

**FY 2018**

**CONGRESSIONAL BUDGET JUSTIFICATION**

**EMPLOYMENT AND TRAINING ADMINISTRATION**

**Training and Employment Services**

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# TRAINING AND EMPLOYMENT SERVICES

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# TRAINING AND EMPLOYMENT SERVICES

## TES Appropriation Language

*For necessary expenses of the Workforce Innovation and Opportunity Act (referred to in this Act as "WIOA"), the Second Chance Act of 2007, and the National Apprenticeship Act, \$2,053,766,000 plus reimbursements, shall be available. Of the amounts provided:*

*(1) for grants to States for adult employment and training activities, youth activities, and dislocated worker employment and training activities, \$1,629,522,000 as follows:*

*(A) \$490,370,000 for adult employment and training activities, of which \$102,370,000 shall be available for the period July 1, 2018 through June 30, 2019, and of which \$388,000,000 shall be available for the period October 1, 2018 through June 30, 2019;*

*(B) \$523,667,000 for youth activities, which shall be available for the period April 1, 2018 through June 30, 2019; and*

*(C) \$615,485,000 for dislocated worker employment and training activities, of which \$160,485,000 shall be available for the period July 1, 2018 through June 30, 2019, and of which \$455,000,000 shall be available for the period October 1, 2018 through June 30, 2019:*

*Provided, That pursuant to section 128(a)(1) of the WIOA, the amount available to the Governor for statewide workforce investment activities shall not exceed 15 percent of the amount allotted to the State from each of the appropriations under the preceding subparagraphs: Provided further, That the funds available for allotment to outlying areas to carry out subtitle B of title I of the WIOA shall not be subject to the requirements of section 127(b)(1)(B)(ii) of such Act; Provided further, That the Secretary of Labor, pursuant to a request from a State, may waive the requirements relating to the required designation of local workforce development areas under paragraphs (2) and (3) of section 106(b) of the WIOA and allow the Governor to redesignate such local areas in accordance with the considerations specified in section 106(b)(1)(B) of such Act; Provided further, That a local workforce development board may transfer, if such a*

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*transfer is approved by the Governor, up to 100 percent of the funds allocated to the local area for adult employment and training activities to youth activities, and up to 100 percent of the funds allocated for youth activities to adult employment and training activities; Provided further, That, notwithstanding sections 129(b)(1) and 134(a)(2) of the WIOA, the funds reserved for statewide activities under section 128(a) of such Act may be used to carry out any of the activities described under sections 129(b) and 134(a) of such Act; Provided further, That, notwithstanding section 134(a)(2)(A) of the WIOA, funds required to be reserved to carry out rapid response services under section 133(a)(2) of such Act may be used by States to provide other Statewide activities described in sections 129(b) and 134(a) of such Act or to provide additional assistance to local workforce development areas; Provided further, That notwithstanding section 128(b)(4) of the WIOA, local workforce development boards may use not more than 12.5 percent of funds allocated for under section 128(b) and section 133(b) of such Act for administrative costs of carrying out local workforce investment activities; Provided further, That in addition to waivers issued pursuant to requests by States under section 189(i) of WIOA, the Secretary of Labor may waive such administrative and reporting requirements under such Act (except requirements relating to labor standards or nondiscrimination) as the Secretary determines are appropriate to promote efficiency and reduce administrative costs of States and local workforce development areas; Provided further, That notwithstanding sections 127(b)(1)(C)(iv)(IV) and 132(b)(1)(B)(iv)(IV) of the WIOA, in allotting funds to the States for the Youth formula program under section 127(b)(1)(C) and for the Adult formula program under section 132(b)(1)(B) of such Act, the Secretary of Labor shall ensure that no State shall receive, for each such formula program, an allotment that is less than the greater of: 90 percent of the allotment percentage of the State for the preceding year; or 0.3 percent of the amount available to all States for each such formula program.*

*(2) for national programs, \$424,244,000 as follows:*

*(A) \$117,000,000 for the dislocated workers assistance national reserve, of which \$21,000,000 shall be available for the period July 1, 2018 through September 30, 2019,*

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*of which \$30,000,000 shall be available for the period October 1, 2018 through September 30, 2019 and \$66,000,000 shall be available for the period October 1, 2017 through September 30, 2019: Provided, That funds provided to carry out section 132(a)(2)(A) of the WIOA may be used to provide assistance to a State for statewide or local use in order to address cases where there have been worker dislocations across multiple sectors or across multiple local areas and such workers remain dislocated; coordinate the State workforce development plan with emerging economic development needs; and train such eligible dislocated workers: Provided further, That funds provided to carry out sections 168(b) and 169(c) of the WIOA may be used for technical assistance and demonstration projects, respectively, that provide assistance to new entrants in the workforce and incumbent workers: Provided further, That notwithstanding section 168(b) of the WIOA, of the funds provided under this subparagraph, the Secretary of Labor may reserve not more than 10 percent of such funds to provide technical assistance and carry out additional activities related to the transition to the WIOA: Provided further, That the funds provided under this subparagraph for the period of October 1, 2017 through September 30, 2019 shall be for training and employment assistance under sections 168(b), 169(c) (notwithstanding the 10 percent limitation in such section) and 170 of WIOA for workers in the Appalachian region, as defined by 40 U.S.C.14102(a)(1);*

*(B) \$49,905,000 for Native American programs under section 166 of the WIOA, which shall be available for the period April 1, 2018 through June 30, 2019;*

*(C) \$84,373,000 for YouthBuild activities as described in section 171 of the WIOA, which shall be available for the period April 1, [2016] 2018 through June 30, 2019;*

*(D) \$5,226,000 for technical assistance activities under section 168 of the WIOA, which shall be available for the period July 1, 2018 through June 30, 2019;*

*(E) \$77,911,000 for ex-offender activities, under the authority of section 169 of the WIOA and section 212 of the Second Chance Act of 2007, which shall be available for the period April 1, 2018 through June 30, 2019: Provided, That of this amount, \$20,000,000*

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*shall be for competitive grants to national and regional intermediaries for activities that prepare young ex-offenders and school dropouts for employment, with a priority for projects serving high-crime, high-poverty areas;*

*(F) \$89,829,000 to expand opportunities relating to apprenticeship programs registered under the National Apprenticeship Act, to be available to the Secretary to carry out activities through grants, cooperative agreements, contracts and other arrangements, with States and other appropriate entities, which shall be available for the period April 1, 2018 through June 30, 2019.*

Note.-A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.



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## ANALYSIS OF APPROPRIATION LANGUAGE

<b>Language Provision</b>	<b>Explanation</b>
<i>Provided further, That the Secretary of Labor, pursuant to a request from a State, may waive the requirements relating to the required designation of local workforce development areas under paragraphs (2) and (3) of section 106(b) of WIOA and allow the Governor to redesignate such local areas in accordance with the considerations specified in section 106(b)(1)(B) of such Act;</i>	<p>This proviso would provide for greater flexibility for States in the designation of local workforce development areas to facilitate the more efficient delivery of services and reduce the number of local administrative structures needed to carry out the formula programs in a State. The provision authorizes the Secretary of Labor, pursuant to a request from the Governor, to waive the requirements that the Governor must approve for designation of any local area that was designated under the predecessor Workforce Investment Act and continues to meet performance measures and sustain fiscal integrity. There are over 600 local areas throughout the country and this proviso would allow the Governor to redesignate and consolidate local areas in accordance with the considerations provided in WIOA that apply to local areas not grandfathered from WIA. Those considerations are consistency with local labor market areas, consistency with regional economic development areas, and the availability of Federal and non-Federal resources in the area to effectively administer the programs, including the availability of education and training providers. With more limited funding, this flexibility could allow States to more efficiently administer the WIOA formula programs.</p>
<i>Provided further, That a local workforce development board may transfer, if such a transfer is approved by the Governor, up to and including 100 percent of the funds allocated to the local area for adult employment and training activities to youth activities, and up to and including 100 percent of the funds allocated for youth activities to adult employment and training activities;</i>	<p>This proviso would provide significant additional flexibility to local areas, with the approval of the Governor, to transfer funds between the WIOA Adult and Youth formula programs to meet the needs of the local area. Section 133(b)(4) of WIOA already provides for such transfers between the Adult and Dislocated Worker formula programs.</p>

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*Provided further, That, notwithstanding sections 129(b)(1) and 134(a)(2) of WIOA, the funds reserved for statewide activities under section 128(a) of such Act may be used to carry out any of the activities described under sections 129(b) and 134(a) of such Act;*

This proviso would provide enhanced flexibility to the States by allowing States to use WIOA funds reserved for statewide activities for any of the statewide activities authorized under the Act and not requiring the use of funds for certain activities. The current required activities include providing assistance for the re-designation of local areas and the development of regional plans, disseminating lists of providers, rapid response activities, providing additional assistance to certain areas with high concentrations of eligible youth, conducting evaluations, disseminating information on effective service delivery and on accessibility requirements, operating a fiscal and management accountability system, and conducting monitoring and oversight. While it would be expected that States will use reserve funds to carry out many of these activities, the proviso allows States the flexibility to make that determination. In addition, the proviso would allow those funds to be used for permissible statewide activities, such as implementing innovative programs, and could result in States reserving a smaller percentage for statewide activities and providing more funding to local areas.

