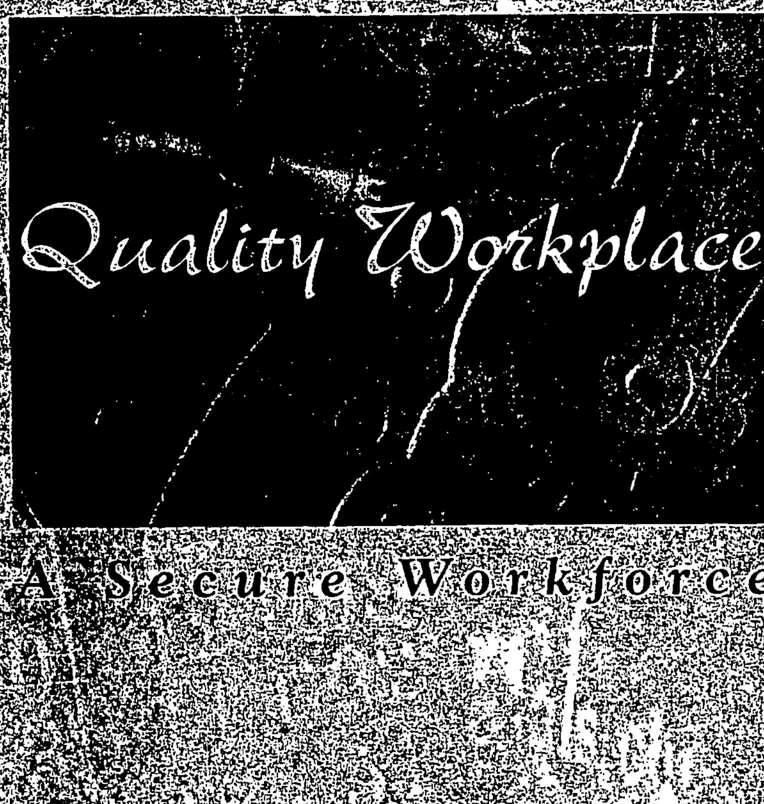
# Budget Overview
## Fiscal Year 2000

A Prepared Workforce




A Secure Workforce

U.S. Department of Labor

# U.S. DEPARTMENT OF LABOR
## FISCAL YEAR 2000 BUDGET

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- - GENERAL NOTE - -

The numbers in the dollar tables in this document may not add due to rounding.

# DEPARTMENT OF LABOR
# BUDGET OVERVIEW
# FY 2000

***Total Budget***
*(Dollars in Billions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| **Discretionary Programs:** | $11.0 | $11.6 | +$0.6 |
| **Mandatory Programs:** | $25.6 | $28.0 | +$2.4 |
| **Total, Department of Labor:** | $36.6 | $39.6 | +$3.0 |
| *Full Time Equivalents* | *16,898* | *17,399* | *+501* |

## INTRODUCTION

The 2000 budget reflects the Department of Labor's commitment to provide assurance that all workers have the opportunity to find and hold jobs, under reasonable working conditions, with good wages, reliable pensions, health benefits, and opportunities to improve their skills.

*"Our Nation must pursue a new strategy for prosperity with investments in education and skills to prepare our people for the new economy; new markets for American products and American workers "* — **from President Clinton's State of the Union Message**

For these purposes, the Department's FY 2000 budget proposals provide a total request for $39.6 billion in budget authority and 17,399 full-time equivalents (FTE). The request for discretionary programs is $11.6 billion in budget authority, which is $0.6 billion above the FY 1999 level. The numbers alone do not tell the story -- and there is one to tell because this Budget boldly advances opportunities and services to more fully serve workers and their families with an updated, vigorous approach as we begin a new millennium.

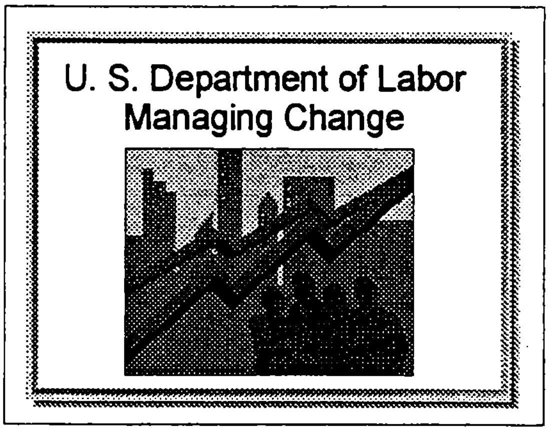
The Department of Labor's budget supports the President's promise to continue to build a stronger and more competitive workforce and provide benefit security for all working Americans. These initiatives support a common notion which reinforces the traditions of American families and communities, and reflects new and innovative programs as well, for a stronger and more prosperous America in the 21st century. Many of the proposals described in this document support the Administration's legislative agenda for 1999.

**Key Legislative Proposals**

- Unemployment Insurance Reform
- TAA/NAFTA Improvements
- WOTC & Other User Charges
- Patient's Bill Of Rights
- Family & Medical Leave Act
- Increase The Minimum Wage
- Health Care For Retirees

## HELPING WORKING FAMILIES MANAGE CHANGE

The dynamic forces of technology, globalization, and competition are changing the workplace. Large firms, which provided steady employment are now complemented by a dynamic world of small and medium-sized business startups, often in new lines of industry. Many new jobs are in these smaller firms, and many new workers now work in them.




This budget takes account of the dramatic changes that continue to sweep through the economy, proposing ways to help America's working families manage change and succeed in the new environment.

## ADDRESSING WORKERS' PROBLEMS STRATEGICALLY

To maximize the overall results in meeting the challenges of a changing economy, this budget focuses on three strategic goals: to promote a prepared workforce, to promote a secure workforce, and to improve the quality of the workplace itself.

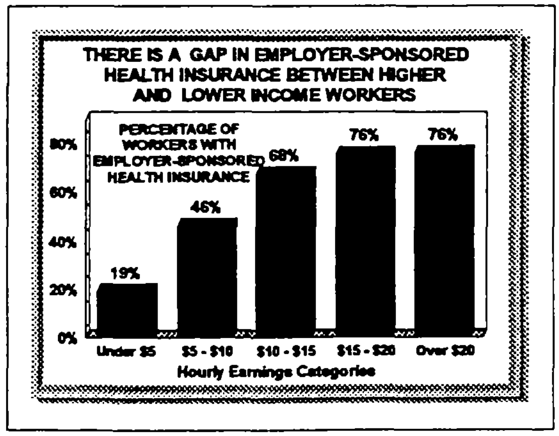
**A Prepared Workforce**--This budget request reflects one of the President's top priorities: investing in education and training to ensure that every American has the schooling and the skills to succeed in the increasingly competitive global economy. The Workforce Investment Act reflects the President's principles of job training reform, expands the One Stop system of streamlined service delivery to job seekers and employers, empowers customers with the resources and information to select training that meets their need through Individual Training Accounts and "Consumer Report Cards" on training provider performance, and authorizes Youth Opportunity Grants, to help boost employment among young people living in high poverty urban and rural areas.

This request targets the high unemployment, low skills, and lack of work experience among adults and youth in some of our poorest communities. In the new economy, and on the edge of a new century, education can not end with a high school diploma, or even with a college degree. Now, education must mean lifelong learning and continued development of new skills.

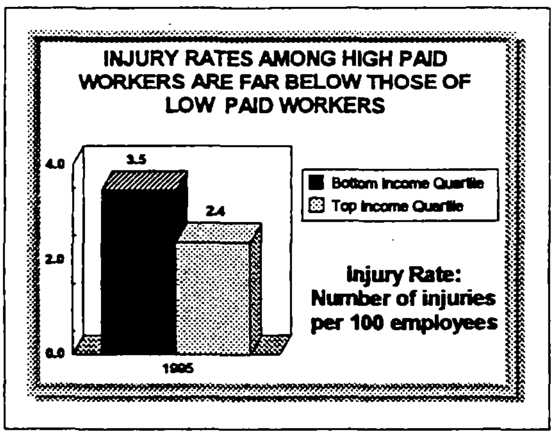
**STRATEGIC GOALS**

- ✓ A Prepared Workforce
  - ➡ Enhance Opportunities for America's Workforce
- ✓ A Secure Workforce
  - ➡ Promote the Economic Security of Workers & Families
- ✓ Quality Workplaces
  - ➡ Foster Quality Workplaces that are Safe, Healthy & Fair

**A Secure Workforce**--The Department receives thousands of letters from people who discover after they retire that they do not have the retirement benefits they expected. This is one reason it is critical to ensure that all Americans are economically secure after they retire. Employment-based pension and health benefits are the foundation of family security.

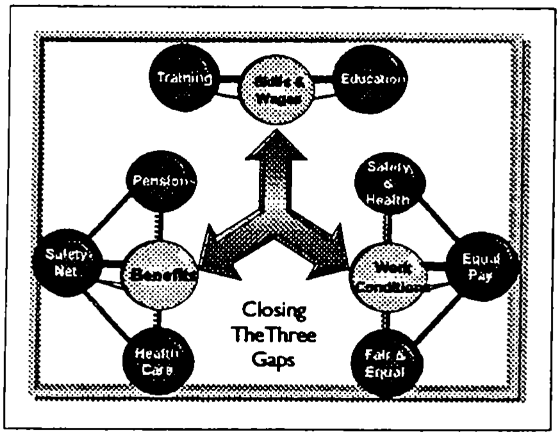



Only about one-half of all full-time workers in the private sector have pension coverage. Three-quarters of workers in small businesses are not covered by a pension plan. Increasing access to our private pension system and assuring that private pensions, health care, and other employee benefits are secure and properly administered are priorities addressed by this budget. Because of this fast changing economy, resources are included to help American workers who lose their jobs through no fault of their own to train for and find new jobs. Several initiatives have been designed to achieve significant progress in helping to promote an economically secure workforce.




**Quality Workplaces**--The third goal is to guarantee every working American a safe and healthful workplace with equal opportunity for all. If an employer's practices threaten workers' safety and health, discriminate on the basis of gender, race, veterans' status, or disability, or deprive workers of fair wages, tough enforcement is necessary. Our ultimate goal, however, is compliance with employment laws. There must be an appropriate balance of fair and consistent enforcement, cooperative partnerships, and compliance assistance and training. Also, the Department is committed to improving the working conditions of children at home and abroad by eliminating violations of child labor laws and by raising core international labor standards to enhance economic stability abroad.

## GAPS BETWEEN SKILLED AND UNSKILLED WORKERS STILL EXIST

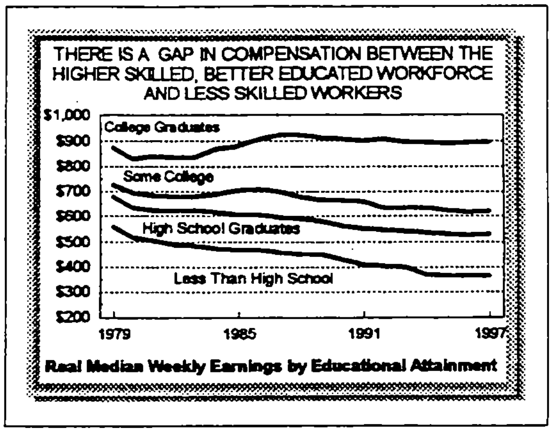



The continuing economic gaps between less-skilled under-educated workers and the rest of the labor force must be addressed if America aspires to be a Nation where hard work is rewarded fairly.

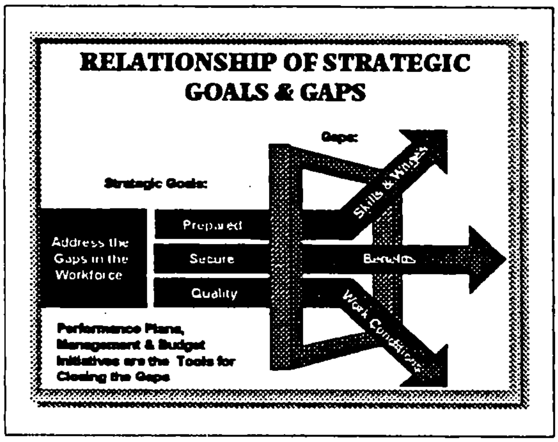
The Administration has instituted policies that have helped to begin reversing a twenty-year gap in real wages, but more remains to be done.

In addition to the wage gap, research shows that there are continuing gaps in other important aspects of workers' lives-- in education and training, and benefits as well as working conditions.

Not that long ago, some analysts held that non-wage benefits and working conditions acted as a leveling influence on wage gaps. Now, we see that benefits and better working conditions tend to be associated with higher paying jobs. While highly skilled, educated workers have enjoyed the benefits of economic growth, low skilled, low wage workers have not kept pace. Workers also experience disparities in other areas -- safe and healthful working environments, fair and equal opportunities and in workers' rights.




The strategic goals of promoting a prepared workforce, a secure workforce and enabling workers to perform in high quality workplace environments are intended to help close these gaps.




## FY 2000 BUDGET PROPOSALS -- CLOSING THE GAPS

The Department's FY 2000 request proposes several program increases and innovations, all of which are focused upon narrowing or closing the gaps in wages, benefits and working conditions. It will serve workers and their families by moving toward the goals to promote a prepared and secure workforce, while improving the quality of the workplace itself.

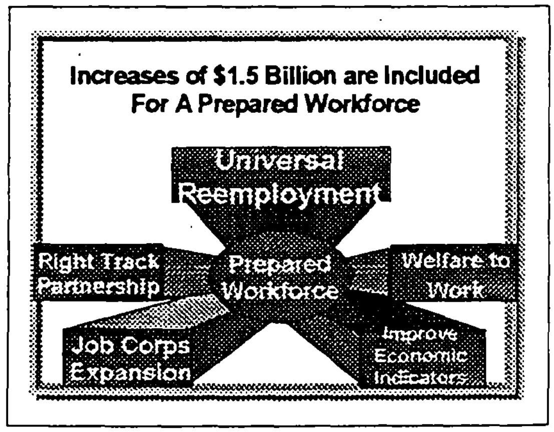
## Closing the Skills & Wages Gap:

There are several programs included to address the wage gap and advance the goal to promote a prepared workforce.

*Education And Training*

In Fiscal Year 2000 the President proposes to make substantial progress toward creating a 21st century reemployment system. This system would ensure that American job seekers -- specifically dislocated workers and workers receiving Unemployment Insurance (UI) benefits -- have access to high quality information and services under the new Workforce Investment Act (WIA) to manage their careers to build brighter futures for themselves and their families.

The President's FY 2000 budget proposal would ensure that we make substantial progress toward: (1) helping all dislocated workers who want and need services with resources for training or to find new jobs; (2) expanding and enhancing the quality of employment services available for workers receiving UI and other job seekers; and (3) ensuring that any job seeker has access -- in person or in the rapidly expanding world of electronic communication -- to a core set of employment-related services through One-Stop Career Centers.




For a Universal Reemployment Initiative, the budget includes $368 million. The aim of this proposal is to ensure that within five years every dislocated worker -- anyone losing a job through no fault of their own -- could receive training if it is wanted and needed. These individuals could receive reemployment services, accessing them through One-Stop Career Centers.

The proposed investments will make sure that the One-Stop delivery system being expanded under the WIA is more accessible both for American job seekers and for employers seeking workers. These investments would further empower dislocated workers and other unemployed workers by:

- Giving more dislocated workers financial power -- to use Individual Training Accounts at qualified institutions -- to get the training they need and making greater levels of information and guidance available to so they can make informed choices on training; and

- Enhancing UI claimants' and other job seekers' access to core employment-related services available through One-Stops and the activities of One-Stop partners -- including career advice and guidance, and information about job vacancies, career options, relevant employment trends, and how to conduct a job search, write a resume, or interview with an employer.

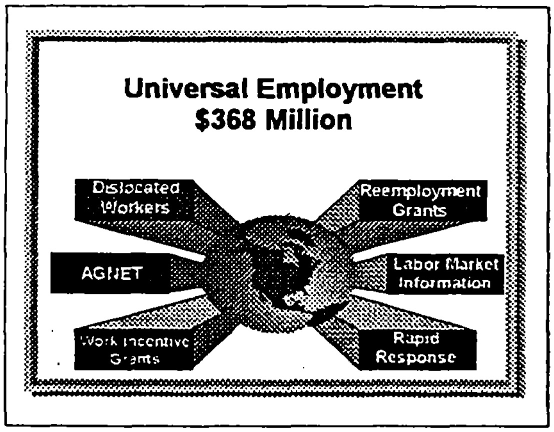
Specifically, the President's FY 2000 budget includes the following as the first step to reach the stated goals:

| Universal Reemployment Components | Millions |
|---|---|
| Dislocated Workers | $190 |
| Reemployment Services Grants | $53 |
| One-Stop/Labor Market Information | $65 |
| Work Incentive Grants | $50 |
| America's Agricultural Labor Network | $10 |
| **Subtotal, Universal Reemployment** | **$368** |

For assistance to **Dislocated Workers**, a total of $1.596 billion, an increase of $190 million, is requested to provide readjustment services (including job search assistance), skill training and related services to help an estimated 858,500 dislocated workers find new jobs as quickly as possible. This will put the country on the track of providing job training to every dislocated worker who wants or needs it within five years.

This also includes $40 million for competitive grants to consortia of local workforce boards and regional skill alliances to identify skill shortages and target resources on industries struggling to fill jobs, identify workers needing training, and provide training and job placement services. Although funding is requested now for this program, legislation will be proposed to finance it through requiring employers applying for Labor Department certification for certain workers to pay an application fee.

Also in FY 2000, $53 million is provide for **Reemployment Services Grants** to State Employment service agencies. These grants will provide funds for increased reemployment services to unemployment insurance claimants to ensure that all unemployed workers who need help to become reemployed will get it. The increase will target staff assisted services to insured unemployment claimants, providing early intervention and immediate referrals to suitable job openings to help them get jobs faster reducing their period of unemployment and benefit costs. For those in need, State Employment Service staff will provide customized services including



workshops, job search and screening for referrals to training or other support services.

The Department's **One Stop Career Center** initiative is designed to transform a fragmented array of employment and training programs into an integrated service delivery system for adults seeking to advance their careers and employers. The FY 2000 request is $149 million, which includes a $65 million set of initiatives to develop new ways to provide employment-related information through America's Labor Market Information System -- an essential part of the One-Stop service delivery system that is now required in the WIA. Some examples of new ways to provide services are a "talking" America's Job Bank for the visually impaired, mobile service centers for rural areas, and a 1-800 number for faster and easier access to information.

Other initiatives include the continued enhancement of America's Job and Talent Banks, America's Learning Exchange, mobile one stops, and neighborhood one stop access and outreach. The FY 2000 budget also includes $10 million ($20 million for the Education Department) for the second year of Learning Anytime, Anywhere Partnership to enhance and promote learning opportunities outside the usual classroom settings via computers and other technology for all adult learners.

In FY 2000, the budget includes $50 million for new **Work Incentive Grants.** This is part of the President's comprehensive initiative to provide economic opportunities for people with disabilities. This will provide competitive grants to partnerships of organizations in every State, including organizations of people with disabilities, to help One-Stop Career Centers and Workforce Investment Boards provide a range of high quality services to individuals with disabilities to allow them to return to work or obtain employment.

In addition, $10 million is proposed for the new **America's Agricultural Labor Network**, an information system to help growers find workers and workers find employment opportunities that meet their needs. Basic information in AgNET would automatically be placed in "America's Job Bank" and made available through local libraries, unions, SESAs and Department of Agriculture extension offices.

**President Clinton on the Income and Poverty Report**

"Economic growth continues to raise incomes, lift millions out of poverty, and extend opportunity. It also shows that we have more to do. Inequality is still too high and it simply means that we have too many families out there, working hard, doing everything we could possibly ask of them, and still having a hard time getting ahead. We have to use our prosperity and the confidence it inspires to help our hardest pressed families and our hardest pressed communities to ensure economic growth for all Americans........"

To provide **Rapid Response, Health & Pensions** information that supports the Universal Reemployment Initiative, $1 million is included to provide information to dislocated workers on the health, pension and other benefits to which they are entitled, and to help ensure rapid response efforts include this type of vital information.

Another initiative aimed at closing the gap in skills and wages -- is the new **Right Track Partnership** (RTP). The budget includes $100 million for competitive grants designed to prevent economically disadvantaged and limited English proficient youth from dropping out of school and to encourage those who have already dropped out to complete their high school education. Building innovative partnerships between the private sector, school districts, and community based organizations, RTP would provide comprehensive services and economic opportunity to youth in high poverty areas.

The request includes $250 million to continue the Youth Opportunity Grants first funded in FY 1999. These competitive grants address the special problems of out-of-school youths, especially in inner-cities and other areas where jobless rates can top 50 percent. Included in this funding is $20 million for **Rewarding Youth Achievement** - a new initiative to provide comprehensive employment training, counseling, and education services to over 9,000 academically high-achieving, low-income youth. Encouraging school completion, this initiative rewards high achieving youth with extended summer employment opportunities and the opportunity to earn an end of summer bonus if they meet certain academic achievement, attendance and job performance standards.

For the Job Corps, and increase of $38 million includes financing to continue the operation of 118 existing centers plus an additional 3 new centers scheduled to be activated in 2000 and funding for the third year of a quality enhancement initiative. Included in 2000 are program increases of $30.9 million. These include $12.6 million for post-program termination and follow-up services, $6.6 million for teacher/staff salary increases, and $11.7 million for operating costs of new centers. In addition, the budget includes $13.5 million to complete the 4 new centers for which construction was initiated with 1998 funding.

The budget includes $110 million (equally divided between DOL and Education) to complete planned the final year of Federal funding for the School-to-Work Initiative. Since 1995, this initiative has made over $1.7 billion available to States and local communities to build comprehensive systems that link Federal, State, and local activities to help young people move from high school to careers or post secondary training and education.

The request includes $1 billion to continue the **Welfare-To-Work** jobs initiative. This program facilitates better linkages to the one-stop delivery system which provides simple and universal access to a wide spectrum of job training and employment services established under WIA. With the current healthy economy, characterized by low unemployment rates and labor shortages in some areas, the Nation has unprecedented opportunity to move a substantial portion of hard-to-serve welfare recipients into unsubsidized employment with career potential. The proposal will extend this program in FY 2000 with an increased focus on the employment of low-income non-custodial parents to help them support their children on welfare.

The challenge of closing the skills gap is central to this country's ability to compete in the 21st Century. By closing the skills gap, we can help close the wage and benefits gap, as well. We must offer low-skilled workers the opportunities to find and sustain productive employment with career potential.

For the **Bureau of Labor Statistics** (BLS), $22 million and 101 FTE are included to improve statistical indicators which are essential to the development of economic policy and the ability of businesses, labor and governments to make well informed decisions. Of this total, $6.3 million and 57 FTE will be used to augment the Employment Cost Index (ECI) sample with an addition of 7,000 establishment units to the ECI Sample. The ECI is the Principal Federal Economic Indicator that provides the nation's most comprehensive measure of changes in employer costs for all compensation (including wages, salaries and employer provided benefits).

To expand the application of quality adjustment and accelerate the introduction of new products for rapidly changing industries in the Producer price index (PPI), extend PPI coverage for the first time in the construction sector of the economy, and to enhance the ongoing expansion of PPI coverage of the service sector, the budget includes $3.9 million and 28 FTE .

To continue the multi-year effort begun in 1998 to improve the timeliness and accuracy of the Consumer Price Index (CPI), the budget includes $3.1 million and 4 FTE for the CPI Improvement Initiative. This is the third year of the expansion effort to speed the process of updating the expenditures weights in the CPI Market Basket and to expand the amount of information collected on prices and characteristics of certain goods and services.

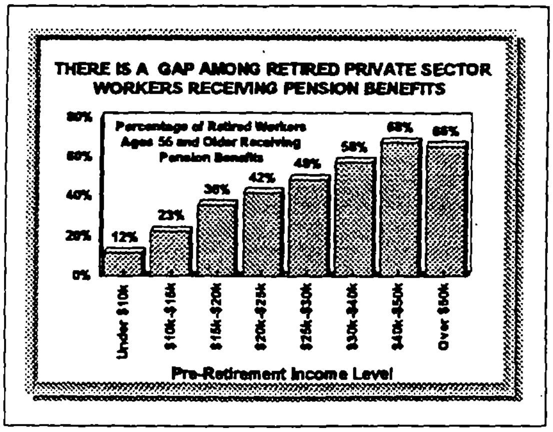
The Department will continue streamlining and launch a major restructuring of its immigration activities by transferring the **Alien Labor Certification Program** from ETA to the Employment Standards Administration (ESA). This proposal is consistent with the recommendations made by the President's Commission on Immigration Reform (CIR) as outlined in its report "Becoming An American: Immigration and Immigrant Policy" in September 1997 . The request proposes to transfer of responsibility for administering the program from ETA to ESA and transfers $34 million and 77 FTE for that purpose. An additional 21 FTE will be financed by an estimated $5.3 million in H-1B user fees enacted by Congress in 1998. In addition to the consolidation, ESA will reengineer the program to better serve the customers of these programs while enhancing the Department's ability to effectively protect foreign and similarly employed U.S. Workers.

<u>Closing the Benefits Gap</u>

Research has shown that the disparity in benefits such as health insurance, vacation time and pension coverage continues between low-wage workers and those highly skilled workers continue to grow. The Department has several proposals which are designed to address this issue by providing workers access to information regards benefits such as health care and pensions and employers, particularly small businesses, to help them meet the needs of the changing workplace.

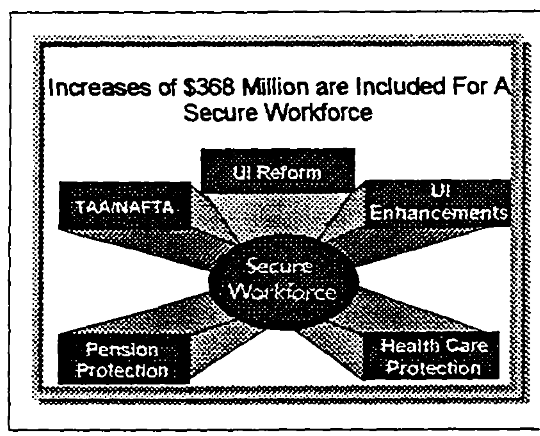
*Pension Plan Security and Health Care Insurance*

The budget includes $11.8 million and 65 FTE for increased pension plan and health care coverage. Of this total, 41 FTE and $3.7 million will be to: (1) implement a new health education campaign; (2) enforce the health care provisions contained in the new Part 7 of ERISA; and (3) administer PWBA's regulatory, interpretive, analysis and coordination responsibilities under new legislative initiatives.




PWBA will provide education and outreach to American workers and their families to make informed decisions about how to be best protect themselves from being financially overburdened by the cost of day to day medical expenses or a catastrophic illness. PWBA has increased responsibilities regulating and enforcement and disclosure responsibilities assigned under the Health Insurance Portability and Accountability Act of 1996 (HIPAA). PWBA's role in compliance activities will be further increased with enactment of legislation currently under consideration by Congress such as the Genetic Information Protection Act of 1998 and the Patients Bill of Rights.

To improve reporting and processing form 5500 Annual Reports for plan year 1999 in the new ERISA Filing Acceptance System (EFAST) the request includes an increase of $4.7 million for the last year of this multi-year efforts. Funding is also included to improve the Internet site, which would disclose images of the most recent Form 5500 annual reports for approximately 800,000 health and pension plans. The new system which will begin operation in July, 2000, will improve the quality and accuracy of data, speed their use in safeguarding pensions. The new system will yield a project net savings to the Federal government of approximately $57 million over five years.




For PWBA's Reporting Compliance Enforcement activities and Customer Services initiatives, the request includes $2.2 million and 22 FTE. These reports provide PWBA with financial information and answers to questions designed to highlight possible problem situations regarding the safeguarding of plan assets. Part of the funding will allow PWBA to administer a proactive Voluntary Compliance Program for Fiduciary Breaches. This program will allow fiduciaries who have found problems with their pension plans and benefits to seek assistance and/or approval in taking corrective action. The funding will also support a pilot project to benefit plans and training on filing ERISA reports. Print educational material on pension and health issues for distribution to employers and employees as part of the Department's pilot project involving one-stop centers for education, information and outreach.

To develop new ERISA data sources on covered employee benefit plans and to conduct research and policy analysis required to address emerging policy, legislative and operational issues, the budget includes $1.2 million and 2 FTE.

To increase protection of pension plan promises, $1.5 million and 7 FTE are included for the Office of Inspector General. These funds will be used to target the industry of service providers and seek to prosecute individuals who pillage pension plans causing financial hardship for workers or retirees.

*Other Security Initiatives*

Building on initiatives announced last year, legislation will be proposed that would enhance the **Unemployment Insurance (UI)** safety net. The Administration is committed to working with the Congress and other stakeholders on a broader set of reforms of the UI system that will, subject to budget constraints, expand coverage and eligibility for benefits, reduce employer taxes, streamline filing, and reduces the tax burden where possible.

For the Unemployment Trust Fund (UTF), increases of $71 million for a total of $91 million are requested to invest in **integrity** activities such as benefit payment control, screening for eligibility for benefits, and field tax audits. These functions are vital for benefit payment accuracy, detection of overpayments (fraud and non-fraud), and collection of non paid and under paid State taxes. Failure to provide an evenhanded, accurate and fair UI program results in losses in State tax funds, increased fraud, and error.

To assist ETA in the efforts to preserve the integrity of the Unemployment Insurance Trust Funds, $1.2 million and 8 FTE are included for the Office of Inspector General. These resources will support high impact criminal investigations to target and investigate schemes to defraud the UI program.

The **Wage Record Initiative**, for which $40 million is included in the budget, will fund State Employment Security Agencies for the one time cost to increase computer capacity to capture needed information for each worker for the National Directory of New Hires. This initiative will permit the Social Security Administration to verify names and social security numbers and thus improve the usefulness of the data for Social Security and child support enforcement purposes as well as for other uses of wage records.

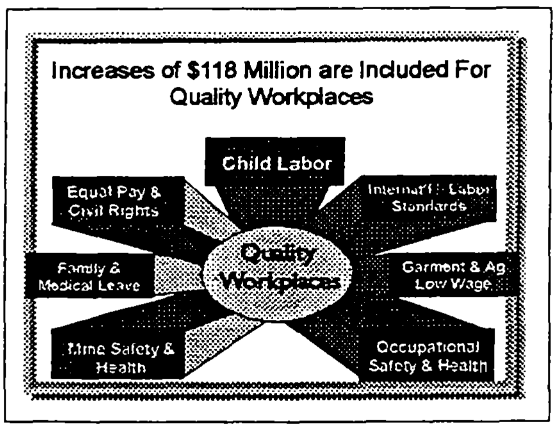
## NAFTAA/TAA

Legislation will again be proposed that would consolidate and reform the Trade Adjustment Assistance (TAA) and the NAFTA-Transitional Adjustment Assistance (NAFTA-TAA) programs to create a single trade adjustment assistance program that serves all workers whose jobs are lost as a result of increased trade regardless of which country that trade may be with, and extend the combined program through September 30, 2001. As part of the consolidation, the proposed legislation would extend eligibility for TAA to those who lose their jobs due to shifts in production abroad, similar to the current provision under NAFTA-TAA for shifts in production to Canada and Mexico. The legislative cap on TAA training expenditures would be raised to support the expected increase in program participants. The consolidated program would harmonize existing requirements linking training and income support and would provide supportive services as needed. It would create a contingency funding provision to assure that resources are available to pay for any unexpected increase in benefits costs for eligible workers. Finally, it would emphasize enhanced coordination with the new WIA.

## Closing The Gap In Working Conditions:

Low-wage workers often work in demanding jobs that are accompanied by difficult and sometimes dangerous working conditions. The risk of lost-time injury in low-paying jobs is much more likely in those wokplaces employing highly skilled wages earners with good fringe benefits. The Department of Labor focuses its activities with increased emphasis on compliance assistance to ensure voluntary compliance with its regulatory programs.

### *Safe and Healthful Working Environments*




### International Labor Activities

In the new global economy there exists the opportunity to lift billions of people into a worldwide middle class and a decent standard of living. The FY 2000 budget proposals attempts to harmonize the Administration's goals of increasing trade and improving working conditions. Raising global labor standards and improving worldwide enforcement of labor laws is vital to this effort. Achieving expanded opportunity and security for American Workers has become increasingly dependent upon how effectively the U.S. addresses the International challenges of economic globalization.

**Child-Labor**

The budget continues to provide $30 million to provide grants to enable the International Labor Organization to expand its work with the International Programme to Eliminate Child

Labor into more countries and industries. This five year initiative, which began in 1999, will help ensure that goods produced abroad are not made with exploitative child labor.

**Core Labor Standards**

The FY 2000 budget proposes an additional $25 million to help the International Labor Organization create a multilateral technical assistance program to help developing countries implement core labor standards and build their own social safety nets. An additional $10 million is requested to enable the Department of Labor to provide technical assistance and on these same issues in support of important U.S. bilateral relationships. Examples of possible projects include training on occupational safety and health, local economic development, dislocated worker services and social insurance reform.

(7)

**Garment and Agricultural Compliance/Child Labor**

The budget continues to provide $9 million and 36 FTE that was appropriated in FY 1999 to address child labor problems. Included in this total is $4 million and 36 FTE to help eliminate domestic violations of child labor laws, particularly in the agricultural sector, where survey data and enforcement experience shows that child labor violations are most likely. Also included in the total is a $5 million demonstration program to provide alternatives to field work for migrant youth by developing innovative ways to decrease child labor in the agriculture industry by using economic incentives and educational enrichment.

To expand the domestic compliance initiatives in **garment** manufacturing (the "No Sweat" initiative) and **agriculture** (the "Salad Bowl" initiative), with an emphasis on child labor, the FY 2000 request provides 30 FTE and $4.3 million. The disregard of labor laws in the garment industry are rampant and well documented. Similar circumstances exist in the agricultural "salad bowl" industries. To eliminate the exploitation of garment workers in sweatshops, the Department has implemented a multi-prong strategy of enforcement, education, recognition and partnerships to involve all segments of industry - contractors, manufacturers, retailers, consumers and worker representatives. For agriculture, Wage Hour will provide the appropriate concentration of enforcement resources in particular areas and enhance the agency's ability to follow the work and the workers as it moves from crop to crop, and State to State. This initiative builds on these efforts with enhanced education and outreach, a greater sustained presence, more timely and effective litigations, and criminal enforcement.

**Safety and Health**

A total increase of $35 million is requested for OSHA's workplace safety and health programs covering both compliance assistance and targeted enforcement. Compliance assistance activities are increased by $10.5 million and 67 FTE to support an enhanced comprehensive compliance assistance program that provides staff presence in every Federal OSHA office to provide direct outreach and training assistance to employers and employee groups; increasing the number of training grants and additional expert advisors.

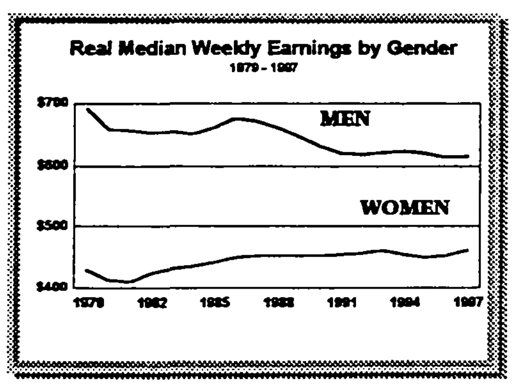
For targeted enforcement, activities are increased by $4.8 million and 51 FTE to focus front-line efforts on the most dangerous workplaces and hazards. Over the past several years, OSHA has undertaken measures to leverage its resources and utilize information to target firms with the highest workplace injury rates. With information generated from the data initiative, OSHA has been able to identify those employers with the worst safety and health programs and direct resources to those work sites.

An increase of $1.7 million is requested to fund a new State plan for the State of New Jersey to provide safety and health coverage for public sector employees. Also, $8.1 million is requested for the maintenance, replenishment and investment in information technology infrastructure, which will facilitate information flow to the public via the Internet.

A total increase of $13 million is requested for MSHA's Mine Safety and Health programs. To reduce fatalities among metal/nonmetal miners, $6.7 million and 44 FTE is included for accident prevention and strategically focused assistance to address the current incidence of accidents in these mines and to meet the requirements of the Transportation Equity Act. The funding will provide for more inspectors, the development of an accident prevention program specifically designed for contractors working on mine properties, and compliance assistance through safety and health seminars and workshops.

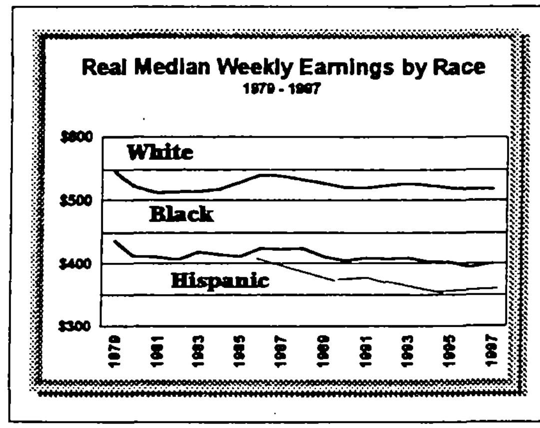
To protect miners from over exposure to respirable coal mine dust an increase of $2 million and 30 FTE is requested to conduct more frequent dust sampling, target operator abatement activities, enhance MSHA's ability to maintain and calibrate sampling and laboratory equipment, and to process the additional dust samples collected. This proposal builds on FY 1998 and FY 1999 budgets to increase federal monitoring of exposure to respirable coal mine dust and silica by conducting sampling during the mandated yearly four underground mine inspections and two surface mine inspections per year. These inspections are not intended to replace the operator sampling program.

_Equal Pay/Civil Rights_




In FY 2000 an increase of $13 million and 39 FTE are included for Equal Pay and Civil Rights programs. This includes $4 million and 20 FTE for the Office of Federal Contract Compliance Programs (OFCCP) as part of the Administration's Equal Pay initiative to provide employers with the necessary tools to assess and improve their pay policies and to educate the public on the importance of this issue. OFCCP will develop and provide guidelines via the Internet that provide information on contractor obligations, employee rights, and industry best practices. In addition, OFCCP will work with ETA to build links with the new Workforce Investment Act system and develop partnerships with employers, industry associations, labor unions, educational institutions, and with other interested entities to create employment opportunities by improving access for all workers to non traditional jobs. OFCCP will initiate projects to identify best practices and models, emphasize anti-discrimination and anti-harassment activities, and to improve access to and acceptance of women in glass ceiling and nontraditional opportunities with high growth, high pay, and high skill careers.

This request also includes $2.7 million and 19 FTE to implement a Compliance Assistance initiative. This initiative is designed to provide technical assistance to assist Federal contractors in understanding the requirements for equal employment opportunity and affirmation action. Special emphasis will be placed on small companies that are Federal contractors, and that may not have the expertise to develop affirmative actions programs. In addition, OFCCP will develop training guides for contractors that provide clear guidance on regulatory requirements and provide information on best practices throughout industries that will serve as models of successful corporate strategies.




Finally, the Department joins the Departments of Education, Health and Human Services, and Housing and Urban Development in an effort to measure discrimination in America. Specifically, the Department would establish a research agenda and investigate feasible methodologies to accurately measure and track discrimination in the workplace.

*Family and Medical Leave (FMLA)*

The Family and Medical Leave Act allows workers to take up to 12 weeks of job-protected, unpaid leave to care for a newborn or adopted child, attend to their own serious health needs, or care for a seriously ill parent, child or spouse. The President is proposing to expand FMLA to businesses with 25 or more employees, and to allow FMLA eligible workers to take up to 24 hours of additional leave each year to meet family obligations. The budget includes $10 million for the Department to research the impact this law has had on the American family and how to make leave accessible and affordable for more of America's working families.

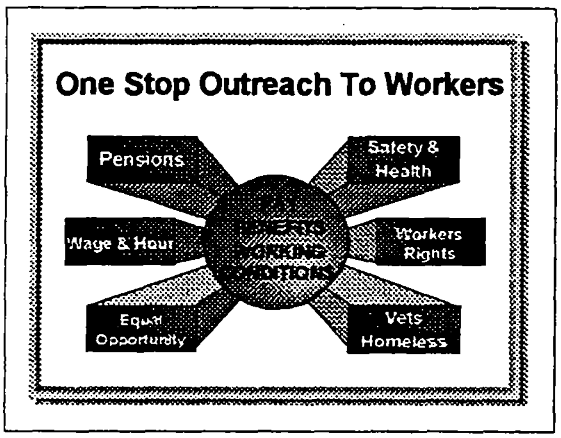
**One Stop Services to Workers and Employers**

The Department's FY 2000 budget submission is the product of a new and rigorous process, driven by an unusually high level of interagency cooperation throughout the Department.

Given the complexities of the challenges now facing America's working families, Secretary directed individual agencies to work together to develop, wherever possible, "crosscutting" initiatives that would bring all the necessary tools to bear on a problem. Because of this effort, this budget request significantly advances our vital mission by unifying the Department's efforts into proposals that transcend the traditional individual agency approach and help to serve the American worker better.

**Worker Education and Outreach**

The Department is requesting a total of $6 million and 33 FTE to add information services on a full range of DOL programs and regulatory requirements to the existing information and outreach currently available to American workers and employers. $600 thousand and 2 FTE will allow the Office of Policy to pilot test a Worker Education and Outreach program that builds on the America's Labor Market Information System. Using current One Stop Centers, the staff will offer, through new technology, information to help workers in this new economic climate. The Department would offer information for workers on employment and training programs, job search and training opportunities. Employers and individuals seeking employment will to have available in one location, information about compliance assistance, safety and health standards, minimum wage requirements, and child labor rules, for example to better understand their rights and responsibilities.

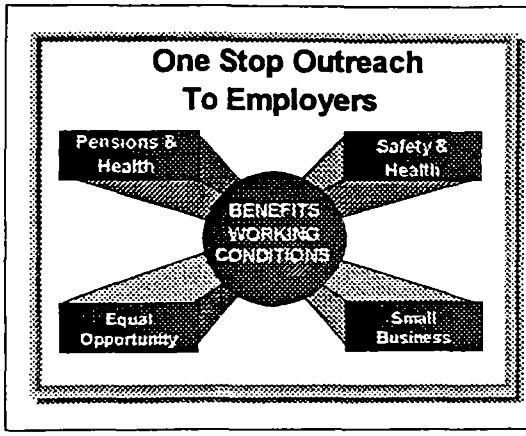



There are several important elements to this initiative. PWBA would provide educational material on health and pension issues for distribution to employers and employees; and The Office of the Assistant Secretary for Policy (ASP) will pilot the use of One Stop centers for education, information and outreach on the broad array of DOL programs including, employment and training programs, job search and labor market information, training opportunities, regulatory and compliance assistance programs, and other services. Information is to be provided by State employees, electronically and with materials. On-site training for One-Stop staff from 50 locations will be provided on the organization and composition of DOL programs and how to use the Internet, E-Laws and other resources to furnish information to employers and employees.

**Coordinated Compliance Assistance for Business**

The Department's innovative one-stop system for employment and training, launched as an experimental program in the first years of this Administration, is now growing into a national system that provides one-stop assistance on all employment and training related needs. It is now time to test a pilot system for providing one-stop assistance to businesses on compliance with the Department's various regulatory programs.

An increase of $2.6 million and 29 FTE is requested for a **Coordinated Compliance Assistance for Business** program. To meet the needs of the changing workplace, where more small and medium-sized businesses lack the resources of many larger businesses, the Office of Small Business Programs **(OSBP)** would develop, implement, manage and evaluate the Department's new Coordinated Compliance Assistance pilot project for small businesses. OSBP would staff help desks at ten sites in three regions, and would serve as point of contact for DOL information ( $800 thousand and 10 FTE). Specifically, the pilot program would partner with other Federal agencies to increase the availability of DOL information through on-site services in their existing education and assistance facilities. For example: OSHA would expand the development of education and training materials (16 FTE and $1.5 million); and PWBA would make available products designed to inform businesses of their responsibilities for pension and health care (3 FTE and $270 thousand).

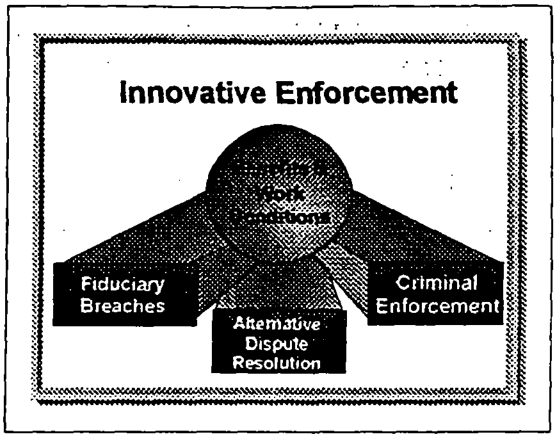



**Technology for Excellent customer Service (TECS)**: An increase of $1.875 million is requested to develop a Department-wide integrated information technology system to provide workers, employers, including small business, with prompt identification and referral of a large volume of phone calls seeking information to the appropriate DOL agency. An additional $200 thousand and 2 FTE is requested to design and implement the infrastructure to accommodate all programs and to pilot the test system.

## Innovative Enforcement

While a strong enforcement program is essential to ensure compliance with our workplace laws, the Department cannot rely entirely on traditional means to comprehensively enforce the labor laws for which it is responsible. Innovative methods have been developed for working with employers to make maximum use of resources. In some cases, alternative methods of dispute resolution can resolve cases and avoid expensive litigation costs. In other situations, new types of negotiations can resolve problems with employers by clearing up inadvertent fiduciary violations in their health and benefit plans. Finally, enhanced criminal enforcement will allow better targeting of resources on the most serious violators, and closer work with the Department of Justice.

More specifically, $1.7 million and 7 FTE are requested for **Alternative Dispute Resolution** to comply with the President's directive to all Executive Departments and Agencies encouraging "consensual resolution of disputes," and requiring each Federal agency to "promote greater use of [ADR] techniques." For OSHA,$750 thousand and 5 FTE are requested to establish an Alternative Dispute Resolution (ADR) capability in the field and provide national program support in conjunction with the Office of Solicitor. Departmental Management agencies participating in ADR activities include: ASP; $750 million and 1 FTE, Administrative Law Judges; $125 thousand and 1 FTE, Civil Rights Center; for $100 thousand.




An increase of $330 thousand and 5 FTE is included for the Office of the Solicitor (SOL) to support the criminal enforcement initiative and increase the emphasis on pursuing the criminal aspects of the statutes administered and enforced for the protections afforded the American worker, including such groups as migrant workers and garment workers.

*Strategic Management*

In addition to the program proposals above that cut across agency lines, the budget also includes funding for three management crosscuts that are vital to the successful design, development and operation of all departmental programs. In FY 2000, a total of $41 million and 41 FTE is provided to enhance the Department's efforts in the areas of information technology, financial management, and performance measurement. These management crosscuts allow the Department to tackle common problems across agencies in a cohesive and consistent manner.

For the Government Performance and Results Act enhancements (GPRA), the Department is requesting a total of $7.5 million and 4 FTE to undertake initiatives on behalf of several agencies to enable them to increase their capacity to become results-oriented performance based organizations. The Department requests resources for several agencies in the areas of performance measurement development; expanding data capacity to establish baselines and collect data for the measurement of outcomes; establish procedures for assuring the validity and reliability of data systems to support performance measurement effort and the requirement to conduct program evaluation to periodically assess the effectiveness of programs and strategies to achieve the statutory purpose of the Department's programs and activities.


In the information technology arena, there are several program increases totaling $30.7 million and 22 FTE across nine agencies to ensure that the Department meets the legislative mandates of the Clinger Cohen Act, Paperwork Reduction Act, Computer Security Act, Year 2000 challenge and the Office of Management and Budget's (OMB) policy on the management of information resources and technology within the

Department. These resources will allow the Department to meet the increasing demands for Web Services across program agencies, provide greater electronic access to DOL information and materials, and continue implementation of the Department's common IT and Web architecture.

In addition, there are several increases for additional resources totaling $2.8 million and 15 FTE to support Financial Management activities with several agencies. These increases include (1) $2.0 million and 5 FTE that will enable the Office of Inspector General to meet increased audit responsibilities related to the Department's financial management activities and provide assistance to the Department as financial management standards requirements are expanded, and: (2) $850 thousand and 10 FTE to provide resources to ETA to closeout JTPA grants timely and accurately. While transition to the Workforce Investment Partnership program will begin in FY 1999; the bulk of hands-on assistance and troubleshooting will occur in FY 2000.

**CONCLUSION**

These proposals, taken as a whole, represent an exciting, viable budget for FY 2000. The innovative priorities delineated for the Department are essential to the well-being of working men and women in the United States and abroad, and so every American stands to benefit from these proposals.

# EMPLOYMENT AND TRAINING ADMINISTRATION
## OVERVIEW

***Budget Authority***
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| **Employment and Training:** | | | |
| Training and Employment Services 1/ | $5,323.2 | $5,549.7 | $226.5 |
| Community Service Employment for Older Americans | 440.2 | 440.2 | 0.0 |
| Employment Service/One Stop | 968.1 | 1,047.3 | 79.2 |
| Gifts and Bequests | 0.3 | 0.3 | 0.0 |
| Welfare-To-Work Jobs 2/ | 1,488.0 | 1,000.0 | -488.0 |
| Subtotal, Employment & Training | 8,219.8 | 8,037.5 | -182.3 |
| **Income Maintenance:** | | | |
| Unemployment Insurance Program 3/ | 2,360.4 | 2,459.5 | 99.1 |
| Federal Unemployment Benefits (FUBA) 2/ | 360.7 | 471.4 | 110.7 |
| Advances to UTF and Other Funds 2/ 4/ | 357.0 | 356.0 | -1.0 |
| Payments to the UTF 2/ | 0.0 | 0.0 | 0.0 |
| Unemployment Trust Fund Residual 2/ | 22,889.6 | 25,683.0 | 2,793.4 |
| Less Interfund Transactions | -473.0 | -504.0 | -31.0 |
| Subtotal, Income Maintenance | 25,137.7 | 28,109.9 | 2,972.2 |
| **Program Administration 5/** | 139.7 | 141.0 | 1.3 |
| **Total ETA Budget Authority** | **$33,497.2** | **$36,288.4** | **$2,791.2** |
| *Full Time Equivalents (includes reimbursable staff)* | *1,388 5/* | *1,344* | *-44* |

1/ Includes H1-B fees ($42.3 in FY 1999 and 49.9 in FY 2000) for use in demonstration projects.
2/ Mandatory funding, includes legislative proposal.
3/ FY 1999 includes $40.0 million appropriated in FY 1998 as an advance appropriation for FY 1999, for Y2K conversion and includes a negative supplemental (a reduction of -$5.7 million).
4/ Non-add item, see Black Lung Disability Trust Fund (BLDTF)
5/ Includes Alien Labor Certification (ALC) activities in FY 1999. These activities are transferred to the Employment Standards Administration, Wage Hour Division in FY 2000, and reflected therein. Amounts included in FY 1999 for ALC are 98 FTE and $7.7 million.

The total FY 2000 budget request for the Employment and Training Administration is designed to provide a prepared workforce to help Americans get the education and training and employment services that will enable them to obtain good jobs at decent wages, and to provide temporary support for those having difficulty in achieving this.

In total, funds for the Employment and Training Administration (ETA) in FY 2000 will increase by a net of $2.8 billion compared with FY 1999. In Income Maintenance, there is an increase of approximately $3 billion due primarily to an increase in State outlays from the Unemployment Trust Fund account. This increase is due to a larger number of claims and of insured unemployed, as well as an increase in the average weekly benefit amount paid. In the Employment and Training Programs area, there is a decrease of $182.3 million, largely due to the reduced level of the proposed reauthorization of the Welfare-to-Work Program.

# EMPLOYMENT AND TRAINING PROGRAMS

## FY 2000 Budget Authority

*(Dollars in Millions)*

| | Employment and Training | Income Maintenance | Program Administration |
|---|---|---|---|
| **Training and Employment Services 1/** | **$5,549.7** | | |
| Adult Employment and Training Activities | 955.0 | | |
| Dislocated Worker Employment and Training Activities | 1,595.5 | | |
| Youth Activities | 1,001.0 | | |
| Youth Opportunity Grants | 250.0 | | |
| Job Corps | 1,347.2 | | |
| School-To-Work | 55.0 | | |
| Right Track Partnerships | 100.0 | | |
| National Programs | 246.0 | | |
| Community Service Employment/Older Americans | 440.2 | | |
| State Unemployment Insurance & Employment Service | 1,047.3 | 2,459.5 | |
| Unemployment Insurance | | 2,459.5 | |
| Employment Service | 765.3 | | |
| Reemployment Services Grants | 53.0 | | |
| AgNet | 10.0 | | |
| One Stop Career Centers | 149.0 | | |
| Work Incentives Grants | 50.0 | | |
| Work Opportunity Tax Credit | 20.0 | | |
| Federal Unemployment Benefits & Allowances 3/ | | 471.4 | |
| Advances to the UTF and Other Funds 2/ | | 356.0 | |
| Payments to the UTF | | 0.0 | |
| Unemployment Trust Fund Residual | | 25,683.0 | |
| Program Administration | | | 141.0 |
| Gifts and Bequests | 0.3 | | |
| Welfare-To-Work Jobs | 1,000.0 | | |
| Interfund Transactions | | -504.0 | |
| | **$8,037.5** | **$28,109.9** | **$141.0** |

1/ Includes $49.9 million in H1-B fees for use in demonstration projects.
2/ Non-add item, see Black Lung Disability Trust Fund (BLDTF).
3/ FY 2000 includes proposed legislation ($157 million)

# EMPLOYMENT AND TRAINING PROGRAMS

***Budget Authority***
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| **Youth** | **$2,685.2** | **$2,753.2** | **$68.0** |
| Youth Grants | 1,251.0 | 1,251.0 | 0.0 |
| Youth Activities 1/ | 1,001.0 | 1,001.0 | 0.0 |
| Youth Opportunity Grants | 250.0 | 250.0 | 0.0 |
| Job Corps | 1,309.2 | 1,347.2 | 38.0 |
| Right Track Partnerships | | 100.0 | 100.0 |
| School-To-Work | 125.0 | 55.0 | -70.0 |
| **Universal Reemployment 5/** | **1,486.3** | **1,837.5** | **351.2** |
| Dislocated Worker Employment and Training Activities | 1,405.5 | 1,595.5 | 190.0 |
| Basic Program | 1,405.5 | 1,555.5 | 150.0 |
| Skill Shortage Grants 4/ | | 40.0 | 40.0 |
| Reemployment Services Grants | | 53.0 | 53.0 |
| One Stop/ALMIS | 80.8 | 129.0 | 48.2 |
| Work Incentives Grants | | 50.0 | 50.0 |
| AgNet | | 10.0 | 10.0 |
| **Other Employment and Training** | **4,048.3** | **3,446.8** | **-601.5** |
| Adult Employment and Training Activities | 955.0 | 955.0 | 0.0 |
| Employment Service 2/ | 801.6 | 765.3 | -36.3 |
| One Stop/Implementation Grants | 65.7 | 20.0 | -45.7 |
| Work Opportunities Tax Credit 4/ | 20.0 | 20.0 | 0.0 |
| Welfare-To-Work Jobs (Prop. Leg.) 3/ | 1,488.0 | 1,000.0 | -488.0 |
| WIA National Programs | 277.5 | 246.0 | -31.5 |
| Community Serv. Employ/Older Americans. | 440.2 | 440.2 | 0.0 |
| Gifts and Bequests | 0.3 | 0.3 | 0.0 |
| **Total Budget Authority** | **$8,219.8** | **$8,037.5** | **$-182.3** |

1/ Amounts in FY 1999 include both Summer and year round programs.
2/ Includes Alien Labor Certification activities ($36.3 million) in FY 1999. These activities are transferred to the Employment Standards Administration, Wage Hour Division in FY 2000 and reflected therein.
3/ Mandatory funding.
4/ Requested budget authority for Skill Shortage Grants and WOTC will be replaced with funding generated by fees on employers requesting alien labor certification under the Administration's legislative proposal.
5/ This increase will be supplemented by $17 million from existing resources to enhance the Universal Reemployment initiative.

The Fiscal Year (FY) 2000 budget request for Employment and Training Programs proposes a net decrease of $182.3 million to $8.037 billion. This net change includes increases of $68 million for Youth and $368 million for Universal Reemployment, including $17 million from existing resources, and a decrease of $601.5 million for Other Employment and Training Programs, largely due to a proposed reauthorization of the Welfare-to-Work Program, but at a reduced level.

**Workforce Investment Act**

The Workforce Investment Act (WIA), enacted in 1998, replaces the Job Training Partnership Act (JTPA) as the primary training authorization for the Department. The new act revitalizes the Nation's job training system to provide workers with the information, advice, job search assistance, core and intensive services, and training they need to obtain and keep good jobs, and provide employers with skilled workers. FY 1999 will be a year of transition to the new act, as most grantees continue to operate under JTPA during that year, with WIA being fully operational on July 1, 2000.

**Youth**

A total of $2.8 billion is requested in this area for investments in programs that help young people make a successful transition to the world of work and family responsibility -- a net increase of $68 million above FY 1999. In FY 2000, the Department will administer five programs to address youth problems: WIA Youth Activities, Youth Opportunity Grants, Job Corps, and a new Right Track Partnership Grant Program, all under authority of the Workforce Investment Act (WIA), and School-to-Work, under authority of the School-to-Work Opportunities Act.

For Youth Grants, with funding authorized by Section 126 of WIA, a total of $1.251 billion is requested, the same amount provided in 1999. This level includes $1.001 billion for WIA Youth Activities and $250 million for Youth Opportunity Grants.

WIA replaces the former Job Training Partnership Act Youth Training Grants and Summer Youth Employment and Training Programs with a single Youth Activities funding stream to support a wide range of activities and services to prepare disadvantaged youth for academic and employment success, including summer jobs. In FY 2000, a level of $1.001 billion is requested to provide services to an estimated 577,700 participants. This is the same level of funding provided in 1999 for the combined Youth Training Grants and Summer Youth Employment and Training Programs. However, there will be a decrease in the number of youth participants as more youth receive more intensive, more costly services.

The FY 2000 budget includes $250 million for newly-authorized Youth Opportunity Grants. The program will provide grants to high poverty urban and rural communities. These competitive matching grants will be distributed to current and future Empowerment Zones (EZ) and Enterprise Communities (EC) and similar high poverty areas, and will train youth for jobs. This program is intended to provide early intervention in the lives of young people who are potential long term recipients of public assistance. This request includes $20 million for a new Rewarding Youth Achievement Program. This effort will provide economically disadvantaged youth in high poverty areas with extended summer employment opportunities and the opportunity to earn an end of the summer bonus as a reward for academic achievement. It is expected that 12 - 18 sites will be funded in the initial year. Also included is $10 million for Migrant Youth activities, the same level as 1999, to provide employment and training assistance to youth in families engaged in migrant and seasonal farm work.

The Job Corps will provide intensive skill training, academic and social education, and support to an estimated 70,500 participants at 121 centers in FY 2000. The budget request is $1.347 billion, a net increase of $38 million above FY 1999. The increase includes $28.1 million for increased costs, $11.7 million for the operations costs of 3 new centers, $12.6 million for post termination tracking and services, and $6.6 million for teacher and other staff salary increases. Decreases in the program include $1.6 million for one time Y2K costs provided in FY 1999 and $19.5 million reflecting decreased new center construction needs. Regarding the latter, the FY 2000 budget includes $13.5 million to complete 4 new centers for which construction was initiated with 1998 and 1999 funding.

Also included in the FY 2000 budget, is a new Right Track Partnerships Grant Program, requested at a level of $100 million. Under the WIA National Programs authority, funds will be used to prevent youth from dropping out of school and encourage those who have already dropped out to complete their high school education. Strong partnerships will be formed between the private sector, the schools, and community based organizations to tailor services to real needs. It is expected that the funding requested would serve up to 100,000 students with grants to 20 to 30 communities.

The School-to-Work program, administered jointly with the Department of Education, links education and employment through competitive grants to States and communities. The funds assist youth to acquire the knowledge, skills, and labor market information they need to make a smooth transition from school to career-oriented work or further education and training. The budget includes $55 million for each agency, a planned decrease of $70 million below FY 1999. This reflects the final year of the program's Federal funding as the States take on the responsibility of building integrated learning and employment opportunities throughout the country for all youth, but particularly for the non-college bound.

**Universal Reemployment**

As part of the FY 2000 budget, President Clinton proposes to put us on a path that ensures that (1) every displaced worker would receive training and reemployment services if they wanted and needed it; (2) every unemployed claimant who lost their job due to no fault of their own would get the reemployment services they wanted and needed; and (3) every American would have access to One-Stop Career Centers. This initiative is supported by the Department's Dislocated Worker Employment and Training Activities Program and One Stop Career Centers, together with new programs of Reemployment Services Grants, Work Incentives Grants, and America's Agricultural Labor Network.

Dislocated Worker Employment and Training Activities under authority of WIA, provides State formula grants, as well as a national emergency grant account, for retraining and adjustment services to laid off workers with a labor market attachment to help those return to work and to produce marketable skills leading to productive, unsubsidized employment. The FY 2000 request includes $1.596 billion for this program, an increase of $190 million above 1999 to support

858,500 participants. This increase is part of a build up which would assist all dislocated workers in need of these services by 2004.

Also funded with dislocated workers are competitive grants to consortia of local workforce boards and regional skill alliances to identify skill shortages and target resources on industries struggling to fill jobs, identify dislocated workers needing retraining, and provide training and job placement services. A total of $40 million in dislocated worker discretionary funding is requested for these purposes. Legislation will be proposed to finance skill shortage grants with fees paid by employers applying for certification by DOL of certain aliens eligible to work in the U.S. Upon enactment, the budget authority being requested will be reduced and fees will finance the program.

The Department's One Stop Career Center initiative was designed to transform a fragmented array of employment and training programs into an integrated service delivery system for job-seekers and employers. Within One Stop, the FY 2000 request for America's Labor Market Information System (ALMIS) is increased by $48.2 million to $129.0 million as part of the President's initiative intended to ensure that all Americans have access to One Stop Career Centers by 2004. An additional $17 million from existing resources will supplement the ALMIS increase for Universal Reemployment enhancements. The initiative includes the full implementation of a toll-free number that every person can call to get information on services, benefits, and training offered through the workforce system. Other initiatives include the continued enhancement of America's Job and Talent Banks, America's Learning Exchange, mobile one stops, and neighborhood one stop access and outreach.

In FY 2000, the budget includes $50 million for a new Work Incentives Grants program. This will provide competitive grants to partnerships or consortia in each State to improve access, accommodation, benefits, services, and employment opportunities, through One-Stop Centers, to individuals with disabilities to allow them to return to work. This is a part of the President's comprehensive package of work incentives for people with disabilities.

Also in FY 2000, a new program of Reemployment Services Grants will be funded at $53 million. These Employment Service grants will provide funds for increased reemployment services targeted on unemployment insurance claimants to ensure that all unemployed workers who need help to become reemployed will get the services they need.

FY 2000 also includes an increase of $10 million in the Employment Service for development of the new America's Agricultural Labor Network (AgNet), a new information system that allows growers to find workers and workers to find employment opportunities that meet their needs.

**<u>Other Employment and Training</u>**

The FY 2000 budget includes $3.447 billion for Other Employment and Training Programs, a net decrease of $601.5 million below 1999 largely because of the proposed decrease in Welfare-to-Work. This program grouping includes Adult Employment and Training Activities, the Employment Service, One Stop Implementation Grants, the Work Opportunities Tax Credit, Welfare-to-Work, WIA National Programs, Community Service Employment for Older Americans, and Gifts and Bequests.

Adult Employment and Training Activities provide formula grants to States under authority of WIA for employment and training assistance to low-income adults. The FY 2000 request includes $955 million for this program, the same as in 1999, to support an estimated 393,300 disadvantaged and low income participants, including welfare recipients.

The WIA adult program no longer has an eligibility requirement, and all adults can receive core services, with more intensive services and training being targeted to those most in need, including welfare recipients. This change is expected to result in more participants being served, with the cost per participant going down from the previous JTPA program.

The Employment Service labor exchange is the indispensable job finding infrastructure for the One-Stop services delivery system. It provides no-fee services to individuals seeking employment and to employers seeking workers. The Employment Service request is expected to result in the placement of 2.3 million individuals in jobs. As the systems-building portion of the One Stop nears completion, decreasing by $45.7 million in FY 2000, Employment Service resources provide ongoing support for this initiative. The FY 2000 budget request of $765.3 million, is a decrease of $36.3 million below 1999, reflecting a transfer of Alien Labor Certification activities to the Employment Standards Administration Wage and Hour Division in FY 2000.

This Department's request also includes $20 million, the same level provided in 1999 to finance the State administrative costs for the Work Opportunities Tax Credit program. This proposal includes costs for administering both an extension of the existing Work Opportunities Tax Credit program and for the Welfare-to-Work Tax Credit for employers that employ long-term welfare recipients. The budget proposes legislation authorizing employer fees to finance the administration of the WOTC program. Upon enactment, the budget authority being requested will be reduced and fees will finance the program.

The Welfare-to-Work Jobs initiative, authorized by the Balanced Budget Act of 1997, is designed to help States and cities move the hardest to employ welfare recipients into lasting, unsubsidized jobs. States and cities can use these funds to provide subsidies and other incentives to private business. The Act appropriated $1.5 billion in mandatory funding for job placement and job creation in each of the fiscal years 1998 and 1999, and a one year extension through 2000 at a funding level of $1 billion will be proposed by the Administration as part of the President's Budget. No Congressional appropriation action will be necessary to provide these funds. The program provides formula grants to the States, and Federally administered competitive grants to Private Industry Councils, political subdivisions of States, and private entities.

WIA National Programs is funded at $246 million in FY 2000, a net decrease of $31.5 million below 1999. These programs include the provision of employment and training assistance to native Americans, migrant and seasonal farm workers, and veterans, as well as pilots, demonstrations, and research, and evaluation, in support of the employment and training system. A new demonstration program of grants to regional and local entities to provide technical skills training for unemployed and incumbent workers will be initiated in 1999 and supported by fees paid by employers applying for foreign workers under the H-1B temporary alien labor certification program. This program is authorized by the American Competitiveness and Workforce Improvement Act of 1998.

Increases in FY 2000 include $7.6 million for the new H-1B fee-supported demonstration program, $5.6 million to evaluate new Workforce Investment Act programs, $5 million for Technical Assistance to WIA grantees, and $2 million in the Homeless Veterans Reemployment Program. Decreases include $30.5 million for one time Pilot and Demonstration projects funded in 1999 but not in 2000, $9 million for the National Occupational Information Coordinating Committee formerly authorized by JTPA, but not by WIA, $7 million for Migrants and Seasonal Farm workers reflecting the one time 1999 supplemental, and $4 million for Native Americans for a one time construction project in 1999.

In FY 2000 $440.2 million is requested for the Community Service Employment for Older Americans program, the same level provided in 1999. The request will continue support of the FY 1998 participant level of 92,000.

## *Employment and Training Selected Workload Data*
## *(Participants in Thousands)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Youth Activities | 675 | 578 | -97 |
| Youth Opportunity Grants | 51 | 58 | 7 |
| Job Corps | 70 | 70 | 0 |
| Right Track Partnerships | 0 | 100 | 100 |
| Adult Employ. and Training Acts. | 334 | 393 | 59 |
| Dislocated Workers Employment and Training Activities | 689 | 859 | 170 |
| Native Americans | 20 | 20 | 0 |
| Migrants and Seasonal Farmworkers | 38 | 38 | 0 |
| Welfare-to-Work | 304 | 200 | -104 |
| Community Services Employment/ Older Americans | 92 | 92 | 0 |
| **Total** | **2,273** | **2,408** | **135** |

*Budget Authority*
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Unemployment Insurance Program 1/ | $2,360.4 | $2,459.5 | $99.1 |
| Fed. Unemployment Benefits & Allow (FUBA) 2/ | 360.7 | 471.4 | 110.7 |
| Advances to UTF and Other Funds 3/ | 357.0 | 356.0 | -1.0 |
| Unemployment Trust Fund Residual | 22,889.6 | 25,683.0 | 2,793.4 |
| Less Interfund Transactions | -473.0 | -504.0 | -31.0 |
| **Total, Income Maintenance** | **$25,137.7** | **$28,109.9** | **$2,972.2** |

1/ FY 1999 includes $40.0 million appropriated in FY 1998 as an advance appropriation for FY 1999, for Y2K conversion, as well as a proposed negative supplemental in the amount of $5.7 million.
2/ FY 2000 includes proposed legislation ($157 million)
3/ Non-add, see Black Lung Disability Trust Fund (BLDTF) section.

The FY 2000 request for Income Maintenance includes $28.1 billion for the Unemployment Trust Fund. Of the total FY 2000, $2.4 billion is the discretionary amount requested for State administration of the Unemployment Insurance Program. In addition, for the Federal Unemployment Benefits and Allowances (FUBA) account, $157.0 million is being requested to fund proposed legislation that would consolidate and reform the Trade Adjustment Assistance (TAA) and the NAFTA-Transitional Adjustment Assistance (NAFTA-TAA) programs and extend the combined program for two and one-quarter years through September 30, 2001.

The FY 2000 request for Advances to the UTF and Other Funds (Advances) account is $356.0 million for repayable loans to the Black Lung Disability Trust Fund. The Advances account for FY 1999 will provide loans or advances to the Black Lung Disability Trust Fund and the FUBA account as necessary.

The balance of the Income Maintenance portion of the Trust Fund includes such items as Federal administration, State unemployment benefits, and Federal agency reimbursements for benefits paid to former Federal employees and ex-service members.

**Unemployment Insurance Program**

Under the State Unemployment Insurance and Employment Service Operations (SUIESO) account, funds are provided to the states for the administration of the unemployment insurance and employment service programs. The employment service program is discussed in the Employment and Training Programs section of this presentation.

The FY 2000 funding level requested for the Unemployment Insurance program is $2.4 billion, which will provide for approximately 45,000 staff years of service. State staff will handle 6.6 million employer tax accounts, 20.2 million initial unemployment claims, a total of 137.2 million weeks claimed and 1.1 million appeals. In addition, funds necessary for any workload increase over current estimates are available through contingency funding.

For the unemployment insurance program, an increase of $71 million is being requested in FY 2000 for enhanced integrity activities. These funds are vital to the program in terms of benefit payment accuracy, detection and recovery of overpayments, and collection of delinquent taxes. In addition $40 million, for a Wage Record Initiative, is requested to provide for the one time cost of improving the quality of the UI wage records which are reported to the National Directory of New Hires. States' computer systems must be converted to collect and store workers' full names so that social security numbers can be verified by the Social Security Administration. Also, an additional $7 million is requested for unemployment research. These funds will be used for research projects to improve system operations, develop strategies for improving performance and provide information to decision makers, such as the Congress, the Administration and the States.

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

This appropriation covers payments of unemployment benefits and allowances and training costs of workers affected by foreign trade imports under the Trade Adjustment Assistance Act (TAA). Additionally, the TAA provides for the payment of unemployment benefits, training, job search, and relocation costs to workers adversely impacted by the NAFTA.

For FY 2000, $314.4 million is requested for FUBA, under existing legislation, and in addition, under proposed legislation, the amount of $157.0 million is requested to consolidate, reform and extend programs funded under FUBA. This proposed legislation would extend eligibility for TAA to those who lose their jobs due to shifts in production abroad, similar to the current provision under NAFTA-TAA for shifts in production to Canada and Mexico. The legislative cap on TAA training expenditures would be raised to support the expected increase in program participants. The consolidated program would harmonize existing requirements linking training and income support and would provide supportive services as needed. Finally, the proposed legislation would create a contingency funding provision to assure that resources are available to pay for any unexpected increase in benefits costs for eligible workers.

**Advances to the Unemployment Trust Fund and Other Funds**

This appropriation provides general fund advances to several trust and general fund accounts. In FY 2000, the requested $356 million will provide advances to the Black Lung Disability Trust Fund account, which are repayable with interest to the General Fund in Treasury.

**Unemployment Trust Fund**

The Unemployment Trust Fund includes amounts for both the administration of Federal and State unemployment compensation, and for Federal and State unemployment compensation benefits which provide income support to those temporarily out of work while they search for employment. This budget proposal is based on estimates that the insured unemployment rate for FY 2000 will be 2.1 percent. This translates to an average of approximately 2.4 million beneficiaries per week receiving unemployment assistance under Federal and State programs in FY 2000. Average weekly benefits are estimated at $210 in FY 2000, while the average number of weeks of benefits per recipient is expected to be 14.7 weeks. The total amount paid for unemployment compensation benefits and allowances is estimated at $25.7 billion in FY 20[illegible] estimated total trust fund outlays will increase from $26.4 billion to $29.2 billion primarily due to an increased number of the insured unemployed and an increased average weekly benefit amount. Trust fund revenues earmarked for State benefits, together with State fund reserves are estimated to be sufficient to cover needed benefit payments for States. In addition, there will be a distribution of Federal tax funds to the States (Reed Act distribution), which are not required to maintain mandated Unemployment Trust Fund reserves.

### *Income Maintenance Selected Workload Data*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Basic Workload (in thousands) | | | |
| Initial Claims | 18,926 | 20,191 | 1,265 |
| Weeks Claimed | 127,957 | 137,189 | 9,232 |
| Appeals | 1,083 | 1,064 | -19 |
| Wage Records | 525,030 | 529,674 | 4,644 |
| Employer Tax Accounts | 6,495 | 6,552 | 57 |
| Covered Employment | 122,100 | 123,180 | 1,080 |
| Eligibility Interviews | 9,901 | 10,615 | 714 |

# ETA PROGRAM ADMINISTRATION

*Budget Authority/Trust Fund Transfers*
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Adult Employment and Training | $30.9 | $33.0 | $2.1 |
| Youth Employment and Training | 32.2 | 34.9 | 2.7 |
| Employment Security 1/ | 45.3 | 39.0 | -6.3 |
| Apprenticeship Services | 17.5 | 19.6 | 2.1 |
| Executive Direction | 7.5 | 7.9 | 0.4 |
| Welfare-to-Work | 6.3 | 6.6 | 0.3 |
| **Total, Budget Authority 2/** | **$139.7** | **$141.0** | **$1.3** |
| *Full Time Equivalent Staff* | *1,388 1/* | *1,344* | *-44* |

1/ Includes funding for Alien Labor Certification (ALC) activities in FY 1999, and reflects the transfer of these activities to the Employment Standards Administration, Wage Hour Division in FY 2000. Amounts included in FY 1999 for ALC are 98 FTE and $7,694,000.

2/ Includes a transfer from the Y2K Contingent Emergency Fund in FY 1999 ($1,572,000)

The Program Administration account provides for Federal administration of all employment and training programs. These programs include those authorized by the following legislation: Workforce Investment Act (WIA) of 1998, the Older Americans Act of 1965, as amended, the School to Work Opportunities Act, the Trade Act of 1974, as amended, the National Apprenticeship Act of 1937, the Social Security Act of 1935, as amended, the Wagner-Peyser Act of 1933, as amended and Title 4 of Social Security Act, as amended (Welfare to Work).

Staff funded in this account will provide staff support for increased oversight and center expansion of the Job Corps, increased grant activity for dislocated worker programs, support for the Child Care Apprenticeship initiative, the Apprenticeship Highway Construction and Apprenticeship Diversity Initiatives, unemployment insurance integrity activities, Employment Service oversight, Youth Opportunity Grants, WIA transition and Job Training Partnership Act (JTPA) closeout activities, WIA technical assistance and training, and program evaluations.

**Adult Employment and Training**

Funding provides staff for leadership, policy direction, and administration for a decentralized system of grants to States and localities for job training and employment assistance for disadvantaged and low income adults and dislocated workers; provides for training and employment services to special targeted groups; provides for the settlement of trade adjustment assistance petitions; and includes related program administration activities. The FY 2000 request for this activity includes an increase of $595 thousand and 7 FTE for WIA transition and JTPA closeout activities, $425 thousand and 5 FTE for dislocated worker initiatives, and $170 thousand and 2 FTE for WIA technical assistance.

**Youth Employment and Training**

Funding provides staff for leadership, policy direction, and administration for a decentralized system of grants to States for job training and employment assistance for youth programs, and Job Corps; provides for leadership and policy direction for the School-to-Work Opportunities system; and includes related program administration activities. The FY 2000 request for this activity includes increases of $935 thousand and 11 FTE for the Job Corps program for increased oversight and center expansion, $425 thousand and 5 FTE for the Youth Opportunity Grants program, and $225 thousand and 3 FTE for WIA transition and JTPA closeout.

**Employment Security**

Funding provides staff for leadership and policy direction for the administration of the comprehensive nationwide public employment service system; unemployment insurance programs in each State; and for a One-Stop Career Center network, including a comprehensive system of collecting, analyzing, and disseminating labor market information; and includes related programs operations support activities. The FY 2000 request for this activity includes increases of $170 thousand and 2 FTE to provide additional staff for Unemployment Insurance integrity activities, and $170 thousand and 2 FTE for oversight of Employment Service programs, including the Universal Reemployment Initiative.

**Apprenticeship Services**

Funding promotes and provides leadership and policy direction for the administration of apprenticeship as a method of skill acquisition through a Federal-State apprenticeship structure. The FY 2000 request includes an increase of $850 thousand and 10 FTE for the Child Care Apprenticeship initiative for increased training of child care providers; $340 thousand and 4 FTE related to a Highway Construction Apprenticeship initiative, as well as $170 thousand and 2 FTE for an Apprenticeship Diversity initiative. Both of these initiatives are designed to increase opportunities for women in apprenticeship.

**Executive Direction**

Funding provides staff for leadership and policy direction for all training and employment service programs and activities and provides for related program operations support, including research, evaluations, demonstrations, and performance standards. The FY 2000 request includes an increase of $85 thousand and 1 FTE for program evaluations under the WIA.

**Welfare-to-Work**

Funding provides leadership, policy direction, technical assistance, and administration for formula grants to States and competitive grants to local entities to assist long term, hard to employ welfare recipients secure lasting unsubsidized employment.

**Other**

The request for this account also reflects $5.1 million in built-in cost increases offset by built-in cost decreases of $1.6 million, and a program increase of $1 million for Information Technology needs.

**Reorganization**

The Workforce Investment Act of 1998 requires the Department of Labor to reorganize the functions of the Employment and Training Administration, and to submit a report on the reorganization to the Congress. This reorganization will result in the realignment of functions and offices within ETA.

**Alien Labor Certification**

The FY 2000 budget reflects the transfer of the Alien Labor Certification programs from ETA to the Employment Standards Administration, Wage and Hour Division. This transfer is a part of the consolidation, restructuring and major reform of immigration functions, designed to streamline, and create a fee-based customer responsive alien labor certification program characterized by the timely processing of employer applications. In addition, the new program will enhance the Department's ability to effectively protect foreign and similarly employed U.S. workers.

# PENSION AND WELFARE BENEFITS ADMINISTRATION

*Budget Authority*
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Enforcement and Compliance | $71.1 | $79.4 | $8.3 |
| Policy, Regulations, and Public Service | 15.2 | 18.6 | 3.4 |
| Executive Direction | 3.7 | 3.8 | 0.1 |
| **Total, Budget Authority** | **$90.0** | **$101.8** | **$11.8** |
| Full Time Equivalents | 764 | 829 | 65 |

The Pension and Welfare Benefits Administration (PWBA) is responsible for the administration and enforcement of Title I of the Employee Retirement Income Security Act of 1974 (ERISA) and the Federal Employees' Retirement System Act of 1986 (FERSA). The primary mission of PWBA is to protect the pension, health and other benefits of participants in private sector employee benefit plans. PWBA directly affects the livelihood of over 150 million people who participate in ERISA covered plans, and protects the U.S. economy's single largest source of capital for investment--pension funds. Currently, there are over six million private sector employee benefit plans which hold more than $3.5 trillion in assets.

**Enforcement and Compliance**
This activity conducts criminal and civil investigations, performs reviews to ensure compliance with the fiduciary provisions of ERISA and FERSA, and assures compliance with applicable reporting requirements, as well as accounting, auditing and actuarial standards. In FY 2000 the budget request for this activity is $79.4 million and 662 FTE. This level of funding includes a net increase totaling $8.3 million and 52 FTE. A one-time increase of $5 million is included for transitional costs associated with processing Form 5500 Annual Reports for plan year 1999 in the new ERISA Filing Acceptance System (EFAST) in FY 2000. Also included are increases of $1.6 million and 20 FTE for expanded enforcement and customer service capabilities related to the new health benefit laws covering private employers; $1.2 million and 14 FTE to implement a proactive voluntary compliance program for fiduciary breaches; $.6 million and 10 FTE to educate dislocated workers about their pension and health benefits; $.7 million and 5 FTE to provide technical assistance to plan filers and implement a direct filing entities program; $.3 million and 3 FTE to implement a pilot program with other DOL agencies to deliver coordinated compliance assistance to small businesses; and $.2 million to develop an Internet site to disclose images of the most recent Form 5500 Annual Report filings.

**Policy, Regulation and Public Services**
This activity conducts policy, research and legislative analyses on pension, health and other employee benefit issues; promulgates regulations and interpretations regarding reporting and disclosure, fiduciary, and coverage provisions; issues individual and class exemptions from ERISA's and FERSA's prohibited transactions provisions; discloses legally-required reports; provides technical assistance to p[illegible] offic[illegible]nefits practitioners, and the public;

provides direct assistance to plan participants and beneficiaries in enforcing their rights under ERISA and in obtaining benefits under employee benefit plans; and provides assistance in response to requests from members of Congress (including constituent requests), as well as technical assistance to about a dozen legislative committees with jurisdiction affecting ERISA and FERSA. In FY 2000, the budget request for this activity totals $18.6 million and 145 FTE and includes a net increase totaling $3.4 million and 13 FTE. The increases include $1 million and 10 FTE to enhance PWBA's health-related regulatory, interpretive, analysis and coordination capabilities; $1.4 million and 2 FTE to develop new sources of data on ERISA covered employee benefit plans and to conduct research and policy analysis required to address emerging policy, legislative and operational issues; $.3 million and 1 FTE to design, develop and disseminate critical information to dislocated workers regarding their pension and health benefits; and $.2 million to develop and print educational material on pension and health issues for distribution to employees and employers as part of a DOL pilot program involving the use of 50 "one-stop" centers for education and outreach.

**Program Oversight**
This activity provides leadership, policy direction, strategic planning, and management of the pension and welfare benefits program. Oversight and operational guidance is provided in the areas of financial management, budget formulation and execution, debt management, human resource management, labor and employee relations, employee development and other administrative activities. In addition, this activity conducts a comprehensive technical training program in support of enforcement, policy, legislative, and regulatory functions. In FY 2000, the budget request for this activity totals $3.8 million and 22 FTE.

***PWBA Selected Workload Data***

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Plan reviews and investigations conducted | 7,686 | 8,217 | 531 |
| Closed investigations that restored improperly diverted assets | 537 | 551 | 14 |
| Exemptions, variances, determinations, interpretations and regulations issued | 1,269 | 1,304 | 35 |
| Inquiries received: * field offices national offices | 317,565 | 359,711 | 42,146 |

* Represents total number of inquiries received by staff. Excludes calls handled by automated telephone systems that provide responses to frequently asked ERISA questions.

# PENSION BENEFIT GUARANTY CORPORATION

## *Budget Authority/Trust Fund Transfers*

*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Single Employer Program Benefit Pmts. | 1,276.7 | 963.4 | -313.3 |
| Multi-Employer Program Financial Asst. | 14.3 | 94.3 | 80.0 |
| Administrative Expenses | 11.0 | 11.3 | 0.3 |
| Services related to terminations | 149.0 | 153.6 | 4.6 |
| **Total, Budget Authority** | **$1,451.0** | **$1,222.6** | **$-228.4** |
| *Full Time Equivalents* | *754* | *754* | *0* |

The Pension Benefit Guaranty Corporation (PBGC) is a wholly-owned Government Corporation, guided by a board of directors chaired by the Secretary of Labor, which guarantees the payments of pension plan benefits to participants in the event that covered plans fail or go out of existence.

**Single Employer Program Benefit Payments**

Checks are issued when due to pay plan participants and other beneficiaries of plans which have terminated. Payments are expected to decrease in FY 2000 by $313 million because, PBGC will pay an additional $299.3 million in FY 1999 to implement a court-approved settlement to resolve claims and administer benefits under two consolidated class action suits (Page vs. Pension Benefits Guaranty Corporation and Collins vs. Pension Benefits Guaranty Corporation.). In FY 2000, pay status participants are expected to increase from 226,000 to 243,000.

**Multi-Employer Program Financial Assistance**

Financial assistance provides for repayable loans to insolvent multi-employer sponsored plans to enable these plans to continue paying benefits if a series of prescribed steps is taken to place the plan on a sound financial basis. Payments are expected to increase in FY 2000 by $80 million because of an expected lump sum settlement of the liability for a single major multi-employer plan.

**Administrative Expenses**

These administrative expenses, subject to limitation by appropriation, provide for: collection of more than $1 billion in premiums; accounting and auditing services; asset management; executive direction; and other support functions. This activity includes a $320 thousand increase for enhancements to PBGC's information technology infrastructure, including necessary enhancements in computer security and development of systems life cycle methodology.

**Services Related to Terminations**

The services related to terminations provides for costs attributable to pension plan terminations and benefit payment service. The FY 2000 PBGC budget request allows the Corporation to continue to improve operations while at the same time meet its plan goals in the context of a much greater workload. PBGC proposes an increase of $667 thousand to fund benefits administration and customer service enhancements, primarily in the area of providing earlier determinations of benefit entitlements. This initiative allows PBGC to: (1) address the impact of handling a substantial, broadly-based increase in the number of plan terminations and incoming participants for whom they must determine benefit entitlements and (2) reduce the average processing time of final benefit determination from six years currently to three to five years or less by FY 2002.

PBGC also proposes an increase of $947 thousand (1) to support participant appeals processing, where workload has tripled over the past three years and (2) for enhancements to PBGC's information technology infrastructure, including necessary enhancements and updates to and maintenance of the "sound and integrated information technology architecture" mandated by the Clinger-Cohen Act.

***PBGC Selected Workload Data***

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Plans Terminated: Sufficient Assets | 2,500 | 2,500 | 0 |
| Plans Terminated: Insufficient Assets | 150 | 150 | 0 |
| Participants in Govern. Trusteeships | 513,000 | 553,000 | 40,000 |
| Government Trusteeships at EOY | 2,757 | 2,907 | 150 |

# EMPLOYMENT STANDARDS ADMINISTRATION
## OVERVIEW

***Budget Authority***
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Salaries and Expenses 1/ | 348.7 | 410.5 | 61.8 |
| Special Benefits, Fair Share 2/ | 20.3 | 21.9 | 1.6 |
| **Staffing,** | **$369.0** | **$432.4** | **$63.4** |
| **Income Maintenance (Mandatory)** | | | |
| Special Benefits | 179.0 | 79.0 | -100.0 |
| Black Lung Disability Trust Fund | 1,021.0 | 1,014.0 | -7.0 |
| Transfer From BLDTF | -50.9 | -50.1 | 0.8 |
| Offsetting Receipts - BLDTF | -2.0 | -2.0 | 0.0 |
| Panama Canal Commission Fund | 11.0 | 7.2 | -3.8 |
| Offsetting Receipts - PCC | -11.0 | -7.2 | 3.8 |
| Special Workers' Compensation | 154.0 | 161.8 | 7.8 |
| Transfer From SWC | -1.9 | -1.7 | 0.2 |
| **Total, Income Maintenance** | **1,299.2** | **1,201.0** | **-98.2** |
| **Total, ESA Program 3/** | **$1,668.2** | **$1,633.4** | **$-34.8** |
| *Full Time Equivalents* | *4,038* | *4,190* | *152* |

In total, funds for the Employment Standards Administration (ESA) in FY 2000 will decrease by $34.8 million compared with FY 1999. Staffing costs will increase by $63.4 million. Income Maintenance programs will decrease by $98.2 million.

1/ Includes H-1B fees and funds for the Alien Labor Certification program.
2/ Estimates include 140 FTE financed in FY 2000 in the Special Benefits account, using "fair share" funds.
3/ Excludes certain BLDTF Administrative expenses (see Departmental Management and Office of Inspector General sections in this package).

# ESA STAFFING

## *Budget Authority/Trust Fund Transfers*
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| **Special Benefits, Fair Share** | $20.3 | $21.9 | $1.6 |
| Enforcement of Wage and Hour Standards*** | $134.1 | $181.4 | $47.3 |
| Fed. Contractor EEO Standards Enforcement | 65.5 | 76.4 | 10.9 |
| Federal Programs for Workers' Compensation | 108.6 | 110.5 | 1.9 |
| Program Direction and Support | 12.4 | 12.9 | 0.5 |
| Labor-Management Standards | 28.1 | 29.3 | 1.2 |
| **Total, Budget Authority** | **$348.7** | **$410.5** | **$61.8** |
| **Total Staffing** | **$369.0** | **$432.4** | **$63.4** |
| *Full Time Equivalents* | *4,038* | *4,190* | *152* |

*Includes H-1B Fees and funds for the Alien Labor Certification program.

The budget request for FY 2000 is for $432.4 million and 4,190 FTE, of which $410.5 million and 4,050 FTE is in the Salaries and Expenses account and $21.9 million and 140 FTE is in the Fair share portion of the Special Benefits account. This is an increase for staffing of $63.4 million and 152 FTE over FY 1999. The request includes funds for the consolidation and restructure of the Alien Labor Certification program from ETA, additional resources to continue the Administration's child labor initiative, the Administration's equal pay initiative, and improved financial management in the benefit programs.

**Wage and Hour Standards**

The FY 2000 budget request for the Wage and Hour Division is $181.4 million and 1,626 FTE. The Wage and Hour Division is responsible for the administration and enforcement of a wide range of laws which collectively cover virtually all private and state and local government employment. Wage and Hour Division activities include obtaining compliance with the minimum wage, overtime, child labor, and other employment standards under the Fair Labor Standards Act, Migrant and Seasonal Agricultural Worker Protection Act, certain provisions of the Immigration and Nationality Act, Employee Polygraph Protection Act, the Immigration Nursing Relief Act, the wage garnishment provisions of the Consumer Credit Protection Act, and the Family and Medical Leave [illegible] wages are determined and employment standards enforced under various

Government contract wage standards. As part of the Department's plan to consolidate it's immigration activities as recommended by the President's Commission on Immigration Reform (CIR) in September 1997, the FY 2000 request includes a proposal to transfer the Employment and Training Administration's (ETA) Alien Labor Certification (ALC) responsibilities to ESA's Wage Hour program. This proposal includes the transfer of $33.7 million and 98 FTE from ETA and a legislative proposal that would allow ESA to offset part of the costs with fees paid by employers who use foreign labor. In addition to the consolidation, the Department will launch a major restructuring of the ALC program designed to streamline and create a fee-based, customer responsive program characterized by the timely processing of employer applications. The long term goals for the ALC program are to improve customer service, eliminate the backlog and enhance worker protections. The request for Wage Hour also includes $1.7 million to begin the TECS (Technology for Excellent Customer Service) initiative, a new computer based telephone system that will allow the program to respond to approximately 5 million calls from the public on compliance issues. The request includes $4.3 million and 30 FTE to build on the President's Child Labor initiative begun in FY 1999 by increasing compliance efforts in targeted industries including agriculture and garment manufacturing, and other low-wage industries. This initiative will allow DOL to enhance efforts like "Operation Salad Bowl" and the "No Sweat" initiatives. The request also includes an additional $700 thousand, $1 million provided within the base, for the "Partnership with Service Providers" initiative, which will encourage voluntary compliance with Wage Hour laws through partnerships with organizations that provide services to workers and employers such as public schools and libraries, health care providers, and small businesses. The request also includes $1 million as part of an ESA-wide initiative to improve information technology capabilities.

**Contractor EEO Enforcement**

The FY 2000 budget request for OFCCP is $76.4 million and 827 FTE. The Office of Federal Contract Compliance Programs (OFCCP) enforces regulations which ensure equal employment opportunity for minorities, women, individuals with disabilities, and disabled and Vietnam Era and other veterans. These requirements govern the employment practices of Federal contractors and subcontractors. They include Executive Order (EO) 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; 38 USC 4212 and the Vietnam Era Veterans' Readjustment Assistance Act of 1974; Title I of the Americans with Disabilities Act of 1990; and provisions of the Immigration Reform and Control Act of 1986 and 29 CFR 30. Included in the FY 2000 request is $4.20 million and 20 FTE for the Administration's Equal Pay initiative to provide employers with the necessary tools to assess and improve their pay policies and to educate the public on the importance of this issue. In addition, this initiative will provide a focused effort on women in nontraditional jobs. This request also includes $2.7 million and 19 FTE to implement a Compliance Assistance initiative with technical assistance via the Internet that addresses affirmative action plans, industry best practices, and outreach and education materials for the public. This request also includes $0.5 million for developing performance measures and a baseline for measuring discrimination in our society This request also includes $0.8 million as part of an agency-wide initiative to improve information technology capabilities.

**Federal Programs for Workers' Compensation**

The FY 2000 budget request for the Office of Workers' Compensation Programs (OWCP) is $110.5 million and 1,190 FTE in the Salaries and Expenses account and $21.9 million and 140

FTE in the Special Benefits account using Fair Share funds. OWCP administers three major disability compensation programs by providing cash benefits, medical treatment, vocational rehabilitation, and other benefits to certain workers (or their dependents or survivors) who have work related injuries or disease. The FECA program provides income and medical cost protection to civilian employees of the Federal government injured at work and to certain other designated groups. The Longshore and Harbor Workers' Compensation Act (LSHWCA) program provides similar protection to private sector workers in certain maritime and related employment, and the Black Lung Benefits program provides protection to the Nation's coal miners suffering from pneumoconiosis. To continue the move towards a "paper less office", OWCP is requesting $6.3 million in Fair share funding for the FECA Case Imaging Initiative and staff training. OWCP is requesting for the Longshore program, $200 thousand to improve ADP services and support migration to a "paper-less office" processing environment, and $250 thousand as part of an agency-wide initiative to improve information technology capabilities. OWCP is also requesting $400 thousand for the Black Lung programs for their Data Exchange Initiative, which would allow OWCP to exchange data with the Mine Safety and Health Administration (MSHA).

**Office of Labor-Management Standards**

The FY 2000 budget request for OLMS is $29.3 million and 288 FTE. The Office of Labor-Management Standards (OLMS) enforces provisions of Federal law that require reports from unions and others and establish certain standards for union democracy and financial integrity. OLMS conducts criminal investigations (primarily embezzlement) and investigative audits of unions, conducts civil investigations (primarily concerning union officer elections); supervises remedial union officer election reruns as required; administers statutory reporting requirements and provides for public disclosure of filed reports. The OLMS Division of Statutory Programs certifies protective arrangements for transit employees when federal transit grants are used to acquire, improve, or operate a transit system. This request includes $1.0 million, in addition to the $1 million provided in 1997, to continue the development and implementation of an electronic filing system for reports required by the Labor-Management Reporting and Disclosure Act (LMRDA) and for public disclosure via the Internet, a project begun in 1998. This request also includes $475 thousand to implement a computerized program of union report audits to detect and correct deficiencies in annual financial reports filed by labor organizations, and $300 thousand as part of an agency-wide effort to improve information technology capabilities.

**Program Direction and Support**

The FY 2000 budget request for Program Direction and Support (PDS) is $12.9 million and 119 FTE. This activity supports ESA's operating programs and assures effective management by providing planning, personnel management, financial management, Federal/state liaison programs, management systems implementation, and data processing.

### *ESA Selected Workload Data*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Wage Hour Compliance Actions Completed | 53,000 | 53,900 | 900 |
| Fed. Contractor EEO Standards: Enforcement Compliance Reviews | 5,820 | 6,539 | 719 |
| Fed. Employees Compensation Act Cases received: | 165,000 | 165,000 | 0 |
| Longshore and Harbor Workers' Compensation Act: Lost-Time Cases Closed | 34,000 | 34,000 | 0 |
| Black Lung Benefits Act: Total Initial Findings | 5,500 | 7,500 | 2,000 |
| Labor-Management Standards: Investigations, Compl. Audits, Elections | 3,703 | 3,793 | 90 |

# ESA INCOME MAINTENANCE PROGRAMS (MANDATORY)

***Budget Authority/Trust Fund Transfers***
(Dollars in Millions)

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| **Special Benefits:** | | | |
| Federal Employees Compensation Act | $1,917.0 | $2,032.0 | $115.0 |
| Less Fair share funding | -20.3 | -21.9 | -1.6 |
| Longshore and Harbor Workers' Comp. | 4.0 | 4.0 | 0.0 |
| Subtotal, Special Benefits Program | 1,900.7 | 2,014.1 | 113.4 |
| Less Charge back Reimbursables | -1,825.7 | -1,901.1 | -75.4 |
| Net Carryover Balances | 104.0 | -34.0 | -138.0 |
| **Total, Special Benefits** | **179.0** | **79.0** | **-100.0** |
| **Black Lung Disability Trust Fund (BLDTF)** | **1,021.0** | **1,014.0** | **-7.0** |
| Less Offsetting Receipts | -2.0 | -2.0 | 0.0 |
| Less BLDTF Admin.. (Excludes Treasury) | -50.9 | -50.1 | 0.8 |
| **Total, BLDTF** | **968.1** | **961.9** | **-6.2** |
| **Other Income Maintenance Programs:** | | | |
| Panama Canal Commission Fund | 11.0 | 7.2 | -3.8 |
| Less PCC Offsetting Receipts | -11.0 | -7.2 | 3.8 |
| Special Workers' Compensation Expenses | 154.0 | 161.8 | 7.8 |
| Less Administrative Expenses | -1.9 | -1.7 | 0.2 |
| Total, Special Workers' | 152.1 | 160.1 | 8.0 |
| **Total, Income Maintenance Programs** | **$1,299.2** | **$1,201.0** | **$-98.2** |

The budget requests a total of $1,201.0 million for income maintenance programs in ESA in FY 2000, a decrease of $98.2 million from FY 2000.

**Special Benefits**

The budget requests $79 million for Special Benefits in FY 2000. This includes $75 million for Federal Employees' Compensation Act benefits, and $4 million for Longshore and Harbor Workers' Compensation benefits. This account also includes a request for $21.9 million from Fair share funding to finance 140 FTE, as described in the Staffing Section.

**Federal Employees' Compensation Act Benefits**

Funding is provided for long-term compensation benefits and certain medical payments for job-related injuries, diseases, or deaths of civilian employees of the Federal government and certain other designated groups. The Periodic Roll Management and Quality Case Management initiatives have contributed significantly to the reduction in overall FECA costs.

**Longshore and Harbor Workers' Compensation Act Benefits**
Funding is provided for one-half of the increased benefits provided by the 1972 amendments for persons receiving compensation for permanent total disability or death which commenced or occurred prior to the amendments. Long term compensation benefits and medical payments are provided for job-related injuries, diseases, or deaths of private sector workers in certain maritime and related employment.

**Black Lung Disability Trust Fund**
The budget request provide funds from the Black Lung Disability Trust Fund (BLDTF) in FY 2000 for benefit and interest payments and administrative expenses. This includes $430.5 million for benefits, $50.5 million for administrative expenses, and $533.0 million for interest payments.

**Disabled Coal Miner Benefits**
Under this program, all black lung compensation/medical and survivor benefit expenses are provided when no responsible mine operator can be assigned liability for such benefits, or when coal mine employment ceased prior to 1970.

**Administrative Expenses**
This provides for all administrative costs incurred by the Department of Labor in the operation of the Black Lung program, including reimbursements to the Departments of Health and Human Services, and Treasury.

**Interest on Advances**
This appropriation also funds payment of interest on advances to the BLDTF from the general fund. In FY 2000, the amount of interest on advances is estimated to be $533.0 million.

**Other Income Maintenance Programs**
The budget requests $7.2 million for the Panama Canal Commission Fund and $161.8 million for the Special Workers' Compensation Expenses program.

**Panama Canal Commission Fund**
This provides for the accumulation of funds to meet the Panama Canal Commission's obligations to defray costs of workers' compensation which will accrue pursuant to FECA.

**Special Workers' Compensation Expenses Payments from the Special Fund**
Under the Longshore and Harbor Workers' Compensation Act, as amended, trust funds in this program consist of amounts received from employers for the death of an employee where no person is entitled to compensation for such death, for fines and penalty payments, and pursuant to an annual assessment of the industry, for the general expenses of the funds. From these funds, certain long term compensation benefits and medical payments are provided for job-related injuries, diseases, or deaths of private sector workers in certain maritime and related employment.

# OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION

*Budget Authority*
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Safety and Health Standards | $12.3 | $13.1 | $0.8 |
| Federal Enforcement | 133.9 | 142.2 | 8.3 |
| State Programs | 80.1 | 83.5 | 3.4 |
| Technical Support | 18.2 | 17.8 | -0.4 |
| Federal Compliance Assistance | 45.7 | 57.8 | 12.1 |
| State Consultation Grants | 40.9 | 40.9 | 0.0 |
| Safety and Health Statistics | 15.2 | 23.7 | 8.5 |
| Executive Direction and Administration | 6.7 | 9.0 | 2.3 |
| **Total, Budget Authority** | **$353.0** | **$388.1** | **$35.1** |
| *Full Time Equivalents* | *2,224* | *2,326* | *102* |

The Occupational Safety and Health Administration (OSHA) promulgates occupational safety and health standards and ensures compliance by inspecting places of employment and working with employers and employees. The agency also provides consultation, training and information services for employers and employees; assists other Federal agencies in establishing and maintaining occupational safety and health programs for Federal workers; and provides matching grants to assist states in administering and enforcing approved state occupational safety and health programs. In FY 2000, OSHA will continue its mission to save lives, prevent injuries and illnesses, and protect the health of America's workers. Consistent with its Strategic Plan, the agency will focus on the most serious hazards and most dangerous workplaces, expand compliance assistance opportunities, and measure results instead of activities.

**Safety and Health Standards**

The Safety and Health Standards activity provides for the development, promulgation, review and evaluation of occupational safety and health standards under procedures providing opportunity for public comment. OSHA will base all standards actions on clear and sensible priorities and review existing rules to revise or eliminate obsolete and confusing standards or provisions of standards. In FY 2000, the agency will continue to develop cost-effective workplace safety and health standards based upon common sense. An increase of $400,000 is requested for look back reviews of significant final rules.

**Federal Enforcement**

The Federal Enforcement activity encourages compliance with workplace standards promulgated under the Occupational Safety and Health Act of 1970 through the physical inspection of work sites, and by fostering the voluntary cooperation of employers and employees. The agency will continue to focus resources on those activities that will have the greatest impact on worker safety and health. OSHA will continue to target inspections to the worst hazards and the most dangerous workplaces and assist employers and employees in creating safe and healthy workplaces. The FY 2000 request includes an increase of $4 million and 47 FTE to support and strengthen on-site safety and health enforcement in high hazard workplaces and support assumption of safety and health coverage at the United States Postal Service. Funds will increase compliance officer support for innovative programs at establishments with above average injury and illness rates. Also included is a request for $750 thousand and 5 FTE for OSHA's participation in the Alternative Dispute Resolution crosscut. The agency will transfer $2 million from the Federal Enforcement budget activity to Executive Direction and Administration to support cost accounting and performance measurement requirements as outlined by GPRA.

**<u>State Programs</u>**

The State Programs activity supports grants to states to assist them in the administration of state occupational safety and health regulations. Currently, 25 states operate their own safety and health programs under this Federal aegis. State Programs support enforcement, consultation, and education and training efforts in OSHA programs operated by the states. These resources enable OSHA's state partners to meet new challenges and complement Federal OSHA's program strategies. For FY 2000, OSHA is requesting $1.7 million for the State of New Jersey to provide safety and health coverage for its public sector employees.

**<u>Technical Support</u>**

This activity provides support to Federal OSHA programs in several areas, including construction, standards setting, variance determinations, compliance assistance, and enforcement. Included in the FY 2000 request is a reduction of $1 million to reflect savings achieved from improvements in efficiency and productivity at OSHA's Salt Lake City and Cincinnati Technical Centers.

**<u>Federal Compliance Assistance</u>**

This activity supports a variety of employer and employee assistance programs, consistent with the New OSHA. Outreach activities are conducted, including training and information exchanges and technical assistance to employers requesting such help. Employers are encouraged to establish voluntary employee protection programs, and Federal agencies are assisted in implementing job safety and health programs for their employees. Professional training for compliance personnel and others with related workplace safety and health responsibilities is conducted at the OSHA Training Institute, and further training is provided by education centers selected and sanctioned by the Institute. A total of $10.5 million and 67 FTE is requested to develop a comprehensive compliance assistance program. This amount includes $6.3 million and 67 FTE to support a staff presence in every Federal area office to provide direct outreach and training assistance to employers and employees. An additional $1.5 million and 16 FTE will support OSHA's participation in the Department's Coordinated Compliance Assistance crosscutting initiative. Through this initiative, workplace safety and health information and training will be provided in the three states where DOL pilot programs on coordinated compliance assistance will be conducted. Additional components of the compliance assistance request include $3.5 million to augment the Susan Harwood Training Grant Program and $700 thousand for expert advisors.

**Compliance Assistance--States**
This activity supports 90 percent Federally-funded cooperative agreements with designated State agencies to provide free on-site consultation to employers upon request. State agencies tailor work plans to specific needs in each State while maximizing their impact on injury and illness rates in smaller establishments. These projects offer a variety of services, including safety and health program assessment and assistance, hazard identification and control, and training of employers and their employees. The FY 2000 request maintains the FY 1999 funding level of $40.9 million which was an increase of $5.6 million over the FY 1998 level.

**Safety and Health Statistics**
Safety and Health Statistics provides information technology, management information and statistical support for OSHA's programs and field operations through an integrated data network and statistical analysis and review. An increase of $8.0 million is requested for the maintenance, replenishment and investment in the agency's Information Technology infrastructure.

**Executive Direction and Administration**
This activity provides overall direction and administrative support for the Occupational Safety and Health Administration. An increase of $100 thousand is requested for customer surveys to measure stakeholder satisfaction with agency performance. Also included in the request is a transfer of $2.0 million from the Federal Enforcement budget activity to fund cost accounting and financial management system improvements. With the reestablishment of the Chemical Accident Investigation Safety Board, resources previously devoted to the Joint Chemical Accident Investigation Program will be redirected to high priority activities.

*OSHA Selected Workload Data*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Standards Promulgated | 6 | 7 | 1 |
| Federal Inspections | 34,100 | 35,500 | 1,400 |
| State Program Inspections | 55,700 | 56,700 | 1,000 |
| Consultation Visits | 26,000 | 27,500 | 1,500 |

*Budget Authority*
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Enforcement: Coal | $106.6 | $111.1 | $4.5 |
| Enforcement: Metal/Non-Metal | 45.8 | 50.3 | 4.5 |
| Enforcement: Standards Development | 1.5 | 1.7 | 0.2 |
| Assessments | 3.9 | 4.1 | 0.2 |
| Educational Policy and Development | 20.9 | 24.7 | 3.8 |
| Technical Support | 26.3 | 25.8 | -0.5 |
| Program Administration | 10.2 | 10.7 | 0.5 |
| **Total, Budget Authority** | **$215.2** | **$228.4** | **$13.2** |
| *Full Time Equivalents* | *2,261* | *2,317* | *56* |

The Mine Safety and Health Administration (MSHA) protects the safety and health of the Nation's miners by applying the provisions of the Federal Mine Safety and Health Act of 1977. This request provides for additional resources to focus more attention on safety and on serious health problems in the mining industry. The budget requests $228.4 million and 2,317 FTE for FY 2000, an increase of $13.2 million and 56 FTE from FY 1999.

**Enforcement: Coal**

The Coal Mine Safety and Health activity is responsible for ensuring the safety and health of the Nation's coal miners through periodic regular inspections, special investigations, special emphasis programs, and compliance and training assistance. Recommendations of an advisory committee appointed by the Secretary of Labor included concerns about the integrity of the operator respirable dust program and its effectiveness in preventing pneumoconiosis among coal miners. A request of $2.0 million and 30 FTE is included in the respirable dust program to increase the frequency of Federal testing of operator samples.

**Enforcement: Metal/Nonmetal**

Metal and Nonmetal Mine Safety and Health ensures a safe and healthful working environment in the Nation's metal and nonmetal mines and mills through periodic regular inspections, special investigations, and compliance and training assistance. A request of $3.7 million and 44 FTE is included to retool the metal and nonmetal safety and health program for reducing fatalities, injury incidence rates, and miners' overexposures to health hazards.

**Enforcement: Standards Development**

The Standards Development activity provides for the development and promulgation of mandatory safety and health standards to ensure the best protection for the health and safety of all miners.

**Assessments**

The primary functions of the Assessments activity are to assess civil monetary penalties for all violations of the Mine Safety and Health Act, account for all penalty cases in litigation before the Mine Safety and Health Review Commission and the Federal courts, and collect and account for all penalties received.

**Educational Policy and Development**

The Educational Policy and Development activity develops and coordinates MSHA's mine safety and health education and training policies, delivers on-site training assistance to mines throughout the country, and provides classroom instruction at the National Mine Health and Safety Academy for MSHA personnel and other members of the mining industry. A request of $3.0 million is included to support increased field training services.

**Technical Support**

The Technical Support activity applies engineering and scientific expertise through field and laboratory forensic investigations to resolve technical problems associated with implementation of the Mine Act; administers a fee program to approve equipment, materials, and explosives for use in mines; and collects and analyzes data relative to the cause, frequency, and circumstances of accidents. MSHA is proposing to add appropriations language in FY 2000 authorizing the retention of fees up to $1 million to be collected for the approval and certification of equipment, materials, and explosives for use in mines.

**Program Administration**

The Program Administration activity provides leadership, policy direction, program policy evaluation and administrative support services for MSHA's safety and health programs. This request includes $1.3 million for improving the information technology infrastructure throughout the agency.

## *MSHA Selected Workload Data*

| Fatality rates:* | FY 1998 | FY 1999 | Change |
|---|---|---|---|
| Coal Mines | 0.025 | 0.025 | 0 |
| Metal/Nonmetal Mines | 0.024 | 0.024 | 0 |
| Violations Assessed | 112,000 | 114,000 | 2,000 |
| Educational Policy: | | | |
| Course Days of Training | 694 | 815 | 121 |
| Technical Support: | | | |
| Approval Investigations | 1,700 | 1,700 | 0 |
| Samples Analyzed | 56,000 | 56,000 | 0 |

* Incidence rates represent the number of injuries that occur for each 200,000 employee-hours worked.

# BUREAU OF LABOR STATISTICS

*Budget Authority/Trust Fund Transfers*
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Labor Force Statistics | $170.0 | $173.7 | $3.7 |
| Prices and Cost of Living | 120.0 | 131.0 | 11.0 |
| Compensation and Working Conditions | 61.2 | 69.4 | 8.2 |
| Productivity and Technology | 7.5 | 9.0 | 1.5 |
| Employment Projections | 4.9 | 5.1 | 0.2 |
| Executive Direction and Staff Services | 24.1 | 25.7 | 1.6 |
| Consumer Price Index Revision | 11.2 | 7.0 | -4.2 |
| **Total, Budget Authority** | **$398.9** | **$420.9** | **$22.0** |
| *Full Time Equivalents* * | *2,477* | *2,559* | *82* |

* Includes 81 reimbursable FTE in both years.

The Bureau of Labor Statistics (BLS) is the principal fact finding agency in the Federal government in the broad field of labor economics. The BLS provides general purpose statistics that provide some of the major indicators used in: developing economic and social policy; making decisions in the business and labor communities; developing legislative and other programs affecting labor; conducting research on labor market issues; and projecting Federal expenditures and receipts. The direct request for BLS is $420.9 million, an increase of $22 million and 82 FTE over the FY 1999 level.

**Labor Force Statistics**

This activity provides comprehensive and timely information on the labor force, employment, unemployment, and related labor market characteristics at the national level; industrial and occupational employment at the state level; and unemployment at state and local levels. The BLS is continuing to develop monthly estimates on the numbers of separations, new hires, and current job openings for an all-industry total of major industry divisions. The BLS will also complete work on the multi-year effort to replace the Standard Industrial Classification (SIC) system with the new North American Industry Classification System (NAICS). The proposed new system reflects technological and economic changes that have occurred over the past 20 years that are not reflected in the current classification system.

**Prices and Living Conditions**

This program provides comprehensive and detailed measures of price change, including the Consumer Price Index, for several different levels within the U.S. economy and estimates of consumers' incomes and expenditures for analysis of price behavior and consumer spending patterns, the interpretation of price movements in relation to other major economic changes, and the formulation and evaluation of economic policy. The FY 2000 request includes an increase of $3 million for the third year of the multi-year CPI Improvement Initiative. The request also includes $3.9 million and 28 FTE to expand the application of quality adjustment and accelerate the introduction of new products in the Producer Price Index (PPI); to extend PPI coverage for the first time to the construction sector of the U.S. economy; and to enhance coverage of the service sector in the PPI and in BLS productivity data.

**Compensation and Working Conditions**
This program provides for the development of a comprehensive body of reliable information on employee compensation and working conditions, including the Employment Cost Index (ECI) annual reports on workplace injuries and illnesses, and workplace fatalities. The FY 2000 request includes $6.3 million and 57 FTE to expand the ECI sample. This will enable the BLS to produce more precise indices of the quality changes in employer wage and benefit costs by major industry and major occupational groups and to produce better annual estimates of employer cost levels. The BLS is continuing a multi-year project that will culminate in the integration of the current Employment Cost Index, Employee Benefit Survey, and Occupational Compensation Survey Program into a single unified program of compensation statistics, National Compensation Survey.

**Productivity and Technology**
The Productivity and Technology program activity measures productivity movements in major sectors of the economy and in individual industries, identifies the sources of productivity growth and investigates the nature of technological change and its effect on employment. This activity also develops measures of productivity, hourly compensation, unit labor costs, and employment and unemployment for foreign countries. The FY 2000 request includes an increase of $1.2 million and 12 FTE to develop practical solutions to difficult conceptual issues in the measurement of service-sector output and productivity and to develop new industry labor and multifactor productivity series in the service-producing sector among other activities.

**Employment Projections**
These projections provide the source for publications such as the Occupational Outlook Quarterly. The program develops information about the labor market for five to 15 years in the future including labor force trends by sex, race, and age; employment trends by industry and occupation; and on the implications of these data for employment opportunities of specific groups in the labor force such as youth, the disadvantaged, and college graduates.

**Executive Direction and Staff Services**
This activity provides for agency-wide policy and management direction including all centralized support services in the administrative, publications, and computer systems support areas as well as the Survey Design Research Center. The FY 2000 request includes an increase of $444 thousand and 2 FTE to improve and expand its Internet public access site in order to meet new requirements and requests for enhancements from users. The request also includes $500 thousand to research ways to expand the Nation's ability to measure discrimination in labor markets and employment relationships.

**Consumer Price Index Revision (CPIR)**

The Department is requesting funds to continue the Consumer Price Index Revision. The FY 2000 request for CPIR is $7 million, a decrease of $4.2 million from FY 1999. Begun in FY 1995, the periodic revision of the CPI ensures accurate, reliable, and timely CPI data. The BLS released the revised index based on the new market basket with data for January 1998, will introduce the revised housing sample with data for January 1999, and complete the revision in FY 2001. The periodic revision of the CPI ensures accurate, reliable, and timely CPI data.

***BLS Selected Workload Data***

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Employ. & Unemployment Estimates | 87,300 | 87,300 | 0 |
| Consumer Price Indexes | 5,400 | 5,400 | 0 |
| Employment Cost Index Schedules | 10,000 | 12,000 | 2,000 |
| Productivity Series Maintained | 4,653 | 4,756 | 103 |

# DEPARTMENTAL MANAGEMENT

***Budget Authority/Trust Fund Transfers***
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Program Direction and Support | $20.2 | $34.6 | $14.4 |
| Legal Services | 72.6 | 76.8 | 4.2 |
| International Labor Affairs | 40.4 | 76.2 | 35.8 |
| Administration and Management | 19.3 | 23.3 | 4.0 |
| Adjudication | 36.9 | 38.3 | 1.4 |
| Promoting Employment of People With Disabilities | 6.7 | 7.2 | 0.5 |
| Women's Bureau | 7.8 | 8.4 | 0.6 |
| Civil Rights | 4.9 | 5.7 | 0.8 |
| Chief Financial Officer | 5.6 | 5.8 | 0.2 |
| National Task Force on the Employment of Adults with Disabilities | 1.4 | 2.5 | 1.1 |
| **Total, Budget Authority** | **$215.8** | **$278.8** | **$63.0** |
| *Full Time Equivalents** | *2,315* | *2,380* | *65* |

* Includes 700 FTE in FY's 1999 and 2000 for the Working Capital Fund and 60 FTE in FY 1999 and 47 FTE in FY 2000 for DM reimbursable activities.

The Departmental Management (DM) appropriation provides funding for the following activities: Program Direction and Support, Legal Services, International Labor Affairs, Administration and Management, Adjudication, Promoting Employment of People with Disabilities, Women's Bureau, Civil Rights and Chief Financial Officer and the National Task Force on Employment of Adults with Disabilities. These activities are responsible for formulating and overseeing the achievement of Departmental policy, for the overall management of Departmental programs and resources, and for providing a variety of unique services in ensuring equal employment opportunity in Departmental programs, in supporting the rights of workers and promoting issues involving women in America's workplaces and in promoting the employment of people with disabilities nationwide.

The budget for the DM appropriation is $278.8 million and 1,680 FTE for FY 2000, an increase of $63 million and 65 FTE over FY 1999. The Working Capital Fund, which is a no-year revolving fund financed through assessments of DOL agencies, will be increased by a total of $1.981 million in FY 2000, in addition to built-in changes, this level includes two initiatives designed to increase the cost effectiveness of the Information Technology (IT) architecture, continue implementation of year 2000 compliant systems, and provide linkages among administrative and programmatic systems.

**Program Direction and Support**

The Program Direction and Support activity includes a total budget request of $34.6 million and 162 FTE for FY 2000. This activity includes the immediate Offices of the Secretary and Deputy Secretary, provides leadership and direction for all Department-wide initiatives, programs and functions assigned to the Department. This activity provides guidance for the development and implementation of government policy to protect and promote the interest of the American worker toward achieving better employment and earnings, to promote productivity and economic growth, safety, equity and affirmative action in employment, to collect and analyze statistics on the labor force, to monitor and evaluate emerging economic and international and national labor market trends and events and to promote lifelong learning in the 21st century. Program Direction and Support activities are central to the Departmental mission and not simply an adjunct to autonomous DOL programs. Under the direction of the Secretary, this core staff forges the agenda for major program initiatives in such areas as pension protection, child labor, universal re-employment, and Unemployment Insurance reform.

The FY 2000 Budget includes a major initiative, $800 thousand and 10 FTE, for the Office of Small Business Programs (OSBP) to develop, implement, manage and evaluate the Department's coordinated compliance assistance pilot project to serve the small business community better. This initiative is an example of how the Department continues to seek ways to balance its enforcement responsibilities against the need to provide timely, accurate and useful information to this growing segment of the nation's economy. Specifically, the pilot program will provide on-site education and assistance to businesses related to compliance with the Department's various regulatory programs. DOL will establish "DOL desks" in combination with other Federal agency efforts to ensure that availability of DOL information reaches as many businesses as possible. DOL will establish these "DOL desks" in host centers such as the Small Business Administration's Small Business Development Centers, the Department of Agriculture's Education and Extension Service offices and the Department of Commerce's Manufacturing Extension Partnership Centers and other similar entities.

The FY 2000 Budget reflects a new and rigorous approach to program planning, which requires a high level of interagency cooperation throughout the Department to support the development of programs that serve the American worker in a more efficient and comprehensive manner. The Office of the Assistant Secretary for Policy (OASP), provides coordination, research, and policy leadership pivotal to the success of this new approach. The OASP budget includes five initiatives in FY 2000: **(1)** A request for $10 million for research related to the Family and Medical Leave Act and the impact this law has had on the American family and how to make leave accessible and affordable for more of America's working families; **(2)** an initiative of $600 thousand and 2 FTE to pilot test the use of State employees at One Stop centers for education, information and outreach on the broad array of DOL programs including, employment and training programs, job search and labor market information, training opportunities, and regulatory and compliance assistance programs; **(3)** $750 thousand and 1 FTE for ADR to facilitate early resolution of disputes where agreement is possible, encourage non-adversarial compliance among Federal contractors, and reduce costs and time while avoiding administrative enforcement and litigation; **(4)** an increase of $2.25 million and 11 FTE for the design, coordination and implementation of a cross-cutting Internet/Information Technology initiative for the DOL, including E-Laws expansion and customer support functions, and; **(5)** an initiative of $200 thousand and 2 FTE to develop and pilot test an information technology system that will provide workers, employers and other customers with assistance when seeking information about the Department's programs.

**Legal Services**

The Office of the Solicitor (SOL) includes a total budget request of $76.8 million and 727 FTE for FY 2000. The SOL office independently litigates cases in the U.S. District Courts, Courts of Appeals, and before administrative law judges and administrative appellate bodies; serves as the co-counsel to the Solicitor General in Department-related litigation in the U.S. Supreme Court; assists the Justice Department and local U.S. Attorneys offices in case preparation and trial; supports regulatory reform through the review of rules and regulations; provides oral and written interpretations and opinions to the client agencies concerning the statutes which the Department enforces; coordinates the Department's legislative program; reviews proposed legislation and assists in drafting legislation; prepares testimony and reports on proposed legislation as requested by the Congress and the Office of Management and Budget, as well as annual reports to the Congress; provides legal advice to interagency groups responsible for U.S. trade matters; assists in negotiating international agreements; and participates in international organizations including the International Labor Organization (ILO). The Office of the Solicitor also serves as "House Counsel" to the Department on a variety of matters, including labor management relations and ethics.

Six new initiatives are included in this budget request for SOL -- **(1)** an increase of $260 thousand and 4 FTE to support PWBA's managed health care initiative by providing timely and appropriate regulatory guidance, establishing judicial precedents protective of the rights of health care consumers, and ensure that vigorous and effective enforcement action is taken in appropriate cases; **(2)** an increase of $330,000 and 5 FTE to support OSHA's enforcement in the area of Section 11 (c) whistleblower cases by providing protection directly to thousands of American workers and indirectly to most workers through voluntary compliance based on enforcement of these cases; **(3)** an increase of $120 thousand and 2 FTE for Privacy Act and Disability training to reduce employment barriers for persons with disabilities and help ensure that SOL itself is a model employer in this area; **(4)** an increase of $330 thousand and 5 FTE to support the criminal enforcement initiative and increase the emphasis on pursuing the criminal aspects of the statutes administered and enforced for the protections afforded to the American worker, including such groups as migrant farm workers, domestic workers, and garment workers, and ; **(5)** an increase of $210 thousand and 3 FTE to provide legal support for Wage and Hour's principal compliance initiatives in garment manufacturing (the "No Sweat" initiative) and agriculture (the "Salad Bowl" initiative) and; **(6)** an increase $136 thousand and 2 FTE to provide legal support for MSHA's dust enforcement initiative.

**International Labor Affairs**

The Bureau of International Labor Affairs (ILAB) coordinates the Department's international responsibilities, including ensuring that U.S. government foreign policy furthers the well being of the American workforce and providing expert support for the Administration's international initiatives. The total ILAB request in FY 2000 is $ 76.2 million and 109 FTE. The mission of the

Bureau is to assist in formulating the U.S. international policies and programs of concern to American workers. The importance of this mission has grown due to the priority placed upon trade and economic liberalization initiatives by the Administration. The Bureau plays a central role in addressing concerns of American workers in this process. Other long-standing responsibilities of the Bureau include representing the U.S. government at the International Labor Organization (ILO) and on the Employment, Labor and Social Affairs (ELSA) Committee of the Organization of Economic Cooperation and Development (OECD), participation in inter-agency trade policy working groups, research on labor related trade issues, analysis of international labor developments, co-management with the Department of State of the Labor Attache Corps of the Foreign Service, management of cooperative programs with foreign labor ministries, and operation of the Department's technical assistance programs. Also included in this activity is funding for commitments under the North American Free Trade Agreement (NAFTA), including the U.S. National Administrative Office and the U.S. contribution to the International Secretariat.

The budget continues to provide $30 million to enable the ILO's International Programme to Eliminate Child Labor to expand its work into more countries and industries. The initiative, which began in FY 1999, will provide $150 million investment over 5 years which will help ensure that goods produced abroad for the U.S. market are not made with illegal child labor.

In support of the Secretary's commitment to raising labor standards throughout the world, the budget includes $35.4 million and 15 FTE for a major new US-led, ILO-based, multilateral program designed to raise core labor standards and improve the social safety net programs of our trading partners initiative. This effort will be two-fold, including **(1)** $25.5 million and 5 FTE to provide grants through the International Labor Organization to provide technical assistance to help countries build their own social safety nets and implement core labor standards; and **(2)** $9.9 million and 10 FTE for DOL to provide technical assistance on these same issues in support of important U.S. bilateral relationships.

**Administration and Management**

The FY 2000 budget includes $23.3 million and 114 FTE for the Office of the Assistant Secretary for Administration and Management (OASAM) to provide leadership and policy guidance in the areas of budget, human resources, information technology, management and administration to provide the Department's program agencies with the resources necessary for them to perform their program missions. OASAM's mission also includes providing administrative and support services through the Working Capital Fund to the program agencies and Departmental employees to ensure that they can do their jobs effectively and efficiently.

DOL includes three new initiatives in FY 2000 for this activity, including: **(1)** $375 thousand and 5 FTE for an Internet initiative to support Internet operations, maintenance, and continued expansion; **(2)** $3.380 million to enable the Chief Information Officer to ensure that DOL meets the legislative mandates of the Clinger-Cohen Act, the Paperwork Reduction Act, and the Computer Security Act, and; **(3)** $3.198 million to replace the existing Employee Computer Network (ECN) workstations with more modern equipment.

**Adjudication**

The Adjudication activity consists of four components: the Office of Administrative Law Judges, the Benefits Review Board, the Employees' Compensation Appeals Board and the Administrative Review Board. In FY 2000, the total budget requested for these four areas is $38.3 million and 350 FTE. These components preside over either formal hearings and render timely decisions, or review and decide appeals, on claims filed under numerous statutes, including the Black Lung Benefits Act, the Longshore and Harbor Workers' Compensation Act and its extensions, the Federal Employees' Compensation Act and numerous other acts involving complaints to determine violations of minimum wage requirements, overtime payments, health and safety regulations and unfair labor practices. Final decisions are prepared for the Secretary, Deputy Secretary and other deciding officials in adjudicated administrative decisions.

In FY 2000, the Department requests two initiatives in this area: **(1)** $125 thousand and 1 FTE for the Office of Administrative Law Judges to promote greater use of alternative dispute resolution techniques and provide focussed management of its current "settlement judge" program; **(2)** $725 thousand and 9 FTE for the Employees' Compensation Appeals Board to reduce its backlog of pending FECA cases.

**Promoting Employment of People With Disabilities**

The mission of the President's Committee on Employment of People with Disabilities is to reduce the high unemployment rate of people with disabilities by facilitating the communication, coordination and promotion of public and private efforts to enhance their employment. The FY 2000 budget includes $7.250 million and 37 FTE for the Committee to provide information, training and technical assistance to various groups, including America's business leaders, organized labor, rehabilitation and service providers, and disability-related organizations through the development of educational and informational materials, the creation and expansion of a "Business Leadership Network" employer corps, the leadership and coordination of a recruitment and job opportunities program for youth with disabilities, implementation of High School/High Tech programs and various other programs and projects designed to break new ground in the employment of people with disabilities. The Committee also funds and supervises the Job Accommodation Network (JAN) through the grant process, which provides information and consulting on accommodating persons with disabilities in the workplace and on the employment provisions of the Americans with Disabilities Act. To achieve its goals, the Committee works closely with Governor's Committees in each of the 50 States, Puerto Rico and Guam, more than 600 Mayor's Committees, with some 300 volunteers who serve on six standing committees on special task forces, and with more than 5,000 disability community leaders.

The budget includes an increase of $250 thousand to increase funding for Project EARN (Employee Applicant Referral Network) which will provide both our nation's employers and persons with disabilities with a single national toll free telephone information service that they can call when they need resource information on whom to contact in their area for either situation -- hiring or seeking work. This increase will: (1) establish a one stop referral service for employers and persons with disabilities on resources and services available within their community; (2) develop a comprehensive database of resources; (3) provide for a toll-free number for employers and employees to call to reach this service, and; (4) offer employers a pre-screened list of potential workers with disabilities who have participated in one or more of the President's Committee's model projects.

**Women's Bureau**

The Women's Bureau is the only Federal agency with primary responsibility for promoting the welfare and interests of working women. The FY 2000 budget includes $8.4 million and 72 FTE for the Women's Bureau. The mission of the Bureau is to seek to improve women's working conditions, to eliminate the barriers that restrict women in reaching their full potential in the workplace, to advance their opportunities for profitable employment and to operate a clearinghouse of information to address issues facing working women and their families. The Bureau continues its focus on areas including the importance of equal pay and benefits, balancing work and family, and valuing women's work through job training and career development.

In FY 2000, an increase of $290 thousand for the Women's Bureau "Upgrading Skills of Child Care Providers" initiative is requested. With the opportunity afforded by the new Workforce Investment Act, the Women's Bureau is proposing a multi-component strategy to help bridge the skills-wage-benefits gap by helping unskilled and low-wage workers find and sustain productive employment with career potential. As part of this effort, this initiative will fund a Child Care Home Provider Pilot Project that will increase child care policies and practices in America's workplaces and the quality and availability of child care providers. The project would link women transitioning from welfare to work with mentors who would assist them in starting their own businesses as child care providers.

**Civil Rights**

The Civil Rights activity is responsible for ensuring full compliance with Title VI of the Civil Rights Act of 1964 and other regulatory nondiscrimination provisions in programs receiving or benefitting from financial assistance from DOL. In addition, this activity ensures equal employment opportunity for all DOL employees and applicants for employment.

The total proposed funding in the FY 2000 budget for this activity, $ 5.7 million and 53 FTE, includes resources for several initiatives to support the President's civil rights agenda. These initiatives include **(1)** $100 thousand for ADR to facilitate early resolution of disputes where agreement is possible, encourage non-adversarial compliance among Federal contractors, and reduce costs and time while avoiding administrative enforcement and litigation; **(2)** $480 thousand and 1 FTE for development and administration of compliance training for program administrators and equal opportunity staff in nationally administered programs receiving financial assistance from DOL.

**Chief Financial Officer**

The Office of the Chief Financial Officer is responsible for enhancing knowledge and skills of Departmental staff working in financial management operations, developing comprehensive accounting and financial management policies, assuring that all Departmental financial functions conform to applicable standards, providing leadership and coordination to the Department's trust and benefit fund financial actions, monitoring the financial execution of the budget in relation to actual expenditures, and managing a comprehensive training program for accounting and financial support staff. The budget includes $5.8 million and 46 FTE for this organization in FY 2000.

CFO continues to take the steps necessary to ensure that the Department continues to adopt and use the financial management and accounting standards of the Federal Accounting Standards Advisory Board, the Joint Financial Management Improvement Program and the recommendations of the General Accounting Office and the Department's Office of Inspector General.

**National Task Force on Employment of Adults with Disabilities**

The National Task Force on the Employment of Adults with Disabilities continues its efforts to create a coordinated and aggressive national policy to bring adults with disabilities into gainful employment at a rate that is as close as possible to that of the general population. The Secretary of Labor and the Chairman of the President's Committee on the Employment of People with Disabilities serve as chair and vice-chair, respectively. The Task Force includes heads of several Cabinet agencies as well as other Federal agencies responsible for addressing disability issues.

The Task Force is studying the barriers to employment faced by people with disabilities and will report its findings with policy recommendations to the President on a periodic basis. The Task Force will submit reports biennially until its final report is presented on July 26, 2002, which is the tenth anniversary of the initial implementation of the employment provision of the Americans with Disabilities Act. The policy recommendations may involve research into such areas as discrimination, access to health care, consumer-driven long-term supports and services, transportation, accessible and integrated housing, telecommunications, assistive technology, community services, child care, education, vocational rehabilitation training services, on-the-job support and economic incentives to work. The recommendations could include legislative proposals, regulatory changes, and program and budget initiatives that would advance the employment of people with disabilities. The budget includes $2.485 million and 10 FTE to support the work of the Task Force in FY 2000.

**Working Capital Fund**

The Department's agencies finance the Working Capital Fund (WCF) for centralized services provided at rates that return in full all expenses in operation, including reserves for accrued annual leave and depreciation of capitalized assets.

For FY 2000, the Working Capital Fund's operating level totals $112.7 million and 700 FTE to support administrative and management services nation-wide. This total includes two initiatives designed to increase the cost effectiveness of the Information Technology (IT) architecture, continue implementation of year 2000 compliant systems, and provide linkages among administrative and programmatic systems. The first initiative is for an increase of $1.2 million to replace the existing Employee Computer Network (ECN) workstations with more modern equipment and operating systems software so that the workstations are capable of supporting industry standard operating systems and applications. A second increase of $660 thousand is needed to replace the data communications necessary for users of the DOL mainframe processing facility contract.

## Trust Fund Transfers

*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| State Administration: | | | |
| Disabled Veterans Outreach Program | $80.0 | $80.2 | $0.2 |
| Local Veterans Employment Reps. | 77.1 | 77.2 | 0.2 |
| Administration | 23.6 | 26.1 | 2.5 |
| National Veterans Training Institute | 2.0 | 2.0 | 0.0 |
| **Total, Budget Authority** | **$182.7** | **$185.6** | **2.9** |
| *Full Time Equivalents* | *254* | *255* | *1* |

The Assistant Secretary for Veterans' Employment and Training (ASVET) provides maximum employment and training opportunities for veterans and serves as the principal advisor to the Secretary of Labor on all policies and procedures affecting veterans. Through the Veterans' Employment and Training Service, the ASVET sets counseling, training, and placement policies and goals for veterans through the public employment service and other employment and training programs.

**State Administration: Disabled Veterans Outreach Program**

The Disabled Veterans Outreach Program (DVOP) provides intensive employment and employability development services to disabled veterans and to educationally or economically disadvantaged veterans through a system of State employed, Federally-funded program specialists. DVOP specialists also train service members about to separate from active duty through the Transition Assistance Program.

**State Administration: Local Veterans Employment Representatives**

The Local Veterans Employment Representative (LVER) program also supports State employed, Federally-funded program staff. LVERs supervise the provision of services to veterans in local State Employment Services Offices, maintain contact with local community leaders, provide labor exchange information to veterans, and promote and monitor participation of veterans in Federally-funded employment and training programs.

State Administration includes an increase of $350 thousand that will enable the development of a Federal contractor and subcontractor Internet data base, which the ASVET intends to expand in future years, to an employer data base to support job development efforts.

**Administration**
The Administration activity supports a Federal staff which ensures veterans reemployment rights and administers State staffing grants for the DVOP and LVER programs; Veterans Workforce Investment program and Homeless Veterans Reintegration Project grants. The agency staff conduct on-site monitoring and management assistance, liaison with other Federal agencies, and collect and analyze information on employment and training services provided to veterans as required by law. The FY 2000 request for this activity provides for a net increase of $2.5 million, covering increases to coordinate and attain performance measures; the conducting of Transition Assistance Program pilots for service members separating overseas; a worker credential effort (which identifies education, licensing or certification necessary to obtain a specific job in a chosen field); with an Internet data base. The request also includes funding for the Transition Assistance Program (TAP) in the continental U.S., investigations associated with Federal Veterans' preference rights, and processing of veteran reemployment rights complaints filed under the Uniformed Services Employment and Reemployment Rights Act of 1994. Funds will also maintain a training capacity for about 160,000 TAP participants, and the capacity to process approximately 1,500 veteran employment and reemployment rights complaints.

**The National Veterans Training Institute**
The National Veterans Training Institute provides training to both Federal and State employees and managers involved in the delivery of services to veterans. The institute provides courses of training covering such subjects as reemployment rights, veteran benefits, and basic DVOP and LVER labor exchange training. In FY 2000 NVTI will train more than 1,700 veteran service providers, with emphasis on labor exchange, and case management training.

**Homeless Veterans Program**
In FY 2000, $5.0 million will be requested in the ETA Training and Employment Services appropriation for a Homeless Veterans Program as authorized by the Stewart B. McKinney Homeless Assistance Act. This is an increase of $2.0 million over the current appropriation. The program will provide employment and training assistance to an estimated 5,100 homeless veterans, with expected job placements of approximately 3,500.

**Veterans Workforce Investment Program**
A total of $7.3 million will be requested in the ETA Training and Employment Services appropriation for a training and employment program for veterans under the Workforce Investment Act (Sec. 168 of the WIA). The program will provide training opportunities for service connected disabled veterans, and recently separated and veterans with significant barriers to employment. This program will help 2,200 eligible veterans into jobs.

# OFFICE OF INSPECTOR GENERAL

***Budget Authority/Trust Fund Transfers***
*(Dollars in Millions)*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Program Activities | $43.3 | $49.2 | $5.9 |
| Executive Direction and Management | 5.5 | 6.2 | 0.7 |
| **Total, OIG Budget Authority** | **$48.8** | **$55.4** | **$6.6** |
| *Full Time Equivalents* | *423* | *445* | *22* |

The Office of Inspector General (OIG) is comprised of two activities: Program Activities, and Executive Direction and Management.

**Program Activities**

Program activities within the Office of Inspector General help prevent and detect fraud and abuse in Department of Labor programs and operation. These program activities include audit, program fraud, labor racketeering, and special evaluations and inspections of program activities. The audit activity performs audits of the Department's financial statements, programs, activities, and systems to determine whether information is reliable, controls are in place, resources are safeguarded, funds are expended in a manner consistent with laws and regulations and managed economically and efficiently, and desired program results are achieved. The program fraud activity administers an investigative program to detect and deter fraud, waste and abuse in Departmental programs.

Unlike other Inspectors General, the Department of Labor OIG has mission-related program responsibility for investigating racketeering and corruption in the American workplace. The labor racketeering activity identifies and reduces labor racketeering and corruption in employee benefit plans, labor-management relations, and internal union affairs. The Office of Analysis, Complaints and Evaluations conducts program evaluations and special reviews of selected DOL programs or functions, analyzes complaints involving DOL programs, operations or functions and provides Congressional liaisons. The OIG also provides technical assistance to DOL program agencies.

This request includes increased resources for the OIG to carry-out proactive, investigative probes of pension plan service providers that are controlled or influenced by organized crime and to improve the integrity of effectiveness of the Nation's Unemployment Insurance program. Specifically, this request includes $1.5 million and 7 FTE to protect the pension plans of those unions that have a history of being influenced or controlled by organized crime or labor racketeering by identifying, targeting, and investigating corrupt pension plan service providers. Also, the request includes $1.25 million and 8 FTE to improve the integrity and effectiveness of the Nation's Unemployment Insurance program by conducting inter-state criminal investigations emphasizing areas where there has been an increase in criminal activity and identifying and recommending fixes to systemic weaknesses.

This request also includes resources to meet additional and expanded mandates related to DOL's financial management responsibilities and provide audit services and technical assistance to DOL in its implementation of GPRA to ensure that data systems produce timely, accurate and useful information for Congress and policy makers on the results and cost of DOL program and activities. Specifically, this request includes $2 million and 5 FTE to provide audit oversight of DOL financial management as Federal financial management statutory requirements and standards are increased or expanded. Also, the request includes $500,000 and 2 FTE to provide audit services and technical assistance to DOL in its implementation of GPRA to ensure that data systems produce timely, accurate, and useful information for Congress and policy makers on the results and cost of DOL programs and activities.

__Executive Direction and Management__
This activity includes the management, legal counsel, administrative support, personnel and financial functions for the OIG. This request includes $570,000 to replace obsolete computer hardware to ensure connectivity of OIG staff with stakeholders; and with DOL as a number of key administrative systems are replaced.

*OIG Selected Workload Data*

| | FY 1999 | FY 2000 | Change |
|---|---|---|---|
| Audit Reports Issued | 60 | 80 | 20 |
| Pension/UI Investigations Opened | 254 | 293 | 39 |
| Other Investigative Cases Opened | 379 | 426 | 47 |
| Pension/UI Investigations Completed | 106 | 111 | 5 |
| Other Investigative Cases Completed | 409 | 429 | 20 |

# *DEPARTMENT OF LABOR*

## DISCRETIONARY AND MANDATORY BUDGET AUTHORITY

- Dollars in Millions -

| | FY 1998 BUD. AUTH. | FY 1999 BUD. AUTH. | FY 2000 BUD. AUTH. | FY 1999-2000 DIFFERENCE |
|---|---|---|---|---|
| **DISCRETIONARY PROGRAMS** | | | | |
| Training and Employment Services | 4,988.2 | 5,280.9 | 5,499.8 2/ | 218.9 |
| Community Service Emp. for Older Americans | 440.2 | 440.2 | 440.2 | 0.0 |
| State Employment Service Operations | 973.5 | 968.1 | 1,047.3 2/ | 79.2 |
| Veterans Employment and Training | 157.1 | 157.1 | 157.5 | 0.4 |
| Gifts and Bequests | 0.3 | 0.3 | 0.3 | 0.0 |
| Advances to ESA Account of UTF | 0.0 | 0.0 | 0.0 | 0.0 |
| **Employment and Training Total** | **6,559.3** | **6,846.7** | **7,145.1** | **298.4** |
| **State Unemployment Insurance Operations** | **2,480.5** | **2,360.4** | **2,459.5** | **99.1** |
| Employment and Training Operations | 130.8 | 139.7 | 141.1 | 1.4 |
| Pension and Welfare Benefits Administration | 82.0 | 90.0 | 101.8 | 11.8 |
| Pension Benefit Guaranty Corporation | 10.4 | 11.0 | 11.4 | 0.4 |
| Employment Standards Administration 1/ | 326.8 | 344.2 | 405.2 2/ | 61.0 |
| Occupational Safety & Health Administration | 336.3 | 353.0 | 388.1 | 35.1 |
| Mine Safety and Health Administration | 203.3 | 215.2 | 228.4 | 13.1 |
| Bureau of Labor Statistics | 380.5 | 398.9 | 420.9 | 22.0 |
| Departmental Management 1/ | 172.1 | 215.8 | 278.8 | 63.0 |
| Veterans Employment and Training | 24.8 | 25.6 | 28.1 | 2.5 |
| Office of Inspector General 1/ | 47.6 | 48.8 | 55.5 | 6.7 |
| Working Capital Fund [net] (WCF) | 0.0 | 0.0 | 0.0 | 0.0 |
| **Worker Prot., Sfty & Health, & Stats Total 1/** | **1,714.8** | **1,842.2** | **2,059.3** | **217.1** |
| **TOTAL DISCRETIONARY 1/** | **10,754.6** | **11,049.2** | **11,663.8** | **614.6** |
| **MANDATORY PROGRAMS** | | | | |
| Federal Unemployment Benefits & Allowances | 349.0 | 360.7 | 471.0 | 110.3 |
| TES H1B Fees | 0.0 | 42.3 | 49.9 | 7.6 |
| ESA H1B Fees | 0.0 | 4.5 | 5.3 | 0.8 |
| Payments to the UTF | 0.0 | 0.0 | 0.0 | 0.0 |
| Adv to the Unemp Trust Fund and Other Funds | 0.0 | 3.0 | 0.0 | -3.0 |
| Unemployment Trust Fund (UTF) Base | 23,408.5 | 26,340.9 | 29,331.8 | 2,990.9 |
| [Transfer from UTF] | -3,561.5 | -3,450.9 | -3,558.8 | -107.9 |
| Pension Benefit Guaranty Corporation | 0.0 | 0.0 | 0.0 | 0.0 |
| [Administrative Expenses - Lim] | -10.4 | -11.0 | -11.4 | -0.4 |
| [Services Related To Terminations] {Non-Add} | 137.4 | 147.7 | 153.6 | 5.9 |
| Special Benefits | 201.0 | 179.0 | 79.0 | -100.0 |
| Panama Canal Commission (PCC) | 9.4 | 11.0 | 7.2 | -3.8 |
| Black Lung Disability Trust Fund (BLDTF) | 993.0 | 1,021.0 | 1,014.0 | -7.0 |
| [Transfer from BLDTF] | -46.0 | -50.9 | -50.1 | 0.8 |
| Special Workers Compensation Expenses | 129.8 | 154.0 | 161.8 | 7.8 |
| [Transfer from SWCEP] | -1.0 | -1.9 | -1.7 | 0.2 |
| Welfare-To-Work Jobs, Mandatory | 1,488.0 | 1,409.0 | 1,000.0 | -409.0 |
| Proprietary Receipts: UTF | -2.2 | -2.0 | -2.0 | 0.0 |
| Proprietary Receipts: BLDTF | -1.0 | -2.0 | -2.0 | 0.0 |
| Offsetting Receipts: PCC | -9.4 | -11.0 | -7.2 | 3.8 |
| Interfund Transactions | -511.0 | -473.0 | -499.0 | -26.0 |
| **TOTAL MANDATORY** | **22,436.1** | **25,522.7** | **27,987.7** | **2,465.0** |
| **TOTAL, DEPARTMENT OF LABOR** | **33,190.7** | **36,571.9** | **39,651.5** | **3,079.7** |

1/ Includes Black Lung Trust Fund Transfers

2/ Includes Proposed User Fees

# DEPARTMENT OF LABOR

## DISCRETIONARY AND MANDATORY OUTLAYS

- Dollars in Millions -

| | FY 1998 OUTLAYS | FY 1999 OUTLAYS | FY 2000 OUTLAYS | FY 1999-2000 DIFFERENCE |
|---|---|---|---|---|
| **DISCRETIONARY PROGRAMS** | | | | |
| Training and Employment Services | 4,643.6 | 5,151.2 | 5,122.5 2/ | -28.7 |
| Community Service Emp. for Older Americans | 448.4 | 443.5 | 440.4 | -3.1 |
| State Employment Service Operations | 1,019.6 | 928.9 | 1,014.1 2/ | 85.2 |
| Veterans Employment and Training | 157.9 | 157.1 | 157.5 | 0.4 |
| Gifts and Bequests | 0.3 | 0.3 | 0.3 | 0.0 |
| **Employment and Training Total** | **6,269.8** | **6,681.1** | **6,734.8** | **53.7** |
| **State Unemployment Insurance Operations** | **2,480.5** | **2,430.0** | **2,475.5** | **45.5** |
| Employment and Training Operations | 130.0 | 143.0 | 142.8 | -0.2 |
| Pension and Welfare Benefits Administration | 80.1 | 95.5 | 101.1 | 5.6 |
| Pension Benefit Guaranty Corporation | 10.4 | 11.0 | 11.4 | 0.4 |
| Employment Standards Administration 1/ | 333.9 | 343.2 | 400.2 2/ | 57.0 |
| Occupational Safety & Health Administration | 340.5 | 348.8 | 381.5 | 32.8 |
| Mine Safety and Health Administration | 202.6 | 215.6 | 226.4 | 10.8 |
| Bureau of Labor Statistics | 372.6 | 400.4 | 402.3 | 1.8 |
| Departmental Management 1/ | 168.3 | 199.2 | 268.4 | 69.2 |
| Veterans Employment and Training | 24.8 | 25.6 | 28.1 | 2.5 |
| Office of Inspector General 1/ | 47.8 | 48.4 | 55.0 | 6.6 |
| Working Capital Fund [net] (WCF) | -2.0 | 0.0 | -2.0 | -2.0 |
| **Worker Prot., Sfty & Health, & Stats Total 1/** | **1,709.1** | **1,830.6** | **2,015.1** | **184.5** |
| **TOTAL DISCRETIONARY 1/** | **10,459.4** | **10,941.7** | **11,225.4** | **283.8** |
| **MANDATORY PROGRAMS** | | | | |
| Federal Unemployment Benefits & Allowances | 283.4 | 356.4 | 434.3 | 78.0 |
| TES H1B Fees | 0.0 | 1.3 | 22.6 | 21.4 |
| ESA H1B Fees | 0.0 | 4.5 | 5.3 | 0.8 |
| Payments to the UTF | 0.0 | 0.0 | 0.0 | 0.0 |
| Adv to the Unemp Trust Fund and Other Funds | 0.0 | 3.0 | 0.0 | -3.0 |
| Unemployment Trust Fund (UTF) Base | 23,409.3 | 26,395.1 | 29,307.6 | 2,912.5 |
| [Transfer from UTF] | -3,562.3 | -3,512.1 | -3,534.6 | -22.5 |
| Pension Benefit Guaranty Corporation | -1,217.7 | -843.0 | -1,039.0 | -196.0 |
| [Administrative Expenses - Lim] | -10.4 | -11.0 | -11.4 | -0.4 |
| [Services Related To Terminations] {Non-Add} | 137.4 | 147.7 | 153.6 | 5.9 |
| Special Benefits | 56.4 | 75.0 | 113.0 | 38.0 |
| Panama Canal Commission (PCC) | 6.3 | 6.9 | 6.9 | 0.0 |
| Black Lung Disability Trust Fund (BLDTF) | 993.0 | 1,021.0 | 1,014.0 | -7.0 |
| [Transfer from BLDTF] | -46.0 | -50.9 | -50.1 | 0.8 |
| Special Workers Compensation Expenses | 141.5 | 149.0 | 156.8 | 7.8 |
| [Transfer from SWCEP] | -1.0 | -1.9 | -1.7 | 0.2 |
| Welfare-To-Work Jobs, Mandatory | 16.2 | 871.9 | 1,596.6 | 724.8 |
| Proprietary Receipts: UTF | -2.2 | -2.0 | -2.0 | 0.0 |
| Proprietary Receipts: BLDTF | -1.0 | -2.0 | -2.0 | 0.0 |
| Offsetting Receipts: PCC | -6.3 | -6.9 | -6.9 | 0.0 |
| Interfund Transactions | -511.0 | -473.0 | -499.0 | -26.0 |
| **TOTAL MANDATORY** | **19,548.1** | **23,981.2** | **27,510.5** | **3,529.2** |
| **TOTAL, DEPARTMENT OF LABOR** | **30,007.5** | **34,922.9** | **38,735.9** | **3,813.0** |

1/ Includes Black Lung Trust Fund Transfers

2/ Includes Proposed User Fees

# U. S. DEPARTMENT OF LABOR
## FULL-TIME EQUIVALENT (FTE) EMPLOYMENT

| | FY 1998 Actual | FY 1999 Enacted | FY 2000 Request | FY 99-00 Difference |
|---|---|---|---|---|
| Employment and Training | 1,338 | 1,388 | 1,344 * | -44 |
| Pension and Welfare Benefits | 664 | 764 | 829 | 65 |
| Pension Benefit Guaranty Corporation | 724 | 754 | 754 | 0 |
| Employment Standards Administration | 3,823 | 4,038 | 4,190 * | 152 |
| Occupational Safety and Health | 2,171 | 2,224 | 2,326 | 102 |
| Mine Safety and Health | 2,145 | 2,261 | 2,317 | 56 |
| Bureau of Labor Statistics | 2,460 | 2,477 | 2,559 | 82 |
| Departmental Management | 1,551 | 1,615 | 1,680 | 65 |
| Veterans Employment and Training | 251 | 254 | 255 | 1 |
| Office of Inspector General | 414 | 423 | 445 | 22 |
| Working Capital Fund | 710 | 700 | 700 | 0 |
| **Total FTE Employment** | **16,251** | **16,898** | **17,399** | **501** |

** 98 FTE transferred from ETA to ESA for Alien Labor Certification in FY 2000*