collectively include disaster-relief cleanup, COVID-19 contact tracing, humanitarian assistance, and employment and training activities for those communities the applicants identified as being significantly impacted.

ETA has awarded COVID-19 DWGs to most states, Indian tribal governments, and local workforce boards to provide additional resources to help address employment challenges related to economic recovery activities. These investments are enabling states to provide temporary disaster-relief employment to carry out clean-up and humanitarian assistance activities, including contact tracing activities, in response to the COVID-19 pandemic. The grants are also expanding state capacity to provide career and training services to dislocated workers, long-term unemployed individuals, and other eligible participants. For more information, go to <https://www.dol.gov/agencies/eta/dislocated-workers/grants/covid-19>.

#### COVID-19 GRANTEE FLEXIBILITIES AND ASSISTANCE

ETA has developed a series of technical assistance resources and frequently asked questions (FAQs) to address grants management questions related to COVID-19 for state and local workforce leaders, and other stakeholders and partners, to assist the public workforce system during this ongoing crisis. For more details on the technical assistance FAQs, go to <https://www.workforcegps.org/resources/2020/03/18/23/35/Coronavirus-COVID-19-Resources>.

OMB also issued several memoranda (M-20-17, 20-20, 20-21, 20-26) allowing grant making agencies to provide administrative relief for recipients and applicants of federal assistance directly impacted by the COVID-19. These memoranda offered short-term relief for administrative, financial management, and audit requirements under 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.

#### COVID-19 AND THE WARN ACT

The Worker Adjustment and Retraining Notification Act (WARN Act) was enacted on August 4, 1988, to provide added protection for workers facing layoffs by requiring employers subject to the law to provide notice 60 days in advance of covered plant closings and covered mass layoffs. Enforcement of the WARN Act is through the United States district courts. ETA's role is limited to providing guidance and information to the public.

In response to a large influx of inquiries regarding WARN Act compliance, ETA issued a series of FAQs answering the most common questions regarding COVID-related layoffs: <https://www.dol.gov/sites/dolgov/files/ETA/Layoff/pdfs/WARN%20FAQ%20for%20COVID19.pdf>.



#### JOB CORPS RESPONSE TO COVID-19 PANDEMIC

In response to the COVID-19 pandemic and guidelines from the Centers for Disease Control and Prevention (CDC), Job Corps established a mandatory spring break for all Job Corps centers from March 16, 2020 through May 10, 2020. Subsequently, on May 11, 2020, Job Corps transitioned to distance learning and provided operators with guidance to plan and deploy distance-learning programs that facilitate academic instruction and knowledge-based coursework for career technical skills training.

Currently, most students are at their home of record or alternative residence, and only a few students who have no residence remain at certain centers. Job Corps continues to monitor the activities of state and local jurisdictions regarding school closures, shelter-in-place orders, as well as the most recent CDC guidelines.

Starting October 2020, Job Corps began the gradual process of transitioning from distance learning when centers are ready and it is safe to do so as determined by local officials. Job Corps has released guidance for centers to submit plans for resuming physical on-center operations that considers guidance from CDC and the Department's Occupational Safety and Health Administration, and other expert advice from Job Corps' medical consultants, to safely return, house, educate, train, and support students at the centers.

#### COVID-19 AND TRADE ADJUSTMENT ASSISTANCE

ETA has reached out to its TAA program stakeholders and the public to explain the program eligibility of dislocated workers who lost their job during the ongoing COVID-19 pandemic. The TAA program does not provide automatic eligibility for TAA based on global economic or environmental conditions. While the ongoing COVID-19 pandemic impact is not a basis for TAA certification, workers of firms impacted by closure or work-stoppage may be eligible to apply for TAA if the worker group eligibility criteria are met.

ETA has released a factsheet that explains the steps to apply and obtain TAA benefits in response to the economic downturn resulting from the pandemic:

[https://www.dol.gov/sites/dolgov/files/ETA/tradeact/pdfs/COVID\\_TAA\\_Fact\\_Sheet.pdf](https://www.dol.gov/sites/dolgov/files/ETA/tradeact/pdfs/COVID_TAA_Fact_Sheet.pdf)

#### COVID-19 PANDEMIC IMMIGRATION FREEZE

On June 22, 2020, the President amended Presidential Proclamation 10014, *Proclamation Suspending Entry of Immigrants Who Present Risk to the U.S. Labor Market During the Economic Recovery Following the COVID-19 Outbreak* (Proclamation), originally issued on April 22, 2020, to extend the temporary suspension of the entry of certain immigrants and suspend the entry of certain nonimmigrants into the U.S. labor market, including the admission of new H-2B nonimmigrant workers. It also directs, within 30 days of June 24, 2020, and every 60 days thereafter while it is in effect, the Department of Homeland Security (DHS), in consultation with the Department and Department of State to recommend any modifications as may be necessary.

ETA's Office of Foreign Labor Certification (OFLC) remains fully operational and continues to process and issue Prevailing Wage Determinations and labor certifications as usual, then the

Departments of Homeland Security and states determine the application of the Proclamation. OFLC has issued four rounds of Frequently Asked Questions (FAQs) to respond to program stakeholders, employers, and applicants regarding impacts to foreign certification programs during the ongoing COVID-19 pandemic, which can be found at <https://www.dol.gov/agencies/eta/foreign-labor/faqs/print>.

### *Return-to-Work and Reemployment*

The number of people who have filed UI claims since mid-March exceeds 50 million, all of whom need steady income as well as the other social and community benefits that employment provides.

As in the past, low-income individuals and those with barriers to employment targeted by ETA's employment programs are among the hardest hit by the current downturn. As state and local economies begin to reopen, the public workforce system can expect to see a surge in demand for education, employment, and training programs.

ETA has actively encouraged states, local areas, and the public workforce system to implement return-to-work strategies, including the following:

- Affording states maximum opportunities to connect job seekers and job creators, including reemployment efforts needed to recover from the COVID-19 national emergency impacts;
- Advancing technology and enhancing digital participation to move more people into the labor force, even more critical within the COVID-19 pandemic context;
- Providing guidance and technical assistance to help states expeditiously administer pandemic-related unemployment benefits and connect unemployed individuals with resources and activities that support a swift return to suitable work;
- Addressing the disparate impact of the COVID-19 national emergency on disadvantaged groups of workers by helping them acquire skills and credentials, while maintaining a job through work-based learning;
- Supporting businesses by encouraging states to implement and promote Short-Time Compensation (STC), a layoff aversion program where employers reduce hours worked by a group of employees and the affected employees receive a reduced weekly unemployment benefit amount; and
- Enhancing business services, including layoff aversion strategies, and connecting businesses with properly skilled workers to meet their workforce needs and ease their return to work.

### *UI Information Technology Infrastructure*

The unprecedented increase in UI claims volume has caused some states' information technology (IT) systems, call centers, and websites to be overloaded, leading to delays in processing claims and making timely unemployment benefit payments.

These events have raised awareness that UI programs in many states operate IT systems using very old legacy infrastructure, some dating from the 1970s. The problems inherent in these aging systems, highlighted by the pandemic situation, include minimal scalability to increase

system capacity to handle higher claims levels, poor agility to adapt to program changes, and difficulty obtaining maintenance and support due to a scarcity of technical personnel knowledgeable in older hardware and software languages.

The Department's Office of the Chief Information Officer, in partnership with the United States Digital Service and the General Service Administration's Technology Transformations Service, has provided consultation services with the different states starting in March 2020 to help solve their IT system issues including IT engineering services in the areas of mainframe systems, cloud migration, site reliability engineering, and scaling.

Updating and improving the states' UI IT infrastructure to support timely and accurate unemployment benefit payments to eligible individuals and improve the prevention, detection, and recovery of improper payments would require a significant financial investment.

#### *UI Program Integrity and Improper Payments*

The Department has established an Agency Priority Goal to reduce the UI improper payments to 9.0 percent by September 30, 2021.

The Department's efforts over the past 18 months have made significant progress in bringing down the UI improper payment rate. For the 12-month period ending December 31, 2019, the estimated UI improper payment rate was 9 percent, trending well below the 10.61 percent reported in the Department's Agency Financial Report (AFR) for FY 2019. While the impact of the COVID-19 pandemic on the UI system may delay achieving this goal, the Department continues to address this complex and challenging issue, particularly as the focus on program integrity carries into the new CARES Act programs, including PUA, FPUC, and PEUC. The Department works collaboratively with the state agencies in implementing its Program Integrity Strategic Plan that outlines strategies, actions, and results to address the leading root causes of UI overpayments. The goals of this plan are to reduce the UI improper payments, and improve overall UI program integrity and payment accuracy. This plan is continuously evolving to include new strategies to address these root causes.

The Department funds the UI Integrity Center, operated by the National Association of State Workforce Agencies (NASWA). The UI Integrity Center is a key partner for the implementation of several strategies set out in the Department's Program Integrity Strategic Plan.

In the context of the COVID-19 pandemic and the CARES Act programs, the Department has also worked with the UI Integrity Center to refocus its efforts to provide tools, resources, and technical assistance for states to combat fraud. These efforts include continued expansion of the Integrity Data Hub, which provides multiple resources to help prevent and detect fraud, including the following:

- A Suspicious Actor Repository that allows states to share and cross-match with known fraud data elements to detect multi-state fraud;
- Cross-matches with suspicious Internet Protocol (IP) addresses;
- A multi-state claims data cross-match that enables data analytics to detect fraud;
- A Fraud Alert System to enable states to communicate fraud schemes in real time with each other and the OIG;

## TAB 2: State of Play

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- Implementation of a national identity verification tool to support all states that is now available for state implementation;
- Weekly state calls to share and communicate fraud prevention strategies that include the OIG; and
- A suite of fraud investigation on-line training modules for state staff.

ETA also continues to provide technical assistance and oversight to states to ensure that they are implementing the CARES Act programs in an effective manner, and continues to remind states of the importance of program integrity in each newly issued advisory related to the CARES Act programs.

### *Continued Implementation of new RESEA Program*

ETA and participating State Workforce Agencies have been addressing the individual reemployment needs of unemployed individuals and working to prevent and detect improper payments through the voluntary UI Reemployment Services and Eligibility Assessment (RESEA) program since 2005. In 2018, Congress enacted the Bipartisan Budget Act of 2018, creating a permanent RESEA program with phased-in new requirements. ETA continues to fund, promote, and support the ongoing implementation of the new RESEA program including the following:

- Implementing the new funding requirements, which includes the formula allocation of base funding and award of performance-based payments;
- Working with the DOL's Chief Evaluation Officer (CEO) to provide technical assistance and other tools to states that support the evaluation and evidence-building requirements for the program;
- Promoting innovations in service delivery, including virtual service delivery; and
- Identifying promising practices and providing technical assistance intended to increase the service-delivery capacity of the RESEA program.

ETA also supports state agencies in leveraging the RESEA program to support claimant work search compliance to help bring down the UI improper payment rate.

### *Job Corps Program Priorities*

#### JOB CORPS INNOVATION

Job Corps has engaged in several demonstration projects under Section 156(a) of WIOA to explore alternatives to Job Corps' traditional service delivery model that may provide more cost-effective means of delivering Job Corps services with comparable or better outcomes. In April 2019, OJC entered into a 42-month, \$17.8 million cooperative agreement with the Idaho Department of Labor to operate a Job Corps Demonstration Project known as the Idaho JOBCorps Program. Through Idaho JOBCorps, Job Corps seeks to test strategies used by the State of Idaho to improve the workforce outcomes of Job Corps-eligible youth and to determine whether Idaho JOBCorps is more cost-effective as compared to traditional Job Corps program model. In June 2019, OJC awarded a 42-month, \$16.7 million grant to the Louisiana Department of Military Affairs for the Louisiana National Guard to operate the Job Challenge Project. This pilot project is a five-month residential program that will expand and enhance the education and job training of Job Corps-eligible participants who complete the first 22-week

residential phase of the Louisiana National Guard Youth ChalleNGe program and who choose to participate in Job ChalleNGe. Cadets in Job ChalleNGe will reside at the Carville Job Corps Center site and receive a robust education and training experience over a 5-month period, while concurrently participating in the 12-month mentorship phase of Youth ChalleNGe.

Most recently, in June 2020, Job Corps awarded 26 grants under its Job Corps Scholars Program demonstration project to accredited two-year public community colleges, accredited public two- and four-year historically black colleges and universities, and accredited tribally controlled colleges and universities. These grantees will provide Job Corps-eligible students (designated as “Job Corps Scholars”) with free tuition for their first year in the grant program, career technical training, and intensive personal and career counseling services to support and facilitate completion of the program. Job Corps Scholars is expected to serve 1,600 students over two cohorts during the project’s 39-month period of performance.

#### TRANSITION TO FIRM-FIXED PRICE CONTRACTS

Job Corps began a multi-year process of transitioning to firm-fixed price contracts from cost reimbursement contracts. Firm-fixed price contracts streamline procurement processes and create administrative efficiencies, which allows Job Corps more time to focus on program oversight and monitoring to improve outcomes. It also strengthens financial oversight of the Job Corps program by increasing cost certainty.

#### *Immigration System Data Integration*

The Department of Labor’s OCIO and OFLC received a Technology Modernization Fund grant to implement technology improvements to enhance the OFLC stakeholder filing experience, case processing, and increase federal partner agency access to near real-time data. OFLC has proactively sought ways to increase the flow of information between our federal partners. The Department recently renewed its MOU with DHS and, before the end of the year, will complete Interconnectivity Service Agreements to identify data sets, enable API development, and allow system interconnectivity through renewals of MOUs with DOS and DOJ.

#### *H-2A Modernization Regulations*

The Department has been drafting new regulations to modernize the H-2A program in a way that streamlines the application process and strengthens protections for U.S. and foreign agricultural workers.

#### *Apprenticeship Priorities*

Apprenticeship continues to expand as a key strategy for creating career pathways for American workers, and providing business and job creators with a skilled workforce, in areas including advanced manufacturing, financial services, educational services, transportation, information technology, healthcare, telecom and 5G, and the skilled trades. By September 30, 2021, ETA will meet its Agency Priority Goal to enroll one million new registered apprentices.

In March 2020, ETA issued a Final Rule titled “Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations,” and launched an application portal for entities interested in becoming Standards Recognition Entities (SREs) for the Industry Recognized

Apprenticeship Program (IRAP). On September 23, 2020, ETA announced the first 18 entities recognized as SREs, and, on October 1, 2020, recognized the first IRAP.

As workers seek to reenter the workforce following the economic disruption caused by the COVID-19 pandemic, Registered Apprenticeships and IRAPs will provide new opportunities for Americans to earn a living while learning the skills needed in a changing job market. In these challenging times, the new apprenticeship opportunities can open doors to good-paying jobs across key sectors of the economy.

#### *TAA Program and IT Modernization*

The TAA Program authorized by the Trade Act of 1974, as amended by the Trade Adjustment Assistance Reauthorization Act of 2015, reverts to a previous version of the program on July 1, 2021 and terminates on July 1, 2022. Reauthorizing TAA would support the programs' mission to get trade-affected workers back to suitable employment as quickly as possible and at a reasonable cost.

OTAA is in the process of implementing new IT improvements for TAA investigations to provide workers prompt reemployment services. By the end of December 2020, OTAA will implement the Petition Automated Workflow System (PAWS) and train all investigators.

#### *Second Chance for Returning Citizens*

ETA is committed to increasing opportunities for individuals with criminal records to earn an honest second chance and become contributing members of society upon reentry. ETA plans to publish a FOA for a second round of Pathway Home grants in December 2020 for award in April 2021, and a second round of Young Adult Reentry Partnership grants around the same time. Pathway Home grants assist in the transition of justice-involved adults back to the workplace through services that start before release, including education and training, job preparation, case management and needs assessments, career exploration and planning, legal assistance, and counseling. Young Adult Reentry Partnerships establish partnerships with community colleges and connect justice-involved young adults with apprenticeships and other opportunities in growing industries. Through the Federal Bonding Program, states provide fidelity bonds to employers to help remove the risks of hiring individuals whose backgrounds pose significant barriers to securing or retaining employment. The bonds cover the first six months of employment at no cost to the job applicant or the employer. Businesses can obtain up to \$25,000 in coverage in increments of \$5,000.

#### *Grant System Modernization*

The current e-grant system for the Department is 14 years old and relies on Cold Fusion software. Cold Fusion will become incompatible with Departmental requirements in 2024. As such, the Department determined the need to transition to a modernized grant system.

In 2019, ETA led a discussion with the Department to enter into an MOU with the Department of Health and Human Services (HHS) to perform a Gap Fit Analysis for Grant Solutions, a well-known system used for managing grants. The analysis examined the full lifecycle of grant awards for all eight grant-making agencies within DOL, and identified some gaps between DOL processes and the GrantSolutions system. However, the overall conclusion was GrantSolutions



is a good fit for DOL. In the upcoming months, ETA will enter into a MOU with HHS and begin the transition to Grant Solutions.

*ETA Regional Office Key Priorities and Issues*

The primary priorities of ETA’s Regional Offices are improved grants management, oversight, and accountability in both formula and discretionary programs, as well as staff training and capacity building. Regional Offices engage in risk mitigation and elimination of waste, fraud, and abuse in ETA’s grant programs through compliance monitoring and technical assistance.

Current priorities include the following:

- Helping states implement new UI legislation, including the CARES Act programs, specifically PUA, FPUC, and PEUC, and the FEMA Lost Wages Assistance Program;
- Responding effectively to the large volume of UI inquiries being received from the public;
- Delivering guidance, technical support, and oversight to help states implement the COVID-19 Dislocated Worker Grants and disaster-related assistance;
- Assisting states and ETA grants with COVID-19 recovery activities; and
- Providing guidance and technical assistance on waivers and flexibilities to states.

**Agency Regulatory Agenda - Spring 2020**

The following items and status reflect the publicly available information from the [Spring 2020 Regulatory Agenda](#) on OIRA’s public-facing website, [reginfo.gov](http://reginfo.gov).

When the Fall 2020 Regulatory Agenda is released and becomes publicly available, the dates and the stage of rulemaking may be revised. They may also add additional regulatory items.

Agenda Stage of Rulemaking	Title	
Proposed Rule	Temporary Employment of H-2B Foreign Workers in Certain Itinerant Occupations in the United States	
Proposed Rule	Amendments to Foreign Labor Certification Regulations to Conform to Amendments to Nonprocurement Common Rule	
Proposed Rule	Adjudication of Temporary Need for Herding and Range Livestock Applications Under the H-2A Program	
Final Rule	Trade Adjustment Assistance for Workers	
Final Rule	Labor Certification Process for Temporary Agricultural Employment in the United States (H-2A workers)	
Final Rule	Northern Mariana Islands U.S. Workforce Act of 2018	
Final Rule	Removal of Welfare to Work Regulations	

\*The Trade Final Rule published on 8/21/2020 with an effective date of 9/21/2020. The Removal of the Welfare to Work Regulations published on 10/16/2020 with effective date of 10/16/2020.

## **Significant Oversight Engagements**

### *Key Government Accountability Office (GAO) Engagements*

The CARES Act mandates multiple GAO oversight studies regarding the federal response to the COVID-19 pandemic, including studies focusing on UI. The Act requires GAO to offer monthly briefings to specified Congressional committees and to submit reports on the results of its work every other month between June 2020 and February 2021, and periodically thereafter.

### *Key Office of Inspector General (OIG) Audits*

Similar to GAO, the OIG is currently focusing its efforts on oversight related to the CARES Act.

To date, the OIG has completed two CARES Act audits:

- COVID-19: More Can Be Done to Mitigate Risk to Unemployment Compensation Under the CARES Act
- [COVID-19: ETA Should Continue to Closely Monitor Impact on Job Corps Program](#)
- [COVID-19: States Cite Vulnerabilities in Detecting Fraud While Complying with the CARES Act UI Program Self-Certification Requirement](#)

The OIG has completed two CARES Act-related Advisory Reports:

- [CARES Act: Initial Areas of Concern Regarding Implementation of Unemployment Insurance Provisions](#)
- [CARES Act: Key Areas of Concern Regarding Implementation of Dislocated Worker Grant Provisions](#)

The OIG has completed two CARES Act related Alert Memoranda:

- [The Pandemic Unemployment Assistance Program Needs Proactive Measures to Detect and Prevent Improper Payments and Fraud](#)
- [ETA Needs to Improve its Plans for Providing Administrative, Financial Management, and Audit Requirements Relief to Grant Recipients Impacted by the Novel Coronavirus \[COVID-19\]](#)

The OIG has initiated the following other CARES Act audits, with additional audits anticipated:

- Unemployment Insurance Programs Expansion under the CARES Act (Phase II)
- COVID-19 National Dislocated Worker Grants

In addition, the OIG recently issued final reports on a number of other audits that were in progress prior to the onset of the pandemic:

- Disaster Unemployment Assistance
- WIOA Credentials and Certifications
- Debarment Processes in Foreign Labor Programs



While the OIG is focusing their resources on the CARES Act audits, they also have the following other audits in progress:

- Unemployment Insurance Work Search Requirements
- American Apprenticeship Initiative
- Industry Recognized Apprenticeship Program
- Foreign Labor Certification Vulnerabilities
- Job Corps Outreach and Admissions
- National Dislocated Worker Grants

## Major ETA Grants

**ETA Current and One Year Prospective Funding Opportunity Announcements (FOA)  
Published and Planned from April 2020 through September 2021  
(As of September 2020)<sup>2</sup>**

<b>FOA</b>	<b>Amount</b>	<b>Date FOA published</b>	<b>Expected Award Announcement Date</b>
YouthBuild 2020	Approx. \$89 million	November 2020	February 2021
Strengthening Community Colleges' training Capacity	Approx. \$40 million	Posted to grants.gov on 7/8/20	January 2021
H-1B Rural Healthcare Grant Program	Approx. \$40 million	Posted on 9/14/20	January 2021
H-1B One Workforce	Approx. \$150 million	Posted on 9/24/20	January 2021
Workforce Pathways for Youth	Approx. \$10 million	December 2020	May 2021
Pathways Home Round 2 - FOA	Approx. \$70 million	February 2021	June 2021
Young Adult Reentry Projects (YARP) Round 2 - FOA	Approx. \$25 million	February 2021	June 2021
Workforce Opportunity for Rural Communities (WORC) Round 3 FOA	Approx. \$29.2 million	March 2021	September 2021
National Farmworker Job Program (NFJP) Awards (supplemental competition) FOA	Approx \$3.6 million	December 2021	February 2021
Workforce Data Quality Initiative	Approx \$5.6 million	January 2021	TBD
State Apprenticeship	\$TBD	January 2021	June 2021

<sup>2</sup> This list does not include FOAs for other DOL agencies for which ETA provides grant management services.

**TAB 2: State of Play**

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Apprenticeship – Strategic Partnership & Centers of Excellence	\$30 million	January 2021	June 2021
Federal Bonding	\$4 million	December 2020	March 2021

## **Key Agency Stakeholders**

Below is a list of governmental and non-governmental agency stakeholders with which ETA regularly collaborates and the Secretary might need to engage during the 90-day transition timeframe.

### *Federal Government*

#### **Executive Branch**

- Office of Management and Budget
- Department of Agriculture
- Department of Education
- Department of Health and Human Services
- Department of Treasury
- Department of State
- Department of Homeland Security
- Federal Emergency Management Agency
- Small Business Administration

#### **Congress**

- ***House of Representatives***
  - Committee on Education and the Workforce: Jurisdiction over most ETA programs, including WIOA, Job Corps, Apprenticeship, and SCSEP.
  - Ways and Means Committee: Jurisdiction over Unemployment Insurance (UI) programs and TAA reauthorization.
  - Judiciary Committee: Includes jurisdiction over certain Foreign Labor Certification issues.
  - Appropriations and Budget Committees.
- ***Senate***
  - Committee on Health, Education, Labor and Pensions: Jurisdiction over most ETA programs, including WIOA, Job Corps, Apprenticeship, and SCSEP.
  - Finance Committee: Includes jurisdiction of UI programs and TAA reauthorization.
  - Judiciary Committee: Includes jurisdiction over certain Foreign Labor Certification issues.

- Appropriations and Budget Committees.

***Government Accountability Office***

**State/Local Government**

- Governors
- States
- Local Areas
- State and Local Workforce Development Boards

**Associations/Organizations**

- American Association of Community Colleges
- Appalachian Regional Commission/Delta Regional Authority
- Registered Apprenticeship Program Sponsors/Employers
- National Association of Workforce Boards
- National Association of State Workforce Agencies
- National Association of State and Territorial Apprenticeship Directors
- National Council of American Indians
- National Employment Law Project
- National Governors' Association
- National Job Corps Association
- National League of Cities
- U.S. Chamber of Commerce
- State Chambers of Commerce
- U.S. Conference of Mayors

***Federal Advisory Committees***

- Native American Employment and Training Council
- Workforce Information Advisory Council

**TAB 3: CALENDAR**

Event	Date
Implementation of H2-A Modernization Regulations	11/2020
National Apprenticeship Week	11/9 – 11/13/2020
Native American Employment and Training Council Virtual Meeting	11/9 – 11/10/2020
Quarterly Performance and Fiscal Reporting (all grant programs)	By 11/14/2020
Publication of the Agency Financial Report, which announces the Unemployment Insurance Improper Payment Rate for 2019 and triggers whether the program complies with the Improper Payment Elimination and Recovery Act, and as amended and replaced by the Payment Integrity Information Act.	By 11/20/2020
Kickstart Interagency Labor Certification Data HUB Process	11/30/2020
Congressional update on the status of the Gulfport Job Corps center construction	Monthly
WIOA Principals Meeting (Includes Assistant Secretary for Employment and Training and Assistant Secretary peers from Education’s Office of Career, Technical, and Adult Education, Office of Special Education and Rehabilitation Services, and Health and Human Service’s Administration for Children and Families)	Monthly
Publish Request for Federal Bonding State Grant Applications	Tentative
Launch TrainingProviderResults.gov	12/31/2020
Launch 2020 Registered Apprenticeship Database to Public	12/31/2020
Implement Online IRAP Performance System for SREs	12/31/2020
Publish Report Data on Pandemic Programs	12/31/2020
TAA Program PAWS Implementation	12/31/2020
UI Reemployment Services and Eligibility Assessment (RESEA) annual funding awards announced	12/31/2020
UI-related CARES Act Programs (PUA and PEUC) expire	12/31/2020
Implement apprenticeship PIRL data into WIPS to support data collection and standardization across ETA (One Workforce)	12/31/2020
Announce new IRAP SREs (Round II)	12/31/2020
Publish Adult and Youth Reentry Projects FOAs	Tentative
Announce Strengthening Community Colleges Training grant awards	Tentative
Peak Filing Season for H-2B Foreign Labor Certifications	January

**TAB 3: Calendar**

<b>Event</b>	<b>Date</b>
Announce H-1B One Workforce and H-1B Rural Healthcare grant awards	January
Congressional Budget Justification submitted to Appropriations Committees	2/3/2021
Quarterly Performance and Fiscal Reporting	By 2/14/2021
Publish Work Opportunities in Rural Communities FOAs	Tentative
Announce YouthBuild grant awards	Tentative
Report to Congress on UI reciprocity rates due	3/26/2021
Announce new IRAP SREs (Round III)	3/31/2021
Complete State Apprenticeship Agency reviews in support of further strengthening the apprenticeship system	3/31/2021201
Announce Workforce Pathways for Youth grant awards	Tentative
Report on the Unemployment Insurance Consortia Information Technology Modernization Grants to the Committees on Appropriations of the House of Representatives and of the Senate	4/1/2021
Non-compete Congressional Report	4/15/2021
Foreign Labor Application Gateway (FLAG) Audit Module Deployed	By 4/30/2021
Quarterly Performance and Fiscal Reporting (all grant programs)	By 5/15/2021
Announce Reentry Projects grant awards	Tentative
Contracting Soft End of Program Year	6/26/2021
Fully obligate Apprenticeship Program Year Funding	6/30/2021
Announce new IRAP SREs (Round IV)	6/30/2021
TAA Program: TAARA 2015 program ends and Reversion 2020 begins July 1, 2021, without Congressional extension	6/30/2021
End of Program Year 2020	6/30/2021
Beginning of Program Year 2021	7/1/2021
Announce Workforce Opportunity for Rural Communities (WORC) grant awards	Tentative
Quarterly Performance and Fiscal Reporting (all grant programs)	By 8/14/2021
FY 2021 Operating Plan due to Department	8/30/2021
Contracting's Soft End of Fiscal Year	9/24/2021
Receive first annual results from IRAP SREs	9/30/2021

**TAB 3: Calendar**

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<b>Event</b>	<b>Date</b>
Final Distribution of Training and Other Activities Funds	9/30/2021
End of Fiscal Year 2021	9/30/2021
End of Program Year 2021 for Fiscal Year Programs (TAA)	9/30/2021
Announce new IRAP SREs (Round V)	By 9/30/2021
NASWA 2021 Workforce Summit & UI Directors Conference	TBD
Start of Program Year 2022 for Fiscal Year Programs (TAA)	10/1/2021
WIOA Annual Reports Due	10/1/2021
Non-compete Congressional Report	10/15/2021
Secretary's Annual Certification of State UI Laws under FUTA	10/31/2021

## **TAB 4: BUDGET**

### **Employment and Training Administration**

#### **ETA BUDGET AUTHORITY AND FTE SUMMARY**

##### **Agency Budget Overview**

The Employment and Training Administration (ETA) administers federal job training and worker dislocation programs, federal grants to states for public employment service programs, and unemployment insurance benefits. These services are provided primarily through state and local workforce development systems. ETA has seven different accounts through which funds are appropriated.

##### **Training and Employment Services (TES)**

The FY 2020 appropriation for TES is \$3.6 billion in discretionary funds and includes resources for the Adult, Dislocated Worker, and Youth formula grant programs, National Dislocated Worker grants, Migrant and Seasonal Farmworkers, Indian and Native American Programs, Reentry Employment Opportunities, Apprenticeship Grants, Workforce Data Quality Initiative, and YouthBuild. Direct appropriation for Technical Assistance was eliminated in the FY 2018 omnibus. Women in Apprenticeship Grants was transferred to the Women's Bureau in the FY 2017 omnibus. In FY 2020, TES was appropriated \$345 million for the pandemic National Dislocated Worker grants, which remain available until FY 2022.

##### **Job Corps**

The FY 2020 appropriation for Job Corps was \$1.7 billion in discretionary funds and includes resources for Job Corps Center Operations; for the Construction, Rehabilitation, and Acquisition activities that fund all center construction and renovation efforts; and Administration, which funds the federal FTEs at DOL as well as other administrative costs.

##### **Community Service Employment for Older Americans (CSEOA)**

The FY 2020 appropriation for CSEOA was \$405.0 million in discretionary funds and provides grants to support the self-sufficiency and employment of older workers by providing part-time, paid community service positions and work-based training for unemployed, low-income individuals, ages 55 and older.

##### **Federal Unemployment Benefits and Allowances (FUBA)**

The FY 2020 appropriation for FUBA was \$639.9 million in mandatory funds. This account provides Trade Adjustment Assistance (TAA) to workers who have lost their jobs as a result of foreign trade.

##### **State Unemployment Insurance and Employment Service Operations (SUIESO)**

The FY 2020 appropriation for SUIESO was \$3.4 billion in discretionary funds, excluding any funds provided to UI State Administration through the contingency appropriations language. This account includes the Unemployment Insurance (UI) program, which provides temporary wage replacement for unemployed workers; the Employment Service, which connects job seekers with job opportunities in their local workforce area; the Office of Foreign Labor Certification, which protects the wages and working conditions of American and foreign

nationals by processing permanent and temporary work programs; the Reemployment Services and Eligibility Assessments (RESEA) program, which provides grants to states for in-person reemployment services combined with assessments of claimants' continued eligibility for UI benefits, effectively reducing improper payments and helping claimants get back to work faster; the UI Integrity Center of Excellence, which supports a state-driven approach to develop innovative strategies to help states reduce fraud and improper payments; and resources devoted to system building and workforce information services to bolster the capacity of the public workforce system.

UI unemployment benefits are funded by state payroll taxes. The administrative costs to operate the UI benefit programs are funded by federal payroll taxes. These mandatory accounts show up as part of the Unemployment Trust Fund under the Department of Labor's jurisdiction. The amount of UI benefits fluctuates significantly, depending on the year. In FY 2018, UI benefits were \$28.1 billion, down from a high of \$150.2 billion in FY 2010. The U.S. Treasury receives federal and state payroll taxes, maintains the trust fund, and makes loans to states with insolvent accounts. While largely state controlled, these accounts require oversight by ETA and are affected by DOL policy. Interactions between DOL and Treasury govern how funds flow from the accounts.

The appropriations language for UI State Administrative funding includes contingency funding if unemployment increases beyond a certain level. This was most recently triggered in FY 2020. As of August 2020, the Department had apportioned an additional \$1.5 billion in UI state administration funds.

From time to time during peak unemployment, the Department has requested, and/or Congress has provided, federal funding to extend the weeks of UI benefits. This legislation appears before the authorizing committees, rather than the appropriations committees.

Congress appropriated an additional \$1 billion for emergency unemployment compensation state grants, and created new unemployment programs that provided both state administrative funds and benefit payments. These are discussed in additional detail below.

### **Advances to the Unemployment Trust Fund**

This account makes available funding for repayable advances (loans) to two accounts in the Unemployment Trust Fund (UTF) whenever balances prove insufficient to make payments from those accounts. In addition, the account has provided repayable advances to the Black Lung Disability Trust Fund (BLDTF). The BLDTF now has the authority to borrow directly from the U.S. Treasury. This account also makes funds available for non-repayable advances to one account in the UTF to pay the costs of compensation for former federal employees and ex-servicemembers, to the FUBA account to pay the costs of benefits and services under the TAA program, and to a revolving fund which provides interest-bearing repayable advances to one account in the UTF. Even when the Department estimates that no advances will be needed (such as in FY 2019), appropriations providing authority for advances is included to permit advances should they become necessary. In FY 2020, the Department apportioned an additional \$68 billion for repayable advances to the Federal Unemployment Account and the Extended



Unemployment Compensation Account. In FY 2021, the Department apportioned \$89.5 billion for repayable advances to the FUA and the EUCA.

**Evaluations**

Appropriations directly support ETA program evaluations in some instances. In addition, the appropriation to the Department allows the Secretary to transfer a small percentage of ETA accounts to the Chief Evaluation Office to conduct evaluations.

**Program Administration (PA)**

The FY 2020 appropriation for PA was \$158.7 million in discretionary funds. This account provides for the federal administration of most ETA programs. The majority of ETA staff are covered out of the PA account, though Job Corps and SUIESO (the Office of Foreign Labor Certification) also fund FTEs (Job Corps–130, OFLC–152). Across these three accounts, ETA’s FY 2020 direct FTE ceiling is 892.

**Mandatory Proposals**

The Department frequently includes legislative proposals as part of the Budget transmitted to Congress, but these proposals are referred to authorizing Committees for consideration. For example, the FY 2021 budget included several legislative proposals to support paid parental leave, strengthen program integrity and solvency in the UI program, and establish application fees for certain FLC programs.

**COVID-19**

As of August 2020, Congress passed two bills that provided supplemental funding for the Department: the Families First Coronavirus Response Act (FFCRA, or P.L. 116-127) and the CARES Act (P.L. 116-136).

FFCRA appropriated \$1.0 billion as an Emergency Transfer for Unemployment Compensation Administration, which ETA transferred to states and territories for processing unemployment claims.

The CARES Act created several new unemployment programs, most of which had indefinite appropriations (“such sums as necessary”). Please refer to the COVID-19 funding section at the end of the document for additional program details.

In addition, the bill appropriated \$345.0 million for the National Dislocated Worker Grants, \$15.0 million to the Departmental Management to be transferred to OIG, ETA PA, Occupational Safety and Health Administration, Employee Benefits Security Administration, and the Wage and Hour Division, and \$25.0 million for the OIG to investigate fraud associated with the new UI programs created in the CARES Act.

**TRAINING AND EMPLOYMENT SERVICES**

(Dollars in millions)

	<b>FY 2017 Enacted</b>	<b>FY 2018 Enacted</b>	<b>FY 2019 Enacted</b>	<b>FY 2020 Enacted</b>	<b>FY 2021 Request</b>
<b>Budget Authority</b>	\$3,339	\$3,586	\$3,503	\$3,611	\$3,358
<b>FTE</b>	0	0	0	0	0

At-A-Glance

- FY 2020 is the fifth year TES has received funds for wide-scale apprenticeship grants across the United States. It is also the sixth year in a row that the total appropriations level has increased.
- The majority of TES funding is dedicated to the formula grant programs (\$2.8 billion in FY 2020). Statutory formulas are used to determine the amount of grant funds each state/outlying area receives. Of the amount each state receives, Governors may set aside up to 15 percent for statewide purposes.
- TES operates on a program-year basis that runs from April or July 1 (six or nine months after the start of the fiscal year, depending on the program) through June 30, with the exception of the Dislocated Worker (DW) National Reserve funds, which runs through September 30. The Adult Formula, DW Formula, and DW National Reserve accounts also are subject to advance appropriations, meaning that a portion of the funding is not available until October 1 – three months after the start of the program year.
- In addition to the discretionary appropriation, DOL receives a portion of the H-1B fees collected by the Department of Homeland Security for H-1B visa applications, when employers hire temporary foreign workers in occupations that require highly specialized knowledge. The resources provided to TES are intended to support high-level job training to prepare U.S. workers for jobs filled by H-1B visa recipients.

Budget and FTE Trends

- TES does not fund any direct FTE. Grants are managed by staff in ETA’s Program Administration. However, ETA does transfer a small amount of program funds to the Program Administration account for technical assistance purposes.
- Since FY 2010, TES has been funded below levels that would keep pace with inflation. Losses have come from reductions to existing programs (such as Youth Employment, with an appropriation \$50.6 million lower than FY 2010), and the elimination of programs including the Green Jobs Innovation Fund; Workforce Innovation Fund; Evaluation; Pilots, Demos, & Research; and Career Pathways.
- TES received \$3.9 billion through the American Recovery and Reinvestment Act supplemental appropriation in 2009 to help preserve and create jobs while promoting economic growth.
- In FY 2013, TES was cut by \$160.1 million under sequestration. ETA absorbed this reduction by reducing the number and amount of grants that were awarded.
- In FY 2013, ETA received \$25.0 million from the Hurricane Sandy supplemental for disaster-related National Emergency Grants. Of that amount, \$1.3 million was rescinded due to sequestration and \$3.2 million was transferred to the Occupational Safety and Health Administration and the Wage and Hour Division.

#### **TAB 4: Budget**

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- From FY 2014 through FY 2018, TES transferred up to 0.25 percent annually (approximately \$8.0 million) of its total appropriation to the Chief Evaluation Office. In FY 2019 and in FY 2020, the transfer has been less than \$2 million.
- Since FY 2018, \$30.0 million of the DW National Reserve funds have been set aside for targeted training and employment assistance for workers in the Appalachian and Delta regions.
- In FY 2018, the Dislocated Worker Grants program received a supplemental appropriation of \$100 million for Hurricane and Disaster relief to help Texas and Florida recover from hurricane damage.
- In FY 2019, the Dislocated Worker Grants program received a supplemental appropriation of \$50 million for disasters related to hurricanes, typhoons, earthquakes, tornadoes, floods, and wildfires.
- In FY 2020, the Dislocated Worker Grants program received a supplemental appropriation of \$345 million for responding to the COVID-19 pandemic.

#### Upcoming Issues

- The FY 2021 President's Budget proposes to eliminate the Workforce Data Quality Initiative, the Migrants and Seasonal Farmworkers program, and the Indian and Native American Program. It also proposes reductions to Youthbuild, Reentry Employment Opportunities, and DW National Reserve Grants.
- The Department's FY 2021 Budget also proposes several flexibilities for states' use of these funds.
- Congress continues to create small program set-asides within the NDWG funds. In FY 2020, Congress continued the Appalachian/Delta set-aside, and created a community college grant program and an out-of-school youth program. Despite the increase in the number of competitive grant programs the Department is required to run, and three years of supplemental appropriations, funding for the Program Administration staff to oversee the program has been stagnant.

**JOB CORPS**  
(Dollars in millions)

	FY 2017 Enacted	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request
<b>Budget Authority</b>	\$1,704.2	\$1,718.7	\$1,718.7	\$1,743.7	\$1,015.9
<b>FTE</b>	168	156	162	130	113

At-A-Glance

- Funds are appropriated on an annual basis to Job Corps’ three activities: Operations; Construction, Rehabilitation, and Acquisition; and Administration.
- Job Corps is a predominantly residential program that provides educational and career training to at-risk youth ages 16 to 24. The program operates 123 centers in all 50 states, Puerto Rico, and the District of Columbia. Job Corps is authorized under the Workforce Innovation and Opportunity Act.
- DOL has an agreement with the U.S. Department of Agriculture’s (USDA) U.S. Forest Service to operate 24 centers, which are former Civilian Conservation Corps (CCC) centers and are generally in rural or remote locations. DOL transfers funds to USDA every year. Contractors operate the remaining centers, primarily via cost-reimbursement contracts.
- Job Corps currently transfers a small amount (~\$2 million) to the Chief Evaluation Office each year.

Budget and FTE Trends

- Job Corps Operations funding has been relatively stable in recent years—approximately \$1.6 billion—despite the President’s Budget proposing substantial reductions every year since FY 2018. The Operations activity has had some challenges in recent years:
  - Since 2009, Job Corps has opened new centers in Manchester, NH; Ottumwa, IA; and Wind River, Wyoming. This was part of a commitment for every state to have at least one center.
  - In 2011 and 2012, the sum of the value of the contracts exceeded the Department’s appropriation. In 2011, the Department utilized emergency transfer authority to prevent a violation of the Antideficiency Act. In 2012, the predicted gap between the appropriation and availability was too large to solve with transfer authority, and the Department issued a stop work order to temporarily cease all new enrollments. Job Corps renegotiated all of the contracts during the stop work order to a lower student on-board strength level and lower contract values in order to manage the funding reductions in FY 2013. To prevent this from recurring, Job Corps, ETA’s Office of Contract Management, and ETA’s Office of Financial Administration designed procedures to monitor and coordinate contract costs and funding availability.
- For a number of years, reforms to the Job Corps program—including the closure of chronically low performing centers—have been proposed as part of the budget. In 2014, DOL announced the closure of Treasure Lake, a CCC located in Oklahoma. In 2016, DOL announced the closure of Ouachita, a CCC located in Arkansas. In 2017, DOL announced the closure of Golconda, a CCC located in Illinois. Homestead, a contract center located in

Florida, was also announced for closure, but not for low performance. These were officially closed in 2018.

- In 2017, a number of centers were temporarily closed. The Gainesville center in Florida and three Puerto Rico centers were damaged by the hurricanes. The Atlanta Job Corps center was temporarily closed because of fire hazards associated with the building.
- In 2018, Job Corps Construction was appropriated a supplemental of \$30.9 million to respond to Hurricane Maria's effects in Puerto Rico. The Ramey center in Puerto Rico was reopened. The majority of these funds will be spent during FY 2021. The funds expire June 30, 2021.
- In 2019, the Department proposed the consolidation of the Barranquitas center with the other two Puerto Rico Job Corps centers, with the plan to serve the same number of students and provide all of the same training opportunities. The Department also proposed to deactivate the Gainesville center, and instead operate a Job Challenge pilot about 30 miles away.
- Job Corps has worked closely with the Forest Service to improve the performance of CCCs, which are overrepresented in the lower quartile for center performance. Job Corps and the Forest Service have disagreed about the amount of money that should be transferred to the Forest Service. It is of particular concern that before disagreements have been resolved, the Forest Service has on occasion shared pre-decisional information with the Hill, specifically the Labor-HHS-Education Appropriations subcommittee staff.
- Job Corps Construction funding has a large and growing backlog of construction projects now exceeding \$700 million. The FY 2020 appropriation provided an increase of \$25 million, providing a total funding level of \$108 million.
- Hurricane Katrina severely damaged the New Orleans and Gulfport Job Corps centers. The Gulfport center has never returned to full capacity. DOL received a supplemental appropriation of \$16.0 million in 2006 for the purpose of rehabilitating the damaged centers. Of the initial appropriation, only \$1 million remains unobligated. In 2011, DOL was prepared to raze an uninhabitable building as part of center reconstruction, but was blocked due to the historical significance to the community. DOL and the community have finally reached an agreement about how to proceed; a Memorandum of Agreement is currently under review by the City of Gulfport. The Senate remains interested in seeing the Gulfport center operate at full capacity, and the Senate Appropriations Committee continues to request updates on the status.
- Job Corps Administration funding has been relatively stable, with the funding slowly increasing from \$28.7 million in FY 2009 to \$32.3 million in FY 2018. It has remained at \$32.3 million since FY 2018.
- In late FY 2019, ETA began negotiations with OASAM to develop MOUs to execute the Department's Shared Services plan. Negotiations were completed in FY 2020, and ETA transferred 29 staff/positions funded by the Job Corp Administration account to OASAM. Although the FTE for these positions will now be OASAM FTE, funding for the positions will be paid from the Job Corp Administration account through the WCF.
  - One staff/position for personnel functions to OASAM's Office of Human Resources.
  - No staff/positions for IT services to OASAM's Office of Chief Information Officer. IT services in support of the Job Corps Data Center may be transferred at a later date.
  - 28 staff/positions for procurement services to OASAM's Office of Procurement Services.

Upcoming Issues

- Job Corps is in the processing of shifting from cost-reimbursement contracts to firm-fixed price contracts. This shift began in FY 2020 and will take four to five years.
- As of August 2020, most Job Corps students are being served virtually, with only a small number of students without homes living on center. Job Corps issued instructions to contractors and USDA to provide virtual learning opportunities to students.

## COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

(Dollars in millions)

	FY 2017 Enacted	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request
<b>Budget Authority</b>	\$400.0	\$400.0	\$400.0	\$405.0	\$0.0
<b>FTE</b>	0	0	0	0	0

### At-A-Glance

- The Community Service Employment for Older Americans (CSEOA) program is authorized by Title V of the Older Americans Act (OAA) to foster individual economic self-sufficiency and increase the number of participants placed in unsubsidized employment, while maintaining the program’s community service focus.
- Program participants gain work experience in a variety of community service activities at non-profit and public facilities. The program provides more than 40 million community service hours to public and non-profit agencies.

### Budget and FTE Trends

- The President’s Budget for FY 2021 proposes to eliminate this program. It was also proposed for elimination in FYs 2018-2020.
- In 2020, the program received a \$5 million dollar increase from \$400 million to \$405 million.
- The program operates on a program year basis (April 1 through June 30).
- There are no federal FTEs directly funded by the appropriations for this program.
- In FYs 2012 through 2015, the Budget proposed moving CSEOA to HHS. The President’s Requests in those years included no resources for the program at DOL. This proposal never received serious consideration from Congress. This program has been administered by DOL since its inception in 1965, making it the only program under the OAA that is not in HHS.
- In FYs 2014, 2015, 2016, and 2017, approximately \$1 million has been transferred each year to the Department’s Chief Evaluation Office.
- In FY 2009, \$120.0 million in American Recovery and Reinvestment Act (ARRA) funds were appropriated for this program to expand the number of program participants. In FY 2010, an additional \$225.0 million of funds was appropriated.
- The sequestration in FY 2013 reduced this program by \$22.5 million. The decrease resulted in a reduction of 2,325 authorized positions, or approximately 3,558 participants, from PY 2012 levels.
- In FY 2015 and FY 2016, DOL proposed appropriations language to make program reforms. DOL has proposed to change the eligibility requirements for new participants; increase the percentage of funds that may be used for demonstration, pilots, evaluation, and technical assistance projects; and require low-performing states to conduct a competition to carry out the program. These changes have not been enacted.

### Upcoming Issues

- If the program continues to be funded, minimum wage increases (by local, state, and federal government actions) would affect both the number of participants served and the cost per participant.



## FEDERAL UNEMPLOYMENT AND BENEFITS ALLOWANCES

(Dollars in millions)

	FY 2017 Enacted	FY 2018 Enacted	FY 2019Enacted	FY 2020 Enacted	FY 2021 Request
<b>Budget Authority</b>	\$790.4	\$737.8	\$741.0	\$639.0	\$633.6
<b>FTE</b>	0	0	0	0	0

### At-A-Glance

- The Federal Unemployment Benefits and Allowances (FUBA) appropriation, also known as the Trade Adjustment Assistance for Workers (TAA) program, assists U.S. workers who have lost or may lose their jobs as a result of foreign trade. The program provides adversely affected workers with opportunities to obtain the skills, credentials, resources, and support necessary to become reemployed.
- This program provides the following benefits and services: are Employment and Case Management Services; Training; Trade Readjustment Allowances; Job Search Allowance; Relocation Allowance; and Alternative Trade Adjustment Assistance and Reemployment Trade Adjustment Assistance.
- The enactment of the bipartisan Trade Adjustment Assistance Reauthorization Act (TAARA) in 2015 reauthorized the Trade Act of 1974 and the continuation of grandfathered versions of the TAA program, including the 2002 Program, the 2009 Program, and the 2011 Program.
- The TAARA provisions restored worker group eligibility and benefits established by the Trade Adjustment Assistance Act of 2011; expanded coverage of certifications of petitions filed since January 1, 2014; required reconsideration of negative petition determinations for certain time periods; set the funding cap for training dollars at \$450 million annually; and reauthorized the Health Coverage Tax Credit program benefit for eligible TAA participants. Some workers certified under previous iterations of TAA continue to receive benefits under those prior versions.

### Budget and FTE Trends

- The funding in this account is mandatory. The estimated funding requirements for the FUBA program are based on projected costs of the program for the fiscal year. Formulation models that include the most current federal economic assumptions and workload factors are used to develop requisite program funding needs.
- Only those funds obligated during the fiscal year are recorded as an annual program cost.
- There are no federal FTE funded by the appropriation for this program. FTE administering this program are funded through the Program Administration account.

### Upcoming Issues

- In FY 2019, the TAA reduced their caseload to 300 open investigations with the help of a staffing support contract.
- The number of open TAA investigations has increased from 300 to 402 as a result of limited staffing resources, partly due to COVID pandemic, and plant closures that prevent investigators from collecting vital information from company officials.

- The TAA Reauthorization Act of 2015 (TAARA 2015 or 2015 Program) reauthorized the TAA Program for six years, through June 30, 2021. TAARA 2015 contains sunset provisions to transition the TAA Program on July 1, 2021, to an alternative version of the program known as Reversion 2014. This sunset period has a duration of one year; the TAA Program is scheduled to be terminated on July 1, 2022, unless a new program is enacted.

## STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

(Dollars in millions)

	FY 2017 Enacted	FY 2018 Enacted	FY 2019 Enacted**	FY 2020 Enacted^	FY 2021 Request
<b>Budget Authority</b>	\$3,523.6	\$3,464.6	\$3,343.8	\$3,475.9	\$3,497.3
<b>FTE*</b>	165	161	160	1522	154

\*Reflects FTE funded directly through FLC appropriation. FLC staff are also funded through H-1B fees.

\*\*Does not reflect the seven FTEs for activities related to the Commonwealth of Northern Mariana Islands.

^Excludes funds provided through the AWIU contingency and supplemental funds.

### At-A-Glance

- The SUIESO appropriation funds several activities related to employment and unemployment services: Unemployment Insurance (UI), Employment Service (ES), Foreign Labor Certification (FLC), and Workforce Information-Electronic Tools. UI benefits are funded by state payroll taxes and while part of the unified federal budget, these state trust funds do not appear in the annual appropriations acts.
- The Unemployment Insurance activity provides resources for several components, including State Grants, National Activities, Reemployment Services and Eligibility Assessments (RESEA), and the UI Integrity center.
- The Employment Service includes grants to states and national activities, which helps administer the Work Opportunity Tax Credit (WOTC) program and resources for technical assistance and training.
- The Office of Foreign Labor Certification (FLC) determines on a case-by-case basis whether the admission of foreign workers into the U.S. will adversely affect job opportunities, wages, and working conditions of American workers. Funding for FLC includes two activities: State Administration goes to grants to the states for their role in processing labor certifications, and Federal Administration funds federal activities. FLC also receives five percent of the revenue from the employer-funded H-1B application processing fee.
- The Workforce Information/Electronic Tools/System Building activity assists states in capacity-building efforts and in the development of electronic tools to improve access to workforce information for individuals in the American Job Centers. This account also includes the ETA share of a disability employment initiative run in conjunction with the Office of Disability Employment Policy.

### Budget and FTE Trends

- The estimated funding requirements for UI State Administration are based on projected costs of the program for the fiscal year. Formulation models that include the most current federal economic assumptions and workload factors are used to develop requisite program funding needs. Funding for UI State Administration has decreased from \$3.2 billion in FY 2010 to \$2.4 billion in FY 2020, primarily due to the reduced unemployment numbers. The appropriation also includes a trigger that allows for additional funding to be available should unemployment, calculated by the average number of continued claims per week, rise above the trigger set annually by Congress. In FY 2020, the trigger resulted in additional

appropriations. Through August 2020, the Department has apportioned an additional \$1.545 billion, for a total discretionary appropriation of \$3.9 billion for UI State Administration.

- Under the American Recovery and Reinvestment Act, the Wagner-Peyser Employment Service received \$396.0 million. In FYs 2009 through FY 2012, they received \$724.6 million. Since FY 2013, the enacted amount has been at least \$682.8 million. These grants go to all 50 states and territories for intensive, targeted reemployment services to UI beneficiaries.
- Since FY 2014, funds have been transferred to the DOL Chief Evaluation Office for use in carrying out evaluations of select programs and activities.
- FLC Federal Administration supports staff performing the activities related to processing applications submitted by employers seeking a labor certification for either permanent or temporary nonimmigrant labor. It is the only activity in this account that supports FTE.
  - Despite the FY 2019 increase for CNMI-related activities, the appropriated funding for other FLC activities has declined by 10 percent since FY 2009. Half of this decline occurred in FY 2013 as a result of sequestration. Total funding available for these activities in FY 2020, including fee estimates, is substantially unchanged from FY 2009 funding levels.
  - While total funding has remained relatively flat, the processing workload has increased. FLC received 85 percent more applications in FY 2018 than in FY 2010, with a 97 percent increase in the H-2B program alone. This is a workload trend that is expected to continue in future years. This increase in workload coupled with only slight increases in funding has resulted in backlogs in the PERM, H-2A, H-2B, and Prevailing Wage activities. Employers have expressed a great deal of concern with the backlog situation and the timeliness of certifications.
  - In FY 2016, Congress authorized the Department to transfer \$13.0 million from the H-1B fee training account (in TES) to eliminate the PERM backlog. These funds were available for a two-year period—FY 2016 and FY 2017.
  - In FY 2017, Congress authorized a \$20.0 million transfer to help support H-2A and H-2B operations and reduce the risk of delays during peak filing seasons. These funds are available for a two-year period—FY 2017 and FY 2018. FLC was able to exceed performance goals in FY 2018 because of this transfer; however, these additional resources expired in FY 2018 and will not be available in future fiscal years.
  - In FY 2020, FLC projects a FTE usage rate 152 FTE in the appropriated account.
  - In FY 2020, the FTE usage rate in the fee account is projected to be 40 FTE. From FY 2009 through FY 2015, the FTE usage rate in this account had been consistently around 30 FTE. In FY 2016, the reorganization to address the PERM backlog resulted in a usage rate of 39 FTE, which has remained between 39-42 FTE per year through FY 2019. It should be noted that use of the H-1B fees is restricted to processing H-1B and PERM applications.
  - The new H-1B pre-registration process USCIS implemented in FY 2020 has effectively eliminated the March-April H-1B peak filing season for FLC. Due to the new USCIS pre-registration lottery system, employers instead filed H-1B applications over the course of a longer time period in FY 2020 (March-July). This permanent change in program administration will spread out the H-1B workload for FLC. It has likewise spread out the collection period for the USCIS-administered H-1B fee, reducing the level of certainty about fee revenues until closer to the end of each fiscal year.

- In late FY 2019, ETA began negotiations with OASAM to develop MOUs to execute the Department's Shared Services plan. As negotiations were completed in FY 2020, ETA transferred a total of 12 staff/positions funded by the FLC appropriated account to OASAM. Although the FTE for these positions will now be OASAM FTE, funding for the positions will be paid from the FLC Federal Administration account through the WCF.
  - Three staff/positions for personnel functions to OASAM's Office of Human Resources
  - Six staff/positions for IT services to OASAM's Office of Chief Information Officer
  - Three staff/positions for procurement services to OASAM's Office of Procurement Services
  - An additional four staff/positions funded by the H-1B fee account were transferred to OASAM. As indicated above, the FTE will be OASAM FTE but will be funded from the H-1B fee account (5142) through the WCF: one in HR, two in OCIO for IT services, and one for procurement.

#### Upcoming Issues

- A fulsome description of the unemployment programs created and associated state administrative funding provided are outlined in the COVID-19 pandemic section of this material.
- The formulation model used to calculate funding requirements for UI State Administration has not been updated in several years. State allocations do not keep up with inflation, resulting in chronic underfunding to states for administering the unemployment program. States frequently complain to their elected representatives about this inadequate funding, and many are required to contribute state dollars to offset the difference. The outdated nature of the state IT systems for processing unemployment claims will continue to be of interest over the next few years.
- Prior to the COVID-19 pandemic, Congress was interested in funding competitive grants to state consortia that address the need to modernize the technology infrastructure of state UI systems, although finding the funding for these expensive projects has been difficult. In the FY 2018 Congressional report language, Congress requested that the Department's budget include recommendations to ensure the long-term viability of these projects. In the FY 2020 President's Budget, ETA proposed to extend the expenditure period of state consortia in FYs 2015-2020 by one additional year and extend the obligation period of state consortia in FY 2020 by one additional year. Congress enacted the extended expenditure period, allowing for a total of seven years to expend the funds, and allowed for the reallocation of consortia funding to the entity operating the UI IT Support Center.
- Despite the fact that the two transfers provided in the FY 2016 and FY 2017 appropriations were intended to improve technology and claims processing times, FLC has stated that its resources are still unsustainably low. Even with improved technology and the implementation of the Foreign Labor Application Gateway (FLAG) IT system, FLC anticipates higher backlogs.
  - In an effort to permanently solve the funding issue, the FY 2021 President's Budget requests to charge fees for new applications filed under the Permanent, H-2B, CW-1, and Prevailing Wage and retain/modify fees for certified applications filed under the H-2A temporary labor certification program. The Budget will also incorporate a new fee to

process the CW-1 certifications. The actual fee levels would be set via notice-and-comment regulation. Initially, the fees would partially offset federal costs for administering these programs and, once fully implemented, would eliminate the need for discretionary appropriations.

- The FY 2021 Budget includes a new proposal to double the H-1B visa fee in order to help train American workers and close the skills gap.
- The Bipartisan Budget Act of 2018, signed February 9, 2018, reauthorized the RESEA program, provided a cap adjustment, and placed additional requirements on the Department and states. The FY 2019 appropriation provides the maximum cap adjustment of \$33 million—in addition to providing \$117 million in base RESEA funding. In total, RESEA was appropriated \$175 million in FY 2020.
- In the FY 2021 President’s Budget, the Department requests a new legislative proposal to require all state UI agencies to implement the Integrated Data Hub as a program integrity tool. The Budget continues to include proposals to support paid parental leave, institute a minimum solvency standard for state trust fund accounts, offset overlapping UI and Disability Insurance benefits, and strengthen program integrity in the UI program by helping states improve their prevention, detection, and recovery of improper UI payments.

## **TRADE ADJUSTMENT ASSISTANCE COMMUNITY COLLEGE AND CAREER TRAINING**

### At-A-Glance

- The Trade Adjustment Assistance Community College and Career Training (TAACCT) grants provide community colleges and other eligible institutions of higher education with funds to expand and improve their ability to deliver education and career training programs that can be completed in two years or less. These programs are suited for workers who are eligible for training under the TAA for Workers program, and prepare program participants for employment in high-wage, high-skill occupations. DOL implemented this program in partnership with the Department of Education.
- TAACCT program was authorized by the American Reinvestment and Recovery Act and the Health Care and Education Reconciliation Act of 2010 for competitive grants to eligible institutions of higher education.
- 256 grants were awarded in total over four years.
- This program stresses collaboration with employers to ensure that curricula developed meet industry needs, results in industry-recognized credentials, and improves the employment prospects of program graduates. The grants help to ensure that institutions of higher education help adults succeed in acquiring the skills, degrees, and credentials needed for high-wage, high-skill employment while also meeting the needs of employers for skilled workers.
- The FY 2014 appropriation included language that allowed the Secretary of Labor to reserve no more than three percent of the appropriated funds for this program for program evaluation and technical assistance. Prior to that time, ETA managed the program using available resources from the Program Administration account.

### Budget and FTE Trends

- Congress provided a total of \$2.0 billion for the program—\$500.0 million for each year from FY 2011 to FY 2014. Sequestration in FYs 2013 and 2014 reduced the number and size of grants.
- There are no remaining unobligated funds for this account, with all of the remaining unpaid obligations expected to be expended.
- There are no FTE funded directly by this account.
- Each grantee in Rounds two through four of the awards is required to procure its own evaluation contractor. A National Evaluation of the program will then develop a synthesis of these third-party evaluations.
- The FY 2020 appropriation included a budget increase of \$40 million within the TES National Dislocated Worker Grants for Strengthening Community College Training Grants, for the Department to run a smaller version of the TAACCT program.

## ADVANCES TO THE UNEMPLOYMENT TRUST FUND

(Dollars in millions)

	FY 2017 Enacted	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Enacted*	FY 2021 Request**
<b>Budget Authority</b>	\$0.0	\$0.0	\$0.0	\$68,000	\$89,500
<b>FTE</b>	0	0	0	0	0

\*Reflects latest August 2020 apportionment request. Includes \$65 billion for FUA advances and \$3 billion for EUCA advances.

\*\*Reflects August 2020 estimated carryover apportionment for FY 2021. Includes \$55 billion for FUA advances and \$34.5 billion for EUCA advances.

### At-A-Glance

- The Advances to Unemployment Trust Fund (UTF) account is a borrowing authority account that does not have a specified annual requested or appropriated amount but has “such sums as necessary” funding authority to provide advances to all of the potential recipient accounts. This account was critical in providing repayable loans to states during the period of the Great Recession to mitigate the effects of the significantly elevated levels of unemployment.
- This account makes available funding for repayable advances (loans) to two accounts in the UTF: the Extended Unemployment Compensation Account (EUCA), which pays the federal share of extended unemployment benefits; and the Federal Unemployment Account (FUA), which makes loans to states to fund unemployment benefits. These advances are shown as borrowing authority in the EUCA and FUA accounts.
- In addition, the account has provided repayable advances to the Black Lung Disability Trust Fund (BLDTF) when its balances proved insufficient to make payments from that account. The BLDTF now has the authority to borrow directly from the U.S. Treasury.
- This account also makes available funding as needed for nonrepayable advances to the Federal Employees Compensation Account (FECA) to pay the costs of unemployment compensation for former federal employees and ex-servicemembers, to the Federal Unemployment Benefits and Allowances (FUBA) account to pay the costs of benefits and services under the Trade Adjustment Assistance for Workers (TAA) program, and to a revolving fund which provides interest-bearing repayable advances to the Employment Security Administration Account (ESAA). These advances are shown as budget authority and outlays in the Advances account.

### Budget and FTE Trends

- The 2014 appropriations language for this account included new authority for nonrepayable advances to the revolving fund for the ESAA. The additional borrowing authority enables ESAA to cover its obligations despite seasonal variations in the account's receipts.
- There are no federal FTE directly funded by this appropriation. The activities associated with this account are managed by staff funded in the Employment and Training Administration’s Program Administration account.

### Upcoming Issues



- Estimated needs forecast will be reformulated when the new federal economic assumptions for 2019 are released. Prior to FY 2020, Advances were last requested for the FUA and EUCA accounts in FY 2014.

## PROGRAM ADMINISTRATION

(Dollars in millions)

	FY 2017 Enacted	FY 2018 Enacted	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request
<b>Budget Authority</b>	\$158.7	\$158.7	\$158.7	\$158.7	\$171.6
<b>FTE</b>	752	726	713	610	620

### At-A-Glance

- The Program Administration (PA) appropriation provides for the federal administration of most Employment and Training Administration (ETA) programs. Job Corps and the Office of Foreign Labor Certification receive separate appropriations for program administration.
- PA receives an annual appropriation of general and trust funds. It is divided into four activities and the appropriators indicate the level of funding for each activity.
- This appropriation has reimbursable authority for technical assistance, grant administration, and Disaster Unemployment Assistance. In FY 2011, ETA was given the authority to transfer technical assistance funds to Program Administration for technical assistance services to grantees when it is determined that those services will be more efficiently performed by federal employees. In FY 2017, ETA was given the authority to transfer resources from program accounts to PA for program integrity purposes. OMB has limited the use of program integrity funds to activities designed to prevent improper payments.

### Budget and FTE Trends

- Between FY 2009 and FY 2010, funding for this appropriation increased by \$17.2 million (13.2 percent) with the largest increase going to the Office of Apprenticeship. Funding remained relatively flat from FY 2010 through FY 2012. As funding increased, FTE usage increased. The number of FTE that could be supported by the FY 2010 increase was not reached until FY 2012.
- Sequestration in FY 2013 had a significant impact on the PA account. With a reduction of \$7.7 million, the agency implemented a limited hiring freeze and all staff took two furlough days. ETA ended the year using 758 FTE, 20 FTE below the usage rate in FY 2012. Sequestration, followed by funding uncertainty during a three-month continuing resolution, led to an even lower FTE usage of 726 in FY 2014.
- In FY 2015, PA got an increase of \$4.0 million for further apprenticeship expansion. This was in keeping with the Administration's highlighting Registered Apprenticeship as a job-driven strategy to connect ready-to-work Americans with ready-to-be-filled jobs.
- Hiring increased toward the end of fiscal year but had a negligible impact on the FTE usage rate, which was 731 FTE.
- Although funding remained flat for FY 2016, the hiring in late FY 2015 and in FY 2016 started to impact the FTE usage rate. PA ended the year with a usage rate of 754, which slightly exceeded the planned usage rate of 750 FTE.
- This account funds all activities involved with the implementation of the Workforce Innovation and opportunity Act (WIOA). Implementation began in late FY 2014 and continues.

- The FY 2017 appropriations bill included an increase of \$2.0 million in the Training and Employment activity, and \$2.2 million in the Apprenticeship activity.
- In FY 2018, FY 2019, and FY 2020 funding remained flat. Authorized FTE levels dropped to absorb inflationary costs.
- The authorized level for FY 2018 was 726 FTE, and ETA ended the year with a usage rate of 722 FTE. In FY 2019 the authorized level was 713 FTE and the Agency ended the year with a usage rate of 686 FTE.
- The authorized level for FY 2020 is 610 FTE.
- In late FY 2019, ETA began negotiations with OASAM to develop MOUs to execute the Department's Shared Services plan. As negotiations were completed in FY 2020, ETA transferred a total of 66 staff/positions funded by the PA account to OASAM. Although the FTE for these positions will now be OASAM FTE, they will continue to be funded by the PA account through the WCF:
  - 23 staff/positions for personnel functions to OASAM's Office of Human Resources
  - 32 staff/positions for IT services to OASAM's Office of Chief Information Officer
  - 11 staff/positions for procurement services to OASAM's Office of Procurement Services

#### Upcoming Issues

- The American Reinvestment and Recovery Act (ARRA) provided \$4.47 billion to ETA for competitive and formula grants, \$59.7 million of which was transferred to PA for management of the grants. In recent years, ETA has received funds for new programs but has not received a corresponding increase in the PA account or the authority to set aside program funds for administration. Leadership should consider whether future requests for programs of this type should include a set-aside for administrative expenses to avoid this problem.
- ETA has done its best to address the additional workload. For example, ETA uses the authority to transfer technical funds to PA when it is determined that federal staff can provide the services more efficiently. In FY 2017, the Agency received the authority to transfer program funds to PA for program integrity purposes. This authority has continued in each appropriation through FY 2020. In the FY 2020 President's Budget, OMB proposed language to limit expenditures to activities that decrease improper payments. This language was not in the FY 2020 appropriation; however, OMB's policy continues to apportion only the funds for activities targeting improper payments. ETA would like to re-explore with OMB using the Program Integrity transfer authority for FTE to conduct grant monitoring and for modernization of the grant management and grantee performance management IT systems, all concepts the Department had viewed as improving program integrity.
- In FY 2014 and FY 2015 ETA partnered with the Office of Personnel Management's (OPM) Human Resources Solutions Division (HRS) to conduct an analysis of nine offices. HRS conducted a detailed analysis of organizational structure, workflow, and workload. The final report of this analysis recommended increased onboard staffing levels for each office, work process observations, and organizational structure recommendations.

- The need for new IT systems to comply with WIOA, coupled with the need to update existing systems, has created challenges for ETA and put pressure on the PA account. ETA is evaluating its options for funding IT investments and prioritizing based on the agency's capacity to fund various projects.
- In FY 2021 ETA may have to further reduce FTE to absorb the cost of continued IT modernization, including development of a new grants management system, if appropriations for the PA account are not increased.

## COVID-19 SUPPLEMENTAL FUNDING AND PROGRAMS

In response to the novel coronavirus pandemic, Congress created several new UI programs and appropriated additional funding to the Department.

### **Families First Coronavirus Response Act (FFCRA)**

- Emergency UI Administration Grants to States
  - Section 4102 of Division D of FFCRA
  - Appropriated \$1 billion, available in two allotments.
- Extended Benefits
  - Section 4105 of Division D of FFCRA
  - Mandated federal government cover 100 percent (as opposed to 50 percent) of extended benefits for weeks of unemployment between March 18, 2020 and December 31, 2020.
  - As of October 2020 (FY 2021), the Department apportioned \$34.5 billion to cover estimated FY 2021 extended benefits obligations.

### **CARES Act – UI Provisions**

- Pandemic Unemployment Assistance Benefits
  - Section 2102
  - Provides unemployment to self-employed and independent contractors.
  - Appropriated such sums as necessary.
  - Benefits
    - FY 2020 Obligations: \$55.5 billion
    - Initial FY 2021 apportionment: \$29.2 billion
  - Administration
    - FY 2020 Obligations: \$721.4 million
    - Initial FY 2021 apportionment: \$1.5 billion
- Partial Reimbursement Benefits for Government Entities and Non-profit Organizations
  - Section 2103
  - Reimburses 50 percent of benefits for beneficiaries laid off from non-profit organizations or government entities.
  - Appropriated such sums as necessary.
  - Benefits
    - FY 2020 Obligations: \$1.6 billion
    - Initial FY 2021 apportionment: \$3.0 billion
- Federal Pandemic Unemployment Compensation
  - Section 2104
  - Provided additional \$600 for weeks through July 31, 2020.
  - Appropriated such sums as necessary.
  - Benefits
    - FY 2020 Obligations: \$275.5 billion
    - Initial FY 2021 apportionment: \$10.0 billion
  - State Administration:
    - FY 2020 Obligations: \$22.8 million
    - Initial FY 2021 apportionment: \$20.0 million

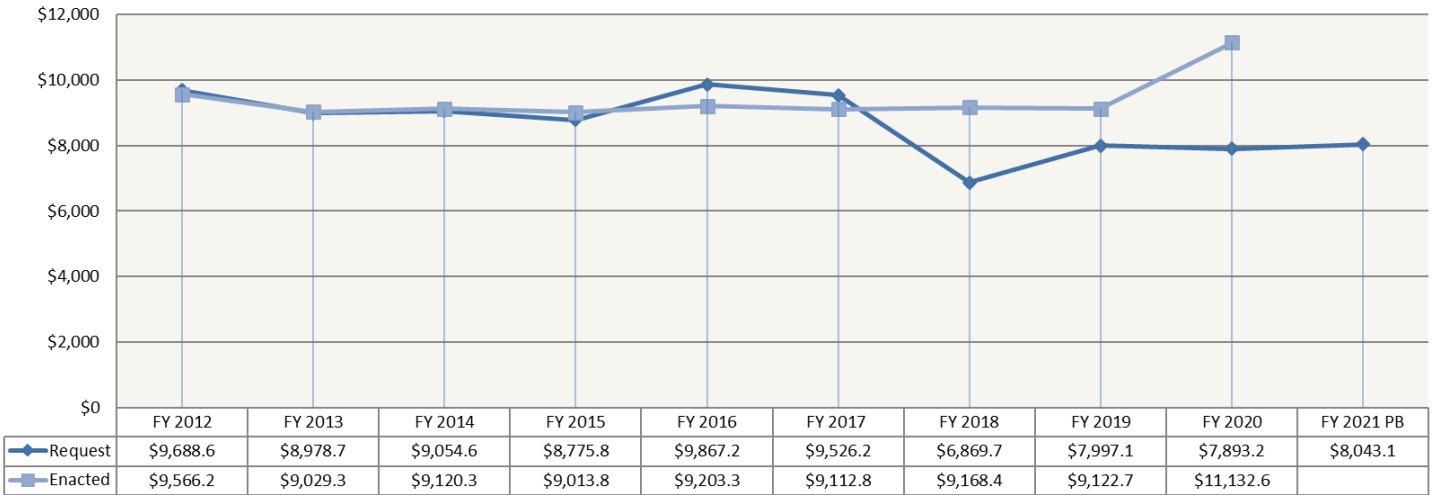
- First Week Benefits
  - Section 2105
  - Temporarily cover first full week of benefits for states with no waiting week.
  - Appropriated such sums as necessary.
  - Benefits
    - FY 2020 Obligations: \$4.3 billion
    - Initial FY 2021 apportionment: \$6.6 billion
  - Administration
    - FY 2020 Obligations: \$1.8 million
    - Initial FY 2021 apportionment: \$1.0 million
- Pandemic Emergency Unemployment Compensation
  - Section 2107
  - 13 weeks of extended unemployment compensation for regular program exhaustees.
  - Appropriated such sums as necessary.
  - Benefits
    - FY 2020 Obligations: \$9.5 billion
    - FY 2021 Apportionment: \$20.0 billion
  - Administration
    - FY 2020 Obligations: \$101.8 million
    - FY 2021 Apportionment: \$475.0 million
- Temporary Financing of Short-Time Compensation (STC) in States with Programs in Law
  - Section 2108
  - Provides states containing a federally-approved STC program with 100% reimbursement of STC unemployment benefits.
  - Appropriated such sums as necessary.
  - Benefits
    - FY 2020 Obligations: \$686 million
    - FY 2021 Apportionment: \$750 million
- Temporary Financing of STC Agreements Benefits and Administration
  - Section 2109
  - Provides states without a federally-approved STC program but with a federal-state agreement with 50 percent reimbursement of STC unemployment benefits and administrative costs.
  - Appropriated such sums as necessary.
  - Benefits
    - FY 2020 Obligations: \$0
    - FY 2021 Apportionment: \$18.8 million
  - Administration
    - FY 2020 Obligations: \$0
    - FY 2021 Apportionment: \$2.5 million
- Short-Time Compensation Grants to States to Enact or Improve STC Programs
  - Section 2110
  - Appropriated \$100 million

**CARES Act – Other Appropriations**

- **OIG:** Appropriated \$25 million to oversee and prevent waste, fraud, and abuse among unemployment provisions.
- **Departmental Management:** Appropriated \$15 million, with the requirement to transfer \$1 million to OIG. Given the authority to transfer funds to OSHA, WHD, PA, and EBSA. ETA PA received \$4 million.
- **Training and Employment Services:** Appropriated \$345 million in National Dislocated Worker Grants.

# ETA

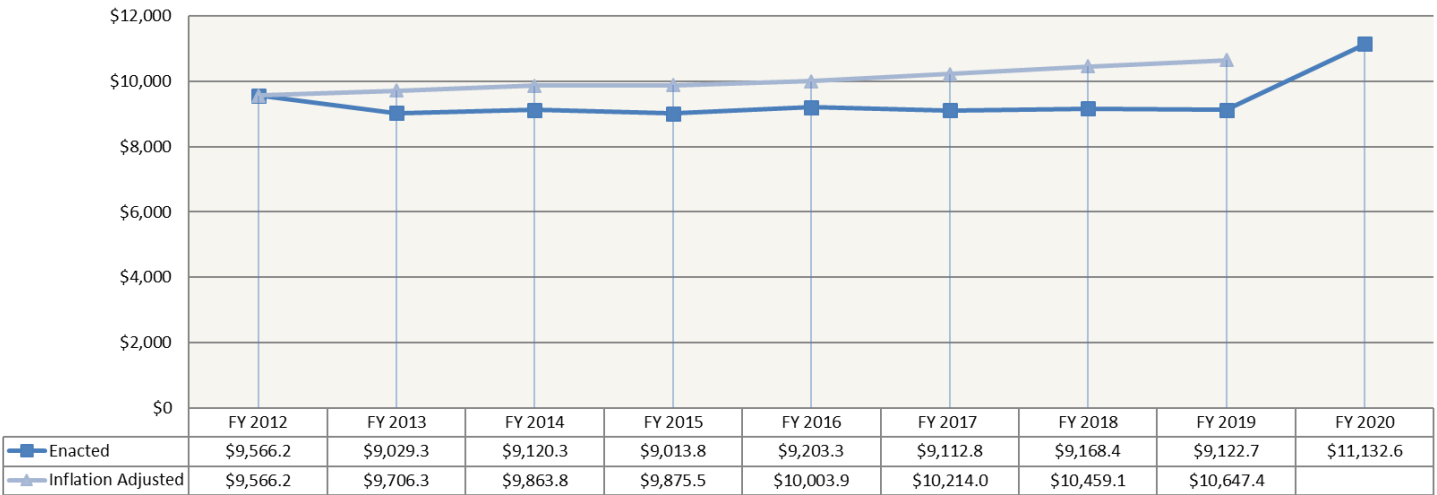
Request vs. Enacted, FY 2012-FY 2021  
(Dollars in millions, Discretionary)



Note: FY 2020 Enacted includes UI State Administration contingency appropriation

# ETA

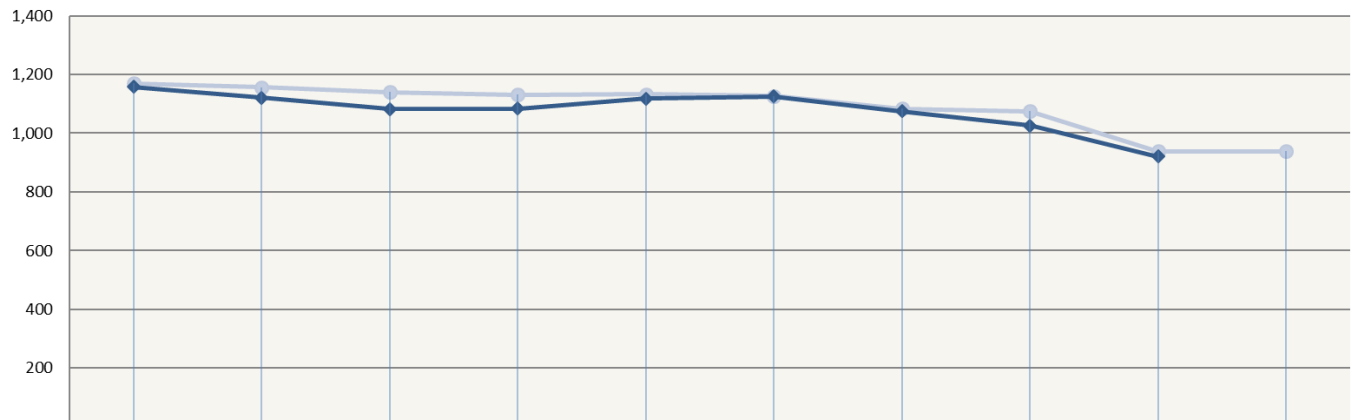
FY 2012 Inflation Adjusted BA vs. FY 2012-FY 2020 Enacted BA  
(Dollars in millions, Discretionary)





# ETA

Authorized FTE vs. Actuals, FY 2012-2021



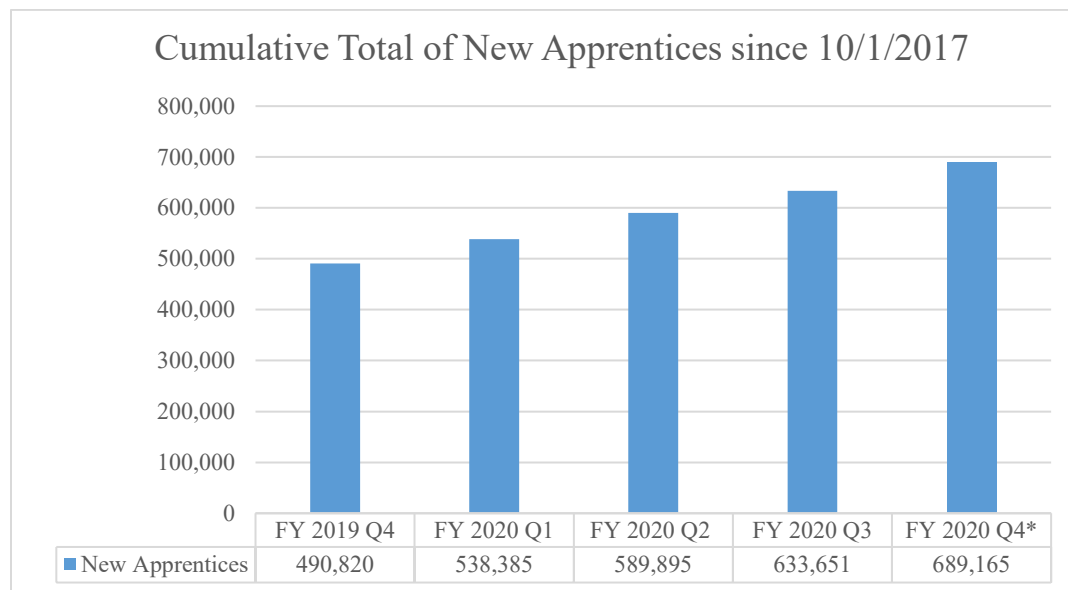
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021 PB
Authorized	1,170	1,156	1,140	1,131	1,132	1,126	1,084	1,075	939	938
Actuals	1,158	1,120	1,082	1,083	1,118	1,125	1,074	1,026	921	

## TAB 5: AGENCY PERFORMANCE

### ETA Strategic Objective 1.1 Create customer-focused workforce solutions for American workers.

#### Apprenticeship

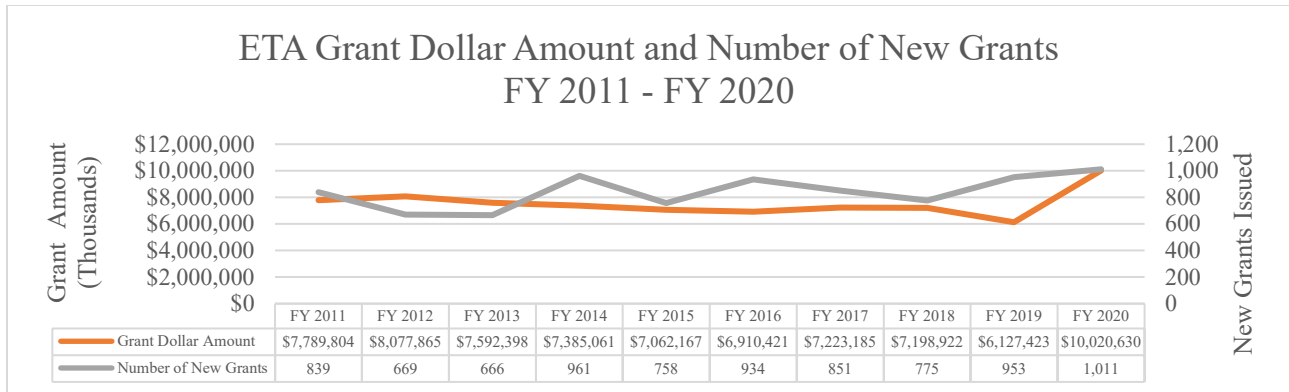
To close the skills gap and support a competitive workforce, ETA has been directed to (1) make apprenticeship a “go-to” and valued human capital solution to enable a greater number and variety of industries to hire skilled workers and upskill incumbent workers to meet their needs; and (2) advance modern work-based learning solutions to provide high-quality alternatives to college for youth and adults. DOL has an Agency Priority Goal to enroll one million new apprentices (including registered apprenticeship programs and industry-recognized apprenticeship programs (IRAPs)) by the end of FY 2021. In FY 2019, a record number of new apprentices were enrolled (252,271). By comparison, due to the COVID-19 pandemic and resulting economic downturn, FY 2020’s preliminary numbers include 198,345 new apprentices. Because IRAP implementation is in its early stages, the historical chart below displays only the number of new registered apprentices. Data on IRAPs will be available after the data collection system is developed, approved, and implemented in Q1 of FY 2021.



\*preliminary

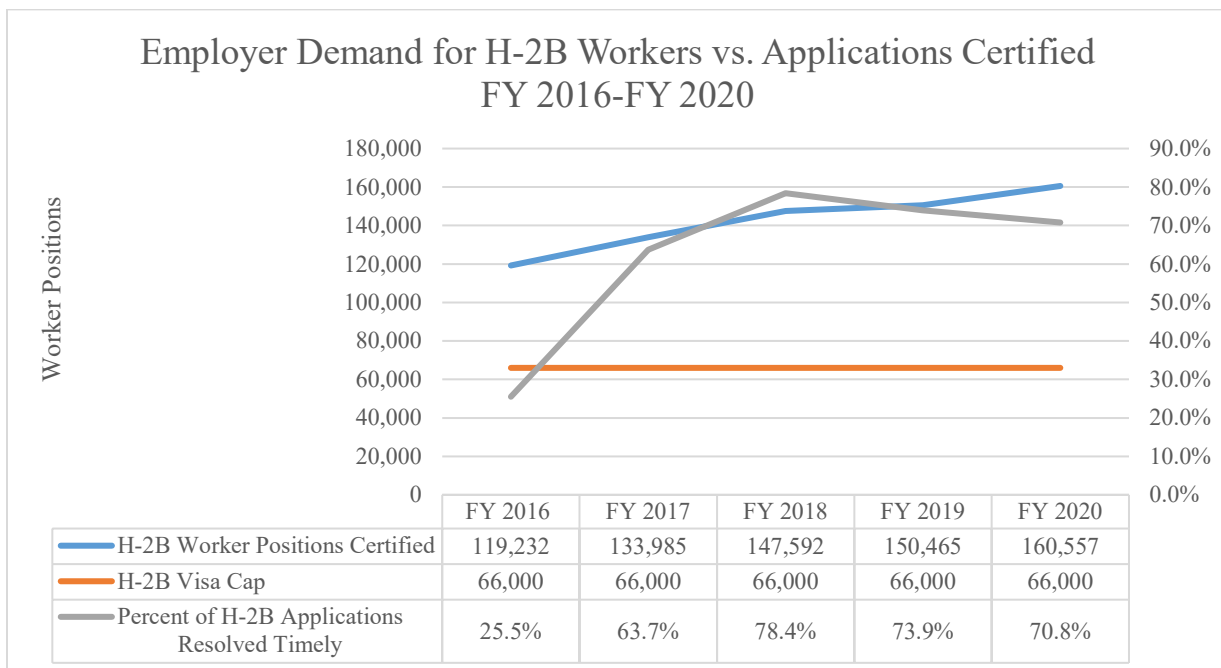
#### Grants

ETA’s work is carried out primarily through grant making and contracting authority, with states, local governments, community- and faith-based organizations and other entities, which oversee delivery of services that help meet the skills needs of their communities. ETA is responsible for more than \$8 billion in federal funding for grants annually and awards more than \$1 billion in competitive contracts each year.



**Foreign Labor Certification**

OFLC has experienced a dramatic rise in application volumes in recent years. As application volumes increase, OFLC’s case-processing capacity is increasingly strained, sometimes resulting in periodic application delays during peak filing seasons. These delays impact the hiring of needed workers by U.S. employers. As reflected in the chart below, since FY 2017 OFLC has issued certifications covering far more than the statutory H-2B visa cap of 66,000 workers.



**ETA Strategic Objective 1.2 Support states’ timely and accurate benefit payments for unemployed workers.**

**Unemployment Insurance (UI)**

States operating UI programs must balance the need for both benefit payment timeliness and accuracy. In many cases states must make eligibility determinations with available information to meet the requirement to make payments “when due.” These payments may later be determined improper based on new information not available at the time of the initial

**TAB 5: Agency Performance**

determination but available later, when states conduct required audits. ETA recently saw success in working with states to reduce the improper payment rate. Reducing the UI Improper Payment Rate remains on [the Department’s list of Major Management Challenges](#). ETA has established an Agency Priority Goal to reduce the rate to 9.0 percent by the end of FY 2021. A proposed Unemployment Insurance Program Letter that prohibits states’ use of work search formal warnings is under review with OMB and would likely lead to an increase in the measured rate by up to five percentage points over the next year or two.

The First Payment Timeliness measure is defined as intrastate first payments made within 14/21 days. In the aftermath of the Great Recession, first payment timeliness was under 80 percent, and well below the acceptable level of performance (ALP) of 87 percent for this performance measure. Since FY 2015, due to ETA’s technical assistance initiatives targeted at poorly performing states, performance has steadily improved and the Department reported a high performance of 88.4 percent for the 12-month ending March 31, 2020. However, ETA anticipates that performance for this measure has been and will continue to be impacted for some time by the unprecedented claims workload due to the pandemic.