*Provided further, That, notwithstanding section 134(a)(2)(A) of the WIOA, funds required to be reserved to carry out rapid response services under section 133(a)(2) of such Act may be used by States to provide other Statewide activities described in sections 129(b) and 134(a) of such Act or to provide additional assistance to local workforce development areas;*

This proviso would provide States flexibility in the use of funds that WIOA otherwise requires in the first year to be used for rapid response activities. Section 133(a)(2) of WIOA requires that States reserve not more than 25 percent of the funds allotted under the Dislocated Worker formula program to be used for rapid response activities, which provides information on and access to employment and training activities for dislocated workers in the case of a plant closing, mass layoff, or natural disaster. WIOA already allows funds reserved for rapid response that remain unobligated at the end of the first program year to be used for other statewide activities. This proviso would accelerate this flexibility to allow such reserved funds to be used at any time for other statewide activities and to provide additional assistance to local workforce development areas.

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*Provided further, That notwithstanding section 128(b)(4) of the WIOA, local workforce development boards may use not more than 12.5 percent of funds allocated for under section 128(b) and section 133(b) of such Act for administrative costs of carrying out local workforce investment activities;*

*Provided further, That in addition to waivers issued pursuant to requests by States under section 189(i) of WIOA, the Secretary of Labor may waive such administrative and reporting requirements under such Act (except requirements relating to labor standards or nondiscrimination) as the Secretary determines are appropriate to promote efficiency and reduce administrative costs of States and local workforce development areas.*

*Provided further, That notwithstanding sections 127(b)(1)(C)(iv)(IV) and 132(b)(1)(B)(iv)(IV) of the WIOA, in allotting funds to the States for the Youth formula program under section 127(b)(1)(C) and for the Adult formula program under section 132(b)(1)(B) of such Act, the Secretary of Labor shall ensure that no State shall receive, for each such formula program, an allotment that is less than the greater of: 90 percent of the allotment percentage of the State for the preceding year; or 0.3 percent of the amount available to all States for each*

This proviso would provide local workforce development boards with the flexibility to reserve up to 12.5 percent, rather than 10 percent under current law, to carry out local administrative activities. Given the significant reduction in the allocation amounts to local areas under the budget, these local areas will likely need the flexibility to reserve a slightly larger percentage of funds to meet necessary administrative costs. Administrative costs, many of which are fixed, do not decrease at the same rate as program costs when there is a reduction in funding.

The proviso would provide flexibility for the Secretary of Labor to waive administrative and reporting requirements under WIOA (except for requirements relating to labor standards or nondiscrimination) that the Secretary determines are appropriate to promote efficiency and reduce administrative costs. Section 189 (i) of WIOA already provides broad waiver authority for the Secretary pursuant to a request from a State in accordance with certain procedures. This proviso would provide a tool for the Secretary to issue waivers nationwide of administrative and reporting requirements in order to help address the effects of reduced funding on States and local workforce development areas.

This proviso is intended to ensure that small States will receive allotments that would allow for the administration of viable statewide formula programs. Under current law, the Adult and Youth formula programs have a small State minimum that would be only .25 percent of the total. At the appropriations level proposed for the formula programs, these minimum amounts may be insufficient for small States to operate programs statewide. This proviso would increase that amount to .3 percent of the total. WIOA already provides for a .3 percent small State minimum, but only at levels of appropriations these programs have never received (\$1 billion for youth and \$960 million for adults). A higher percentage for the small State minimum may actually be more appropriate at lower levels of appropriations, especially if the

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*such formula program.*

*Provided further, That the funds provided under this subparagraph for the period of October 1, 2017 through September 30, 2019 shall be for training and employment assistance under sections 168(b), 169(c) (notwithstanding the 10 percent limitation in such section) and 170 of WIOA for workers in the Appalachian region, as defined by 40 U.S.C.14102(a)(1);*

intent is to ensure a minimally adequate level of funding to administer the adult and youth formula programs. The amounts included in the proviso are intended to address that concern.

This proviso would dedicate \$66 million from the Dislocated Workers National Reserve to provide employment and training assistance to workers in the Appalachian region (defined as including specified counties in 13 States). The funding includes National Dislocated Worker Grants to provide assistance to dislocated workers in areas affected by significant layoffs and Pilots and Demonstration projects to meet the needs of workers (including new entrants and incumbent workers in addition to dislocated workers) in the region, which may include projects promoting job creation, averting dislocations, and promoting self-employment. To provide significant flexibility in promoting employment in the region, the pilots and demonstrations would not be restricted by a cap of 10 percent of National Reserve funds that generally may be used for such projects. Funds would also be available for training and technical assistance.

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<b>AMOUNTS AVAILABLE FOR OBLIGATION</b>						
(Dollars in Thousands)						
	<b>FY 2016 Enacted</b>		<b>FY 2017 Full Year C.R.</b>		<b>FY 2018 Request</b>	
	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>	<b>FTE</b>	<b>Amount</b>
<b>A. Appropriation</b>	<b>0</b>	<b>\$1,563,425</b>	<b>0</b>	<b>\$1,560,453</b>	<b>0</b>	<b>\$1,180,766</b>
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$1,563,425</i>	<i>0</i>	<i>\$1,560,453</i>	<i>0</i>	<i>\$1,180,766</i>
Offsetting Collections From:						
Fees	0	\$152,644	0	\$160,200	0	\$150,000
Transfer pursuant to P.L. 114-113	0	-\$13,000	0	\$0	0	\$0
<i>Subtotal Appropriation Offsetting Collections</i>	<i>0</i>	<i>\$139,644</i>	<i>0</i>	<i>\$160,200</i>	<i>0</i>	<i>\$150,000</i>
Advance Appropriation	0	\$1,772,000	0	\$1,772,000	0	\$873,000
<i>Subtotal Advance Appropriation</i>	<i>0</i>	<i>\$1,772,000</i>	<i>0</i>	<i>\$1,772,000</i>	<i>0</i>	<i>\$873,000</i>
<b>B. Gross Budget Authority</b>	<b>0</b>	<b>\$3,475,069</b>	<b>0</b>	<b>\$3,492,653</b>	<b>0</b>	<b>\$2,203,766</b>
Offsetting Collections From:						
Fees	0	-\$139,644	0	-\$160,200	0	-\$150,000
<i>Subtotal Fees</i>	<i>0</i>	<i>-\$139,644</i>	<i>0</i>	<i>-\$160,200</i>	<i>0</i>	<i>-\$150,000</i>
<b>C. Budget Authority Before Committee</b>	<b>0</b>	<b>\$3,335,425</b>	<b>0</b>	<b>\$3,332,453</b>	<b>0</b>	<b>\$2,053,766</b>
Offsetting Collections From:						
Prior Year Balance	0	\$87,601	0	\$244,740	0	\$0
Fees	0	\$152,644	0	\$160,200	0	\$150,000
<i>Subtotal</i>	<i>0</i>	<i>\$240,245</i>	<i>0</i>	<i>\$404,940</i>	<i>0</i>	<i>\$150,000</i>
<b>D. Total Budgetary Resources</b>	<b>0</b>	<b>\$3,575,670</b>	<b>0</b>	<b>\$3,737,393</b>	<b>0</b>	<b>\$2,203,766</b>
Unobligated Balances Expiring	0	-\$150	0	\$0	0	\$0
<b>E. Total, Estimated Obligations</b>	<b>0</b>	<b>\$3,575,520</b>	<b>0</b>	<b>\$3,737,393</b>	<b>0</b>	<b>\$2,203,766</b>

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## SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2017 Full Year C.R.	FY 2018 Request	Net Change
<b>Budget Authority</b>			
General Funds	\$3,332,453	\$2,053,766	-\$1,278,687
<b>Total</b>	<b>\$3,332,453</b>	<b>\$2,053,766</b>	<b>-\$1,278,687</b>
<b>Full Time Equivalents</b>			
General Funds	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

### FY 2018 Change

Explanation of Change	FY 2017 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Increases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
Costs of pay adjustments	0	\$0	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$1,613	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$0	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$3,330,840	0	\$0	0	\$0	0	\$0
RTAA	0	\$0	0	\$0	0	\$0	0	\$0
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>+\$3,332,453</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>B. Programs:</b>								
To provide for an increased funding for Technical Assistance								
<b>Programs Subtotal</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$2,000</b>	<b>0</b>	<b>\$2,000</b>
<b>Total Increase</b>	<b>0</b>	<b>+\$3,332,453</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$2,000</b>	<b>0</b>	<b>+\$2,000</b>
<b>Decreases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>B. Programs:</b>								
To provide for a reduction to Dislocated Worker Employment and Training Activities								
	0	\$0	0	\$0	0	-\$405,069	0	-\$405,069

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Explanation of Change	FY 2018 Change							
	FY 2017 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
To provide for a reduction to Youth Activities	0	\$0	0	\$0	0	-\$348,089	0	-\$348,089
To provide for a reduction to Adult Employment and Training Activities	0	\$0	0	\$0	0	-\$324,989	0	-\$324,989
To provide for a reduction to National Dislocated Worker Grants	0	\$0	0	\$0	0	-\$103,819	0	-\$103,819
To provide for elimination of funding for Migrant and Seasonal Farmworkers	0	\$0	0	\$0	0	-\$81,740	0	-\$81,740
To provide for a reduction to Reintegration of Ex-Offenders	0	\$0	0	\$0	0	-\$10,000	0	-\$10,000
To provide for elimination of funding for Workforce Data Quality Initiative	0	\$0	0	\$0	0	-\$5,989	0	-\$5,989
To provide for elimination of funding for Women in Apprenticeship Programs	0	\$0	0	\$0	0	-\$992	0	-\$992
<b>Programs Subtotal</b>			<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$1,280,687</b>	<b>0</b>	<b>-\$1,280,687</b>
<b>Total Decrease</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$1,280,687</b>	<b>0</b>	<b>-\$1,280,687</b>
<b>Total Change</b>	<b>0</b>	<b>+\$3,332,453</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$1,278,687</b>	<b>0</b>	<b>-\$1,278,687</b>

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<b>SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY</b>								
(Dollars in Thousands)								
	FY 2016 Enacted		FY 2017 Full Year C.R.		FY 2018 Request		Diff. FY18 Request / FY17 Full Year C.R.	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Adult Employment and Training Activities</b>	<b>0</b>	<b>814,202</b>	<b>0</b>	<b>815,359</b>	<b>0</b>	<b>490,370</b>	<b>0</b>	<b>-324,989</b>
General Funds	0	814,202	0	815,359	0	490,370	0	-324,989
<b>Youth Activities</b>	<b>0</b>	<b>873,416</b>	<b>0</b>	<b>871,756</b>	<b>0</b>	<b>523,667</b>	<b>0</b>	<b>-348,089</b>
General Funds	0	873,416	0	871,756	0	523,667	0	-348,089
<b>Dislocated Workers Employment and Training Activities</b>	<b>0</b>	<b>1,239,704</b>	<b>0</b>	<b>1,241,373</b>	<b>0</b>	<b>732,485</b>	<b>0</b>	<b>-508,888</b>
General Funds	0	1,239,704	0	1,241,373	0	732,485	0	-508,888
<b>Formula Grants</b>	<b>0</b>	<b>1,019,225</b>	<b>0</b>	<b>1,020,554</b>	<b>0</b>	<b>615,485</b>	<b>0</b>	<b>-405,069</b>
General Funds	0	1,019,225	0	1,020,554	0	615,485	0	-405,069
<b>National Dislocated Worker Grants</b>	<b>0</b>	<b>220,479</b>	<b>0</b>	<b>220,819</b>	<b>0</b>	<b>117,000</b>	<b>0</b>	<b>-103,819</b>
General Funds	0	220,479	0	220,819	0	117,000	0	-103,819
<b>Indian and Native American Programs</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>49,905</b>	<b>0</b>	<b>49,905</b>	<b>0</b>	<b>0</b>
General Funds	0	50,000	0	49,905	0	49,905	0	0
<b>Migrant and Seasonal Farmworkers</b>	<b>0</b>	<b>81,896</b>	<b>0</b>	<b>81,740</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-81,740</b>
General Funds	0	81,896	0	81,740	0	0	0	-81,740
<b>Technical Assistance</b>	<b>0</b>	<b>3,232</b>	<b>0</b>	<b>3,226</b>	<b>0</b>	<b>5,226</b>	<b>0</b>	<b>2,000</b>
General Funds	0	3,232	0	3,226	0	5,226	0	2,000



## TRAINING AND EMPLOYMENT SERVICES

### SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY

(Dollars in Thousands)

	FY 2016 Enacted		FY 2017 Full Year C.R.		FY 2018 Request		Diff. FY18 Request / FY17 Full Year C.R.	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Reintegration of Ex-Offenders</b>	<b>0</b>	<b>88,078</b>	<b>0</b>	<b>87,911</b>	<b>0</b>	<b>77,911</b>	<b>0</b>	<b>-10,000</b>
General Funds	0	88,078	0	87,911	0	77,911	0	-10,000
<b>Apprenticeship Grants</b>	<b>0</b>	<b>90,000</b>	<b>0</b>	<b>89,829</b>	<b>0</b>	<b>89,829</b>	<b>0</b>	<b>0</b>
General Funds	0	90,000	0	89,829	0	89,829	0	0
<b>Workforce Data Quality Initiative</b>	<b>0</b>	<b>6,000</b>	<b>0</b>	<b>5,989</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-5,989</b>
General Funds	0	6,000	0	5,989	0	0	0	-5,989
<b>YouthBuild</b>	<b>0</b>	<b>84,534</b>	<b>0</b>	<b>84,373</b>	<b>0</b>	<b>84,373</b>	<b>0</b>	<b>0</b>
General Funds	0	84,534	0	84,373	0	84,373	0	0
<b>Women in Apprenticeship</b>	<b>0</b>	<b>994</b>	<b>0</b>	<b>992</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-992</b>
General Funds	0	994	0	992	0	0	0	-992
<b>Total</b>	<b>0</b>	<b>3,332,056</b>	<b>0</b>	<b>3,332,453</b>	<b>0</b>	<b>2,053,766</b>	<b>0</b>	<b>-1,278,687</b>
<b>General Funds</b>	<b>0</b>	<b>3,332,056</b>	<b>0</b>	<b>3,332,453</b>	<b>0</b>	<b>2,053,766</b>	<b>0</b>	<b>-1,278,687</b>

## TRAINING AND EMPLOYMENT SERVICES

<b>BUDGET AUTHORITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
	Full-Time Equivalent				
	<b>Total</b>	0	0	0	0
11.1	Full-time permanent	0	0	0	0
11.9	<b>Total personnel compensation</b>	0	0	0	0
22.0	Transportation of things	0	0	0	0
24.0	Printing and reproduction	0	0	0	0
25.1	Advisory and assistance services	1,616	1,613	2,613	1,000
25.2	Other services from non-Federal sources	0	0	0	0
25.7	Operation and maintenance of equipment	0	0	0	0
41.0	Grants, subsidies, and contributions	3,333,809	3,330,840	2,051,153	-1,279,687
	<b>Total</b>	<b>3,335,425</b>	<b>3,332,453</b>	<b>2,053,766</b>	<b>-1,278,687</b>

## TRAINING AND EMPLOYMENT SERVICES

<b>APPROPRIATION HISTORY</b>					
(Dollars in Thousands)					
	<b>Budget Estimates to Congress</b>	<b>House Allowance</b>	<b>Senate Allowance</b>	<b>Appropriations</b>	<b>FTE</b>
2008 ...1/2/	\$2,776,972	\$1,758,530	\$1,815,138	\$2,696,210	0
2008 Advance for 2009	\$1,772,000		\$1,772,000	\$1,772,000	0
2009	\$1,338,600		\$1,854,448	\$1,854,448	0
2009 Advance for 2010	\$1,772,000	\$1,772,000		\$1,772,000	0
2010	\$2,061,563	\$2,030,961		\$1,927,986	0
2010 Advance for 2011	\$1,772,000			\$1,772,000	0
2011 ...3/	\$2,153,475		\$2,105,478	\$1,569,148	0
2011 Advance for 2012	\$1,772,000		\$1,772,000	\$1,772,000	0
2012 ...4/	\$1,854,947		\$1,538,247	\$1,409,009	0
2012 Advance for 2013	\$1,772,000			\$1,772,000	0
2013 ...5/	\$1,459,812			\$1,265,922	0
2013 Advance for 2014	\$1,772,000			\$1,772,000	0
2014	\$1,615,405			\$1,376,855	0
2014 Advance for 2015	\$1,772,000			\$1,772,000	0
2015	\$1,483,507			\$1,367,706	0
2015 Advance for 2016	\$1,772,000			\$1,772,000	0
2016	\$1,630,431	\$1,231,314	\$2,156,494	\$1,563,425	0
2016 Advance for 2017...6/	\$1,772,000	\$1,772,000	\$1,772,000	\$1,768,631	0
2017 ...7/	\$1,753,460		\$2,322,520		0
2017 Advance for 2018	\$1,772,000				0
2018	\$1,180,766				0
2018 Advance for 2019	\$873,000				0

1/ Reflects 1.747% rescission pursuant to P.L. 110-161.

2/ Excludes \$250,000,000 for Recovery Act pursuant to P.L. 111-5

3/ Reflects a 0.2% across-the-board rescission pursuant to P.L. 112-10

4/ Reflects a 0.189% across-the-board rescission pursuant to P.L. 112-74

5/ Reflects a 0.2% across the board rescission pursuant to P.L. 113-6 and the sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as executed. Does not reflect Hurricane Sandy Disaster Supplemental funds provided pursuant to P.L. 113-2.

6/ Reflects a 0.1901% across-the-board rescission pursuant to P.L. 114-254

# TRAINING AND EMPLOYMENT SERVICES

## TES Introduction

The Training and Employment Services (TES) programs provide employers with trained and qualified workers to fill their current and future openings and help Americans get and keep jobs. Programmatic activities under the TES account provide a comprehensive integrated public workforce system while addressing diverse employer needs through formula funded employment and job training programs for adults, youth, and dislocated workers and national programs such as YouthBuild, Native Americans Programs, and Reentry Employment Opportunities (REO). In addition, the Dislocated National Reserve provides grants to communities that have experienced job losses due to reductions caused by disasters or mass layoffs. Additionally, TES provides Apprenticeship Grants to increase adoption of this evidence-based learn-and-earn model.

The Budget significantly decreases Federal support for job training and employment service formula grants, shifting more responsibility for funding these services to States, localities, and employers; and includes a number of proposals to maximize the use of the flexibilities and waivers available under WIOA in order to help the workforce system manage with lower Federal funding. These flexibilities include:

- Enable states, through waivers, to re-designate local areas without adhering to current regulatory provisions that generally provide automatic designation to local areas;
- Enable states to use all funds under section 7 of the Wagner-Peyser Act for labor exchange activities;
- Establish 100 percent transfer flexibility between the Adult and Youth funding streams, similar to the flexibility between the Adult and Dislocated Worker funding streams at the local level;
- Allow greater flexibility in using State Set-Aside funds, making required activities optional;
- Allow greater flexibility for Rapid Response Funds – up to 100 percent, to support activities of the State Set-Aside, including additional assistance to local areas;
- Allow the percentage of funding that can be used on administrative costs for State and local grantees to be raised by a small amount since core administrative functions must still be performed. The cost of these administrative functions does not decrease at the same rate as program costs decrease when funding levels decline. The current limit is 5 percent at the state level and 10 percent at the local level;
- Lessen administrative and reporting requirements envisioned by WIOA, which may also decrease administrative costs; and Ensure that small States receive allotments that allow for the administration of viable statewide formula programs. Under current law, the Adult and Youth formula programs have a small State minimum that would be only 0.25 percent of the total available. At the appropriations level proposed for the formula programs, these minimum amounts may be insufficient for small States to operate programs statewide. The change increases the minimum percentage to 0.3 percent of the total, which would provide small states with approximately the funding level they are currently receiving.

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>814,202</b>	<b>815,359</b>	<b>490,370</b>	<b>-324,989</b>
FTE	0	0	0	0

### **Introduction**

The Workforce Innovation and Opportunity Act (WIOA) Adult program helps adults with barriers to employment gain new skills and find in-demand jobs in sectors that are projected to grow. The Adult program also provides employment and training services to our Nation’s separating military service members, as well as military spouses having difficulty in finding employment. WIOA requires this program to focus on serving disadvantaged, low-income, low-skilled, unemployed, and underemployed adults by providing services to help them enter or re-enter the workforce.

The program is intended to achieve the following:

- Supports getting Americans back to work by helping align the skills of American workers with the skill needs of business;
- Provides job seekers with job placement, career counseling, skills training, credential attainment, and labor exchange services that make it possible for adults served by the program to quickly return to work;
- Provides businesses assistance in finding and retaining skilled workers for in-demand jobs; and
- Offers seamless service delivery by providing multiple workforce-related programs in consolidated American Job Centers, which maximizes the Federal investment in workforce services through economies of scale.

The Adult program provides an array of career, supportive, and training services to meet the needs of adult job seekers, particularly those who are disadvantaged. Those services include basic career services such as job search and placement assistance and real-time labor market information, as well as individualized case management services ranging from comprehensive skills assessments to career counseling and planning. For adult job seekers needing new or upgraded skills, training services are available, including but not limited to: occupational skills training, on-the-job training (OJT), incumbent worker training, workplace training and related instructional programs, skill upgrading, adult education and literacy training, and customized training. In addition, these job seekers may receive supportive services, such as transportation, child care, and needs-related payments to assist them in completing training.

In Program Year (PY) 2015, the WIOA Adult program served 6,124,054 participants<sup>2</sup>. In PY 2015, services in the Adult program led to:

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

- 552,800 unemployed adults entered employment one quarter after participation in the Adult program resulting in a 67.1 percent Entered Employment Rate<sup>1</sup>, including:
  - Over 48,000 unemployed adults in receipt of public assistance<sup>2</sup>
  - Over 31,000 unemployed veterans<sup>2</sup>
  - Over 15,000 unemployed individuals with disabilities<sup>2</sup>
  - Over 63,000 unemployed older workers<sup>2</sup>

In PY 2015, 153,000 individuals received training under the Adult program, resulting in a 79.1 percent Entered Employment Rate for those in training, compared to 66.4 percent for those who did not receive training services.<sup>23</sup>

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2013	\$730,624	0
2014	\$766,080	0
2015	\$776,736	0
2016	\$814,202	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

### Funding Mechanism

WIOA programs operate on a program year (PY) basis of July 1 through the following June 30. Funds appropriated in FY 2018 are available from July 1, 2018 through June 30, 2019, or PY 2018. The Department allocates funding to states based on a statutory formula. The states, in turn, allocate funds to local workforce areas based on a formula distribution as defined in Sec. 133(b) of WIOA.

### FY 2018

To address the employment and training needs of adults, particularly those adults who are disadvantaged, low-income, or low-skilled in FY 2018, the Department is requesting \$490,370,000. The FY 2018 request shifts responsibility for funding these services to States, localities, and employers. PY 2018 funds will be directed by formula to states to provide WIOA Adult services. Based on the most recent cost per participant data (from PY 2015) these Federal funds will serve an estimated 3,861,181 eligible adults, who face barriers to employment. The request maintains the Governor's Reserve of 15 percent, which allows states to provide services,

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<sup>1</sup> Individuals unemployed at participation who found employment after exiting the program divided by the total number of exiters

<sup>2</sup> WIA PY 2015 State Annual Performance Reports

<sup>3</sup> Workforce System Results PY 2015,

[https://www.doleta.gov/performance/results/pdf/DOL\\_Workforce\\_Rprt\\_June\\_2016.pdf](https://www.doleta.gov/performance/results/pdf/DOL_Workforce_Rprt_June_2016.pdf)

## **ADULT EMPLOYMENT AND TRAINING ACTIVITIES**

conduct statewide projects, ensure financial and programmatic oversight of the local workforce system, and plan workforce programs.

The Department, states, and local workforce investment areas are in the process of implementing new WIOA performance indicators, which are implemented across WIOA core programs, including WIOA adult, dislocated worker and youth programs and Wagner-Peyser Employment Services administered by the Department of Labor, and Vocational Rehabilitation and Adult Education and Family Literacy Act programs, administered by the Department of Education. Program Year 2017 is the first year of reporting for these grantees. Targets were negotiated for some indicators using proxy, historical data from WIA; however, full information to calculate complete outcomes for these measures will not be available until the end of PY 2017. PY 2017 outcomes will be available at the end of calendar year 2018.

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Adult Employment and Training Activities</b>							
ETA-WIOA Adult-01	Employment Rate – 2nd Quarter After Exit (WIOA Adult)	--	--	[base]	--	[base]	TBD
ETA-WIOA Adult-02	Employment Rate – 4th Quarter After Exit (WIOA Adult)	--	--	[base]	--	[base]	TBD
ETA-WIOA Adult-03	Median Earning – 2nd Quarter After Exit (WIOA Adult)	--	--	[base]	--	[base]	TBD
	Number of Participants Served (WIOA Adult)	6,633,666[p]	6,124,054	6,421,701[p]	--	6,421,701[p]	3,861,181
	Cost Per Participant Served (WIOA Adult)	\$117	\$127	\$127	--	\$127	\$127
ETA-WIA Adult-01	Entered Employment Rate (WIA Adult)	63.1%	67.1%	N/A	N/A	N/A	N/A
ETA-WIA Adult-02	Employment Retention Rate (WIA Adult)	82.1%	84.4%	N/A	N/A	N/A	N/A
ETA-WIA Adult-03	Six Months Average Earnings (WIA Adult)	\$14,194	\$13,949	N/A	N/A	N/A	N/A

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

### **Workload and Performance Narrative**

The detailed workload and performance table provides estimates for the number of adult participants served through WIOA Adult Activities. In PY 2018, the Department estimates \$127 as the average cost per participant for WIOA Adult Activities. This is based on actual cost per participant data from the most recent completed program year (PY 2015).



## **ADULT EMPLOYMENT AND TRAINING ACTIVITIES**

Beginning in PY 2016, the performance measures were revised based on WIOA authorization for six key indicators; these are consistent across populations served. The Department will use the employment and education based measures for budgetary purposes, including: 1) employment in the second quarter after exit; 2) employment in the fourth quarter after exit; and 3) median earnings of those employed in the second quarter after exit. The targets and results for these indicators have not been included in the budget request as the newly-implemented law, WIOA, instituted changes to the methodology for calculating these performance indicators. To accurately determine targets, the Department will collect baseline data in PY 2016 and PY 2017, and use results reported for PY 2017 to establish targets for subsequent years.

The Department will monitor grantee performance regularly through Federal Project Officers in the regional offices to ensure grantees are on track to meet performance goals. Such monitoring informs the design and delivery of technical assistance to improve performance. As part of program monitoring, the Department looks at the following system outputs:

- Number of people served by the program;
- Number of people that received training;
- Number of people that received career services;
- Number of people in training that received a credential;
- Number of people with demonstrated skills gain; and
- Amount of funds spent.

Additional data are collected on the intensity of participant services based on the number served, exiters, and those with positive outcomes for entered employment. These outputs help determine whether states are implementing strategies that will help meet their outcome goals. In addition, the Department will conduct evaluations of WIOA formula programs using the six WIOA common performance indicators that will evaluate the effectiveness of services for various subpopulations and seek to improve program performance. The results of such evaluation and research are used to revise and update program strategies regularly using insight on the impact and cost effectiveness of various career and training services for participants in the WIOA program.

## ADULT EMPLOYMENT AND TRAINING ACTIVITIES

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
25.1	Advisory and assistance services	0	0	0	0
41.0	Grants, subsidies, and contributions	814,202	815,359	490,370	-324,989
	<b>Total</b>	<b>814,202</b>	<b>815,359</b>	<b>490,370</b>	<b>-324,989</b>

# ADULT EMPLOYMENT AND TRAINING ACTIVITIES

## CHANGES IN FY 2018

(Dollars in Thousands)

**Activity Changes**

**Built-In**

To Provide For:

Costs of pay adjustments	\$0
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Advisory and assistance services	0
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Grants, subsidies, and contributions	0
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<b>Built-Ins Subtotal</b>	<b>\$0</b>
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<b>Net Program</b>	<b>-\$324,989</b>
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Direct FTE	0
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	Estimate	FTE
<b>Base</b>	<b>\$815,359</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>-\$324,989</b>	<b>0</b>



## YOUTH ACTIVITIES

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>873,416</b>	<b>871,756</b>	<b>523,667</b>	<b>-348,089</b>
FTE	0	0	0	0

### Introduction

The Workforce Innovation Opportunity Act (WIOA) Youth program helps out-of-school youth and low-income in-school youth with barriers to employment by providing them with services that prepare them for employment and post-secondary education.

Under Title I of the WIOA, Youth Activities funds are allotted by formula to states that, in turn, allocate funds to local areas to deliver a comprehensive array of youth workforce investment activities aimed at equipping youth with skills and knowledge that prepare them for success in the knowledge-based economy, and in growing and in-demand industries. The services offered through the WIOA Youth program also seek to provide out-of-school youth and low-income in-school youth with job opportunities that will lead to higher wages.

WIOA authorizes services to 14-21 year old low-income in-school youth and 16-24 year old out-of-school youth who have barriers to employment. WIOA requires that not less than 75 percent of funds be used to serve out-of-school youth, which will focus resources on youth facing the greatest challenges in gaining skills and good employment. Service providers prepare youth for employment and post-secondary education by stressing linkages between academic and occupational learning and creating effective connections to employers. They also assist youth by providing a variety of other services, including tutoring, alternative secondary school services, summer and year-round work experiences, including pre-apprenticeship programs and on-the-job training opportunities, and occupational training, among others.

In PY 2015, the WIOA youth program served 156,834 participants. In PY 2015, services in the youth program led to 59,529 youth being placed in employment or education, resulting in a 69.2 percent placement in employment or education rate.

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2013	\$781,375	0
2014	\$820,430	0
2015	\$831,842	0
2016	\$873,416	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

# YOUTH ACTIVITIES

## **Funding Mechanism**

WIOA Youth programs operate on a program year (PY) of April 1 through the following June 30. Funds appropriated in FY 2018 are available from April 1, 2018 through June 30, 2019, or PY 2018. Under Title I of WIOA, formula funds are provided to states and local areas for the operation of WIOA Youth programs based on a statutory formula, in accordance with 29 USC 2851 Chapter 4. Funds for youth services are allotted to states that, in turn, allocate funds to local areas based on a formula distribution as defined in Sec.127(b)(1)(C)(ii) of WIOA.

## **FY 2018**

The Department is requesting \$523,667,000 for the period of April 1, 2018 through June 30, 2019 (PY 2018). The FY 2018 request shifts responsibility for funding these services to States, localities, and employers. PY 2018 funds will be directed by formula to states to provide WIOA youth services. The proposed budget maintains the current 15 percent Governor's Reserve. Based on the most recent cost per participant data (from PY 2015), these funds will serve an estimated 98,730 eligible in-school and out-of-school youth who face barriers to employment.

The Department, states, and local workforce investment areas are in the process of implementing new WIOA performance indicators, which are implemented across WIOA core programs, including WIOA adult, dislocated worker and youth programs and Wagner-Peyser Employment Services administered by the Department of Labor, and Vocational Rehabilitation and Adult Education and Family Literacy Act programs, administered by the Department of Education. Program Year 2017 is the first year of reporting for these grantees. Targets were negotiated for some indicators using proxy, historical data from WIA; however, full information to calculate complete outcomes for these measures will not be available until the end of PY 2017, as certain data are not yet available. PY 2017 outcomes will be available at the end of calendar year 2018.

## **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## YOUTH ACTIVITIES

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Youth Activities</b>							
ETA-WIOA Youth-01	Education and Employment Rate – 2nd Quarter After Exit (WIOA Youth)	--	--	[base]	--	[base]	TBD
ETA-WIOA Youth-02	Education and Employment Rate – 4th Quarter After Exit (WIOA Youth)	--	--	[base]	--	[base]	TBD
ETA-WIOA Youth-03	Median Earning – 2nd Quarter After Exit (WIOA Youth)	--	--	[base]	--	[base]	TBD
ETA-WIOA Youth-04	Credential Attainment (WIOA Youth)	--	--	[base]	--	[base]	TBD
	Number of Participants Served (WIOA Youth)	222,775[p]	156,834	164,671[p]	--	164,358[p]	98,730[p]
	Cost Per Participant Served (WIOA Youth)	\$3,734[r]	\$5,304	\$5,304[p]	--	\$5,304[p]	\$5,304[p]
ETA-WIA Youth-01	Placement in Employment or Education (WIA Youth)	66.9%	68.8%	N/A	N/A	N/A	N/A
ETA-WIA Youth-02	Attainment of Degree or Certificate (WIA Youth)	62.2%	66.7%	N/A	N/A	N/A	N/A
ETA-WIA Youth-03	Literacy and Numeracy Gains (WIA Youth)	46.0%	49.8%	N/A	N/A	N/A	N/A

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

# YOUTH ACTIVITIES

## Workload and Performance Narrative

The detailed workload and performance table provides estimates for the number of youth participants served through WIOA Youth Activities. In PY 2018, the Department estimates \$5,304 as the average cost per participant for WIOA Youth Activities. This is based on actual cost per participant data from the most recent full program year (PY 2015), which saw a significant increase in the cost per participant from the previous year. The Department believes the increase is related to serving increased numbers of out-of-school youth (OSY) during the first year of WIOA implementation, as WIOA requires a minimum of 75 percent of funds be spent on OSY, a more resource intensive population to serve.

Beginning in PY 2016, the performance measures were revised based on WIOA authorization for six key indicators; these are consistent across populations served. The Department will use the employment and education based measures for budgetary purposes, including: 1) employment in the second quarter after exit; 2) employment in the fourth quarter after exit; and 3) median earnings of those employed in the second quarter after exit. The targets and results for these indicators have not been included in the budget request as the newly-implemented law, WIOA, instituted changes to the methodology for calculating these performance indicators. To accurately determine targets, the Department will collect baseline data in PY 2016 and PY 2017, and use results reported for PY 2017 to establish targets for subsequent years.

The training and employment services delivered through the WIOA Youth program are designed to address all WIOA performance indicators. States and local areas target their service delivery strategies to the specific needs of their employer and youth populations, and the Department provides policy and programmatic guidance to help states and local areas identify strategies that are beneficial in improving successful outcomes in the current economy.

The Department will monitor grantee performance regularly through Federal Project Officers in the regional offices to ensure grantees are on track to meet performance goals. Such monitoring informs the design and delivery of technical assistance to improve performance. As part of program monitoring, the Department looks at the following system outputs:

- Number of people served by the program;
- Number of people that received training;
- Number of people that received career services;
- Number of people in training that received a credential;
- Number of people with demonstrated skills gain; and
- Amount of funds spent.

Additional data are collected on the intensity of participant services based on the number served, exiters, and those with positive outcomes for entered employment. These outputs help determine whether states are implementing strategies that will help meet their outcome goals. In addition, the Department will conduct evaluations of WIOA formula programs using the six WIOA common performance indicators that will evaluate the effectiveness of services for various subpopulations and seek to improve program performance. The results of such evaluation and research are used to



## **YOUTH ACTIVITIES**

revise and update program strategies regularly using insight on the impact and cost effectiveness of various career and training services for participants in the WIOA program.

## YOUTH ACTIVITIES

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
25.1	Advisory and assistance services	0	0	0	0
41.0	Grants, subsidies, and contributions	873,416	871,756	523,667	-348,089
	<b>Total</b>	<b>873,416</b>	<b>871,756</b>	<b>523,667</b>	<b>-348,089</b>

# YOUTH ACTIVITIES

## CHANGES IN FY 2018

(Dollars in Thousands)

**Activity Changes**

**Built-In**

To Provide For:

Advisory and assistance services	\$0
Grants, subsidies, and contributions	0

<b>Built-Ins Subtotal</b>	<b>\$0</b>
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<b>Net Program</b>	<b>-\$348,089</b>
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<b>Direct FTE</b>	<b>0</b>
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	Estimate	FTE
<b>Base</b>	<b>\$871,756</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>-\$348,089</b>	<b>0</b>



## DISLOCATED WORKERS EMPLOYMENT AND TRAINING ACTIVITIES

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>1,239,704</b>	<b>1,241,373</b>	<b>732,485</b>	<b>-508,888</b>
FTE	0	0	0	0

### Introduction

The Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker (DW) program serves as the primary vehicle to help workers who have lost their jobs as a result of layoffs gain new skills and find in-demand jobs in sectors that are projected to grow. The DW program also provides employment and training services to our Nation’s separating military service members, as well as military spouses having difficulty in finding employment.

The DW program is well-positioned to meet the needs of employers and enhance U.S. competitiveness by connecting industries’ needs for a skilled workforce to the public workforce system’s trained workers. Specifically, the DW program is intended to achieve the following:

- Supports getting Americans back to work by helping align the skills of American workers with the skill needs of business;
- Offers a variety of training options ranging from traditional classroom settings to work-based opportunities, such as on-the-job training, for dislocated workers needing new or upgraded skills;
- Provides services that help dislocated workers obtain employment, such as career counseling, training, credential attainment, and job placement;
- Provides for rapid response services to employers to assist them and their workers during layoffs, plant closings, and downsizings.
- Provides National Dislocated Worker Grants (DWGs) to assist communities recovering from natural disasters and job losses due to reduction in employment related to the coal industry.

In PY 2015, the WIOA Dislocated Worker program served approximately 531,254 dislocated worker participants.<sup>1</sup> In PY 2015, services in the Dislocated Worker program led to:

- 285,564 unemployed dislocated workers entered employment one quarter after participation in the Dislocated Worker program resulting in a 68.1 percent Entered Employment Rate<sup>1</sup>, including:
  - Over 19,000 unemployed veterans
  - Over 7,000 unemployed individuals with disabilities
  - Over 53,000 unemployed older workers

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<sup>1</sup> WIA PY 2015 State Annual Performance Reports

## **DISLOCATED WORKERS EMPLOYMENT AND TRAINING ACTIVITIES**

- Over 6,000 unemployed displaced homemakers

Additionally, a portion of DW program funds are maintained in a National Reserve to assist with clean-up and other activities under Emergencies and major disasters, which are declared eligible for public assistance by the Federal Emergency Management Agency (FEMA), emergency or disaster situations of national significance that could result in a potentially large loss of employment, as declared or otherwise recognized by a Federal agency, or circumstances where a substantial number of individuals, defined as 50 or more, relocate to another area from a disaster area. These funds will support the following activities:

- Disaster Relief Employment in temporary positions to clean-up damaged and destroyed structures, facilities and lands located within the disaster area and in offshore areas related to the emergency or disaster; and to distribute food, clothing, and other humanitarian assistance for disaster victims.
- Employment and training services for those in Disaster Relief Employment, who are unlikely to return to their prior employment.
- \$66 million will be set aside to help displaced workers in the Appalachian region.
- Funds for the United States’ outlying areas to operate their employment and training programs for youth, adults and dislocated workers.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2013	\$1,167,976	0
2014	\$1,222,457	0
2015	\$1,236,389	0
2016	\$1,239,704	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

### **Funding Mechanism**

WIOA programs operate on a program year of July 1 through the following June 30. Funds appropriated in FY 2018 are available from July 1, 2018 through June 30, 2019, or PY 2018. The Department allots funding to states based on a statutory formula. The states, in turn, allocate funds to local workforce areas based on a formula distribution as described in Sec. 133(b) of WIOA.

A portion of DW program funds are set-aside to the National Reserve which funds DWGs for disaster relief employment and DW programs in the United States’ outlying areas. Beginning in FY 2015 the availability of the DW National Reserve funds was extended by an additional three

## **DISLOCATED WORKERS EMPLOYMENT AND TRAINING ACTIVITIES**

months, until September 30. Additionally, states may set-aside up to 25 percent of their state dislocated worker funds to provide rapid response activities for employers and workers. The \$66 million set-aside that will target services previously provided by the Appalachian Regional Commission will be a regular appropriation, with two-year availability from October 1, 2017, through September 30, 2019.

### **FY 2018**

To provide dislocated workers with employment and training services and disaster-affected communities with the resources they need the Department is requesting \$732,485,000 in FY 2018 for the period of July 1, 2018 through June 30, 2019 (PY 2018), and through September 30, 2019 for the National Reserve. Of the requested amount, \$117,000,000 is proposed for the National Reserve, of which \$66,000,000 will be provided as grants to Appalachian communities, and \$51,000,000 will be made available to provide mass layoff and disaster-relief employment to areas affected by disasters, as well as WIOA adult, dislocated worker, and youth funding to the United States' outlying areas. The remaining \$615,485,000 of requested PY 2018 funds will be directed by formula to states to provide WIOA dislocated worker services and rapid response services. Based on the most recent cost per participant data (from PY 2015 WIA state reports) these funds will serve an estimated 314,912 dislocated workers.

This request maintains the Governor's Reserve at 15 percent. Funding the Governor's Reserve at 15 percent allows the states to effectively carry out statewide activities, including providing services and performing statewide projects, providing financial and programmatic oversight of the local workforce system, and undertaking comprehensive strategic planning with expanded partnerships.

The Department, states, and local workforce development areas are in the process of implementing new WIOA performance indicators, which are implemented across WIOA core programs, including WIOA adult, dislocated worker and youth programs and the Wagner-Peyser Employment Service administered by the Department of Labor, and Vocational Rehabilitation and Adult Education and Family Literacy Act programs, administered by the Department of Education. Program Year 2017 is the first year of reporting for these grantees. Targets were negotiated for some indicators using proxy, historical data from WIA; however, full information to calculate complete outcomes will not be available until the end of PY 2017, as certain data are not yet available. PY 2017 outcomes will be available at the end of calendar year 2018.

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## DISLOCATED WORKERS EMPLOYMENT AND TRAINING ACTIVITIES

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Dislocated Workers Employment and Training Activities</b>							
ETA-WIOA DW-01	Employment Rate – 2nd Quarter After Exit (WIOA Dislocated Worker)	--	--	[base]	TBD	[base]	TBD
ETA-WIOA DW-02	Employment Rate – 4th Quarter After Exit (WIOA Dislocated Worker)	--	--	[base]	TBD	[base]	TBD
ETA-WIOA DW-03	Median Earning – 2nd Quarter After Exit (WIOA Dislocated Worker)	--	--	[base]	TBD	[base]	TBD
	Number of Participants Served (WIOA Dislocated Worker)	631,558[p]	531,254	533,843[p]	--	532,828[p]	314,912[p]
	Cost Per Participant Served (WIOA Dislocated Worker)	\$1,958[e]	\$2,326	\$2,326[p]	--	\$2,326	\$2,326
ETA-WIA DW-01	Entered Employment Rate (WIA Dislocated Worker)	62.8%	68.1%	N/A	N/A	N/A	N/A
ETA-WIA DW-02	Employment Retention Rate (WIA Dislocated Worker)	84.6% [r]	86.3%	N/A	N/A	N/A	N/A
ETA-WIA DW-03	Six Month Average Earnings (WIA Dislocated Worker)	\$16,998	\$17,267	N/A	N/A	N/A	N/A
ETA-WIOA NDWG-01	Employment Rate – 2nd Quarter After Exit (WIOA National Dislocated Worker Grants)	--	--	[base]	TBD	[base]	TBD
ETA-WIOA NDWG-02	Employment Rate – 4th Quarter After Exit (WIOA National Dislocated Worker Grants)	--	--	[base]	TBD	[base]	TBD



## DISLOCATED WORKERS EMPLOYMENT AND TRAINING ACTIVITIES

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
ETA-WIOA NDWG-03	Median Earning – 2nd Quarter After Exit (WIOA National Dislocated Worker Grants)	--	--	[base]	TBD	[base]	TBD
ETA-WIA NDWG-01	Entered Employment Rate (WIA National Dislocated Worker Grants)	76.5%	78.7%	N/A	N/A	N/A	N/A
ETA-WIA NDWG-02	Employment Retention Rate (WIA National Dislocated Worker Grants)	88.6%	88.2%	N/A	N/A	N/A	N/A
ETA-WIA NDWG-03	Six Month Average Earnings (WIA National Dislocated Worker Grants)	\$19,321	\$18,850	N/A	N/A	N/A	N/A

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

### **Workload and Performance Narrative**

The detailed workload and performance table provides estimates for the number of dislocated worker participants served through WIOA Dislocated Worker Activities. In PY 2018, the Department estimates \$2,325.87 as the average cost per participant for WIOA Dislocated Worker Activities (includes DWG participants and costs). This is based on actual cost per participant data from the most recently completed program year (PY 2015).

Beginning in PY 2016, the performance measures were revised based on WIOA authorization for six key indicators; these are consistent across populations served. The Department will use the employment and education based measures for budgetary purposes, including: 1) employment in the second quarter after exit; 2) employment in the fourth quarter after exit; and 3) median earnings of those employed in the second quarter after exit. The targets and results for these indicators have not been included in the budget request as the newly-implemented law, WIOA, instituted changes to the methodology for calculating these performance indicators. To accurately determine targets, the Department will collect baseline data in PY 2016 and PY 2017, and use results reported for PY 2017 to establish targets for subsequent years.

## **DISLOCATED WORKERS EMPLOYMENT AND TRAINING ACTIVITIES**

The Department will monitor grantee performance regularly through Federal Project Officers in the regional offices to ensure grantees are on track to meet performance goals. Such monitoring informs the design and delivery of technical assistance to improve performance. As part of program monitoring, the Department looks at the following system outputs:

- Number of people served by the program;
- Number of people that received training;
- Number of people that received career services;
- Number of people in training that received a credential;
- Number of people with demonstrated skills gain; and
- Amount of funds spent.

Additional data are collected on the intensity of participant services based on the number served, exiters, and those with positive outcomes for entered employment. These outputs help determine whether states are implementing strategies that will help meet their outcome goals. In addition, the Department will conduct evaluations of WIOA formula programs using the six WIOA common performance indicators that will evaluate the effectiveness of services for various subpopulations and seek to improve program performance. The results of such evaluation and research are used to revise and update program strategies regularly using insight on the impact and cost effectiveness of various career and training services for participants in the WIOA program.

**DISLOCATED WORKERS EMPLOYMENT AND TRAINING  
ACTIVITIES**

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
25.1	Advisory and assistance services	0	0	0	0
41.0	Grants, subsidies, and contributions	1,239,704	1,241,373	732,485	-508,888
	<b>Total</b>	<b>1,239,704</b>	<b>1,241,373</b>	<b>732,485</b>	<b>-508,888</b>

# DISLOCATED WORKERS EMPLOYMENT AND TRAINING ACTIVITIES

## CHANGES IN FY 2018 (Dollars in Thousands)

**Activity Changes**

**Built-In**

To Provide For:

Costs of pay adjustments	\$0
Advisory and assistance services	0
Grants, subsidies, and contributions	0

**Built-Ins Subtotal** **\$0**

**Net Program** **-\$508,888**

**Direct FTE** **0**

	Estimate	FTE
<b>Base</b>	<b>\$1,241,373</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>-\$508,888</b>	<b>0</b>

## INDIAN AND NATIVE AMERICAN PROGRAMS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>50,000</b>	<b>49,905</b>	<b>49,905</b>	<b>0</b>
FTE	0	0	0	0

### **Introduction**

The Indian and Native American (INA) program, authorized under Section 166 of the Workforce Innovation and Opportunity Act (WIOA), helps American Indian, Alaska Native, and Native Hawaiian individuals obtain good jobs and stay employed through providing them with employment, education, intensive training and supportive services necessary for success in the labor market. The program promotes the economic and social development goals of Indian and Native American communities while preserving their values and is intended to: (a) increase the academic, occupational, and literacy skills of Indian and Native American participants to better position them in the workforce, making them more competitive; and (b) equip them as appropriate with the entrepreneurial skills necessary for self-employment. The INA program connects employers with Native American workers who meet their skills needs to be able to successfully compete in the global economy.

American Indians, Alaska Natives, and Native Hawaiians are the most impoverished population in the United States, with acute unemployment rates reported in rural and isolated reservations, communities, and villages. More than a quarter (28.9 percent) of American Indian and Native Americans live in poverty, and these individuals are three times as likely to receive public assistance compared to the total population. About 21 percent of American Indians and Alaska Natives ages 25 and over have less than a high school diploma, compared to 13.4 percent for the total US population. For American Indians and Alaska Natives living on remote reservations, the challenge is lack of access to services as the nearest American Job Center is often many miles away. These distances and the lack of transportation create barriers to Native Americans accessing the employment and training services at off-reservation American Job Centers.

The WIOA Section 166 INA program provides services to adults through 178 grantees. These grantees provide a range of activities including but not limited to: assistance with tuition and books; resume writing and interviewing; job referrals; assistance with work-related expenses such as necessary tools or uniforms; transportation assistance; payment for professional and licensing fees; and work-based learning, such as on-the-job training. The program emphasizes training in jobs that are in high demand in the local economy as well as high demand jobs available outside the local community for individuals who are willing to relocate to obtain employment. Supplemental youth funding is also awarded to help low-income Native American youth and Native Hawaiian youth, between the ages of 14 and 24, acquire the educational and occupational skills needed to achieve academic and employment success and transition to careers and productive adulthood. WIOA also continues to support the Department's consultation with

## INDIAN AND NATIVE AMERICAN PROGRAMS

the Native American Employment and Training Council as it plans grant funding opportunities, including strategies and activities to be undertaken by grantees, performance accountability and reporting, and technical assistance.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2013	\$45,082	0
2014	\$46,082	0
2015	\$46,082	0
2016	\$50,000	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

### **Funding Mechanism**

WIOA programs operate on a Program Year (PY) calendar. In FY 2018, the Department is proposing an appropriations language change to this budget request to move the obligation period from July 1, 2018 through June 30, 2019 to April 1, 2018 through June 30, 2019. WIOA Section 166 awards grant funding to Indian tribes, Alaska Natives, Native Hawaiians, and tribal non-profit organizations on a competitive basis; the selected grantees ensuing from the competitive process are subsequently funded through a statutory formula defined in WIOA. A grant competition is conducted every four years to select American Indian, Alaska Native, and Native Hawaiian entities to provide employment and training services to unemployed and low income American Indians, Alaska Natives, and Native Hawaiians.

### **FY 2018**

The Department is requesting \$49,905,000 in FY 2018 for the period of April 1, 2018 through June 30, 2019 (PY 2018). At this funding level, the program will serve approximately 33,471 unemployed and under-skilled Indian, Alaska Native, and Native Hawaiian adults.

To help grantees implement these programs, the Department will continue the authority to use up to one percent of the appropriation for technical assistance. These funds will be set-aside for technical assistance activities based on the training needs of the INA community as determined through oversight activities conducted by the Department, and in consultation with the Native American Employment and Training Council.

Additionally, in FY 2018 the Department is proposing to change the obligation period from July 1, 2018 through June 30, 2019 to April 1, 2018 through June 30, 2019. The current obligation period that starts July 1 coincides with the beginning of the grantees' performance period for these programs. In practice, that means recipients usually experience a delay of approximately two weeks before the Department is able to complete the funding of these awards. This issue is compounded by a push, in recent years, to encourage recipients to limit carry-in of grant funds. This carry-in policy and the unavoidable delays to grant awards puts an undue burden on small

## INDIAN AND NATIVE AMERICAN PROGRAMS

recipients that do not have cash reserves to cover expenses. As a result, each year, we have participants who experience a lapse in services.

Beginning the obligation period for these program funds April 1, instead of July 1, will allow the Department sufficient time to complete the allotments and make awards well in advance of the beginning of the recipients' period of performance. This proposal is budget neutral and does not alter the grantees' period of performance, which will remain on the program year cycle, per the statute. This change will ensure continuity of services to our program participants.

The Department, states, and grantees are in the process of implementing new WIOA performance indicators, which are implemented across WIOA core programs administered by the Departments of Labor and Education and other Department of Labor workforce programs authorized by WIOA, including INA programs. Complete information will not be available until the end of PY 2017 to calculate complete outcomes for these measures, as certain data will not yet be available. PY 2017 outcomes will be available at the end of calendar year 2018.

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## INDIAN AND NATIVE AMERICAN PROGRAMS

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Indian and Native American Programs</b>							
ETA-WIOA INA Adult-01	Employment Rate – 2nd Quarter After Exit (WIOA Indian and Native American Program - Adult)	--	--	[base]	--	[base]	TBD
ETA-WIOA INA Adult-02	Employment Rate – 4th Quarter After Exit (WIOA Indian and Native American Program - Adult)	--	--	[base]	--	[base]	TBD
ETA-WIOA INA Adult-03	Median Earning – 2nd Quarter After Exit (WIOA Indian and Native American Program - Adult)	--	--	[base]	--	[base]	TBD
	Number of Participants Served (Indian and Native American Program - Adult)	31,748	30,916	33,535(p)	--	33,471(p)	33,471
	Cost Per Participant Served (Indian and Native American Program - Adult)	\$1,451	\$1,491	\$1,491	--	\$1,491	\$1,491
ETA-WIOA INA Youth-01	Education and Employment Rate – 2nd Quarter After Exit (WIOA Indian and Native American Program - Youth)	--	--	[base]	--	[base]	TBD
ETA-WIOA INA Youth-02	Education and Employment Rate – 4th Quarter After Exit (WIOA Indian and Native American Program - Youth)	--	--	[base]	--	[base]	TBD
ETA-WIOA INA Youth-03	Median Earning – 2nd Quarter After Exit (WIOA Indian and Native American Program - Youth)	--	--	[base]	--	[base]	TBD



## INDIAN AND NATIVE AMERICAN PROGRAMS

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
ETA-WIOA INA Youth-04	Credential Attainment (WIOA Indian and Native American Program - Youth)	--	--	[base]	--	[base]	TBD
ETA-WIA INA-01	Entered Employment Rate (WIA Indian and Native American Program)	65.5%	66.9%	--	--	N/A	N/A
ETA-WIA INA-02	Employment Retention Rate (WIA Indian and Native American Program)	78.2%	78.8%	--	--	N/A	N/A
ETA-WIA INA-03	Six Month Average Earnings (WIA Indian and Native American Program)	\$10,377	\$9,722	--	--	N/A	N/A

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

### **Workload Summary**

The detailed workload and performance table provides estimates for the number of participants served through WIOA Section 166 INA program activities. In PY 2018, the Department estimates \$1,491 as the average cost per participant for WIOA Section 166 INA program activities. This is based on actual cost per participant data from the most recent program year for which there is complete data (PY 2015).

WIOA authorizes six common performance indicators consistent across populations served. These six indicators are: 1) employment in the second quarter after exit; 2) employment in the fourth quarter after exit; 3) median earnings of those employed in the second quarter after exit; 4) credential attainment; 5) measurable skill gains toward credential attainment/employment; and 6) effectiveness in serving employers. The targets and results for the six performance indicators have not been included in the budget because of changes WIOA made to the methodology for calculating the measures. To accurately determine targets, the Department will collect baseline data in PY 2016 and PY 2017, and use results reported for PY 2017 to establish targets for subsequent years.

## **INDIAN AND NATIVE AMERICAN PROGRAMS**

In the interim, the Department will provide technical assistance and guidance to the grantees on the performance indicators (credential attainment, measurable skills gains, and effectiveness in serving employers) and the reporting requirements under WIOA.

## INDIAN AND NATIVE AMERICAN PROGRAMS

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
25.2	Other services from non-Federal sources	0	0	0	0
25.7	Operation and maintenance of equipment	0	0	0	0
41.0	Grants, subsidies, and contributions	50,000	49,905	49,905	0
	<b>Total</b>	<b>50,000</b>	<b>49,905</b>	<b>49,905</b>	<b>0</b>

# INDIAN AND NATIVE AMERICAN PROGRAMS

## CHANGES IN FY 2018

(Dollars in Thousands)

**Activity Changes**

**Built-In**

To Provide For:

Costs of pay adjustments	\$0
Other services from non-Federal sources	0
Operation and maintenance of equipment	0
Grants, subsidies, and contributions	0

**Built-Ins Subtotal** **\$0**

**Net Program** **\$0**

**Direct FTE** **0**

	<b>Estimate</b>	<b>FTE</b>
<b>Base</b>	<b>\$49,905</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>\$0</b>	<b>0</b>

## MIGRANT AND SEASONAL FARMWORKERS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>81,896</b>	<b>81,740</b>	<b>0</b>	<b>-81,740</b>
FTE	0	0	0	0

### **Introduction**

The National Farmworker Jobs Program (NFJP) provides grants to support employment and training services to migrant and seasonal farmworkers (MSFWs) and their dependents. The program responds to the needs of MSFWs through career services, training services, housing assistance services, youth services, and other related assistance services.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2013	\$79,896	0
2014	\$81,896	0
2015	\$81,896	0
2016	\$81,896	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

### **Funding Mechanism**

WIOA programs operate on a Program Year (PY) calendar. WIOA requires the Department to conduct a grants competition every four years to select the community organizations and state agencies that will operate the NFJP and the grant competition is performed through a Funding Opportunity Announcement (FOA) for grant applications, typically for employment and training grants and for housing grants. The competition is open to state and local agencies, state and local workforce investment boards, faith-based and community organizations, institutions of higher education, and other entities that have the capacity to operate a diversified program of workforce services. In non-competition program years, each grant recipient is required to submit an annual program plan for the coming year and criteria for the content of these plans are contained in a Training and Employment Guidance Letter issued to all grantees.

NFJP employment and training funds are allocated annually to state service areas via formula. The formula estimates the number of eligible farmworkers in each state by using data from the Census, the Agricultural Census, the NAWS, and the Farm Labor Survey. There is at least one grant organization in every state and Puerto Rico, with the following exceptions: Alaska and

## **MIGRANT AND SEASONAL FARMWORKERS**

Washington, DC, do not have a grant due to the very small relative share of agricultural employment; Connecticut and Rhode Island are a combined state service area; and Maryland and Delaware are a combined state service area. Because of the large number of agricultural workers, California is represented by a total of five grant organizations. NFJP housing grants funds are allocated based on awarded proposals received through the FOA process.

### **FY 2018**

The Budget eliminates the National Farmworker Jobs Program. The program is duplicative in that it creates a parallel training system for migrant and seasonal farmworkers, despite the fact that they are eligible to receive services through the core Workforce Innovation and Opportunity Act (WIOA) formula programs.

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## MIGRANT AND SEASONAL FARMWORKERS

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Migrant and Seasonal Farmworkers</b>							
ETA-WIOA NFJP Adult-01	Employment Rate – 2nd Quarter After Exit (WIOA National Farmworker Jobs Program - Adult)	--	--	[base]	--	[base]	N/A
ETA-WIOA NFJP Adult-02	Employment Rate – 4th Quarter After Exit (WIOA National Farmworker Jobs Program - Adult)	--	--	[base]	--	[base]	N/A
ETA-WIOA NFJP Adult-03	Median Earning – 2nd Quarter After Exit (WIOA National Farmworker Jobs Program - Adult)	--	--	[base]	--	[base]	N/A
	Number of Participants Served (National Farmworker Jobs Program - Adult)	20,676[p]	16,195	16,195[p]	--	16,195[p]	N/A
	Cost Per Participant Served (National Farmworker Jobs Program - Adult)	\$3,961	\$5,057	\$5,057	--	\$5,057	N/A
ETA-WIOA NFJP Youth-01	Education and Employment Rate – 2nd Quarter After Exit (WIOA National Farmworker Jobs Program - Youth)	--	--	[base]	--	[base]	N/A
ETA-WIOA NFJP Youth-02	Education and Employment Rate – 4th Quarter After Exit (WIOA National Farmworker Jobs Program - Youth)	--	--	[base]	--	[base]	N/A
ETA-WIOA NFJP Youth-03	Median Earning – 2nd Quarter After Exit (WIOA National Farmworkers Jobs Program - Youth)	--	--	[base]	--	[base]	N/A

## MIGRANT AND SEASONAL FARMWORKERS

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
ETA-WIOA NFJP Youth-04	Credential Attainment (WIOA National Farmworker Jobs Program - Youth)	--	--	[base]	--	[base]	N/A
ETA-WIA NFJP-01	Entered Employment Rate (WIA National Farmworker Jobs Program)	87.0%	90.5%	N/A	N/A	N/A	N/A
ETA-WIA NFJP-02	Employment Retention Rate (WIA National Farmworker Jobs Program)	83.3%	87.9%	N/A	N/A	N/A	N/A
ETA-WIA NFJP-03	Six Month Average Earnings (WIA National Farmworker Jobs Program)	\$10,871	\$12,016	N/A	N/A	N/A	N/A

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

### **Workload and Performance Narrative**

Beginning in PY 2016, grantees will report on the new WIOA indicators of performance. These six indicators are: 1) employment in the second quarter after exit; 2) employment in the fourth quarter after exit; 3) median earnings of those employed in the second quarter after exit; 4) credential attainment; 5) measurable skill gains toward credential attainment/employment; and 6) effectiveness in serving employers. The targets and results for the six new performance indicators have not been included in the workload performance table because of changes WIOA made to the methodology for calculating the indicators.

In addition to outcomes, the Department also measures workload in terms of the number of participants served by the program. In FY 2017, the program projects serving 20,676 participants at an average cost of \$3,961 per participant. The projected number of participants for FY 2017 is derived by dividing the FY 2017 funding level for NFJP formula grants by the average cost per participant for the last three program years. The Department also monitors grantee performance regularly through Federal Project Officers in regional offices to ensure grantees are on track to meet performance goals. Such monitoring also informs the design and delivery of technical assistance efforts to help grantees improve performance.



## MIGRANT AND SEASONAL FARMWORKERS

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
25.2	Other services from non-Federal sources	0	0	0	0
41.0	Grants, subsidies, and contributions	81,896	81,740	0	-81,740
	<b>Total</b>	<b>81,896</b>	<b>81,740</b>	<b>0</b>	<b>-81,740</b>

# MIGRANT AND SEASONAL FARMWORKERS

## CHANGES IN FY 2018

(Dollars in Thousands)

**Activity Changes**

**Built-In**

To Provide For:

Costs of pay adjustments	\$0
Other services from non-Federal sources	0
Grants, subsidies, and contributions	0

**Built-Ins Subtotal** **\$0**

**Net Program** **-\$81,740**

**Direct FTE** **0**

	Estimate	FTE
<b>Base</b>	<b>\$81,740</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>-\$81,740</b>	<b>0</b>

## TECHNICAL ASSISTANCE

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>3,232</b>	<b>3,226</b>	<b>5,226</b>	<b>2,000</b>
FTE	0	0	0	0

### **Introduction**

Section 168 of the Workforce Innovation and Opportunity Act (WIOA) requires the Secretary of Labor to ensure the Department provides technical assistance to the public workforce system. The law requires that the Department maintain the capacity to provide training and technical assistance to the public workforce system and its staff, in particular to replicate effective practices; train state and local development boards; integrate intake, case management, and financial management systems and program operations; and transition to full WIOA implementation. In addition, WIOA requires the Department, along with the Department of Education, as needed, to provide technical assistance to any grantee that fails a performance measure.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2013	\$0	0
2014	\$0	0
2015	\$0	0
2016	\$3,232	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

### **Funding Mechanism**

WIOA programs operate on a program year of July 1 through the following June 30. Funds appropriated in FY 2018 are available from July 1, 2018 through June 30, 2019, or PY 2018. The Department will obligate these funds through grants and/or contracts to provide technical assistance to states, local areas, and other service providers.

## **TECHNICAL ASSISTANCE**

### **FY 2018**

The Department is requesting \$5,226,000 for the period of July 1, 2018 through June 30, 2019 (PY 2018), to be responsive to the needs of the system and assist states as they finalize WIOA implementation. This represents a \$2,000,000 increase over the FY 2017 annualized continuing resolution funding level of \$3,226,000.

These resources will be targeted to areas of the greatest need across states, and may include support for: continued implementation of the WIOA performance accountability system; states' reporting on eligible training provider outcomes; integration of services across core programs; and successfully negotiating infrastructure/shared services costs and addressing real estate issues generated by co-location requirements of American Job Centers. The Department also intends to deliver technical assistance that provides both broad accessibility to information and resources, as well as more targeted support.

In FY 2018, the Department will also complete development and rollout of the Eligible Training Provider Scorecard. The scorecard will enable job seekers to compare employment outcomes of WIOA-eligible training provider programs of study, helping them make informed choices when seeking training.

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## TECHNICAL ASSISTANCE

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
25.1	Advisory and assistance services	1,616	1,613	2,613	1,000
41.0	Grants, subsidies, and contributions	1,616	1,613	2,613	1,000
	<b>Total</b>	<b>3,232</b>	<b>3,226</b>	<b>5,226</b>	<b>2,000</b>

# TECHNICAL ASSISTANCE

## CHANGES IN FY 2018

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Advisory and assistance services \$0

Grants, subsidies, and contributions 0

**Built-Ins Subtotal \$0**

**Net Program \$2,000**

**Direct FTE 0**

	Estimate	FTE
Base	\$3,226	0
Program Increase	\$2,000	0
Program Decrease	\$0	0

## REINTEGRATION OF EX-OFFENDERS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>88,078</b>	<b>87,911</b>	<b>77,911</b>	<b>-10,000</b>
FTE	0	0	0	0

### **Introduction**

The Reentry Employment Opportunities (REO) programs, also identified as Reintegration of Ex-Offenders (RExO), promote opportunity by preparing adult and youth ex-offenders for employment and/or training in industries and occupations that offer good wages and opportunities for advancement in a knowledge-based economy. REO programs promote a seamless progression along career pathways that combine education and training. REO programs focus on participant progress and long-term success; the programs support participants in gaining industry-recognized credentials in in-demand industries to prepare them to enter and progress in the workforce.

The REO programs provide pre-release and comprehensive post-release services targeted in urban communities with large numbers of persons returning from incarceration. Specifically, REO participants receive comprehensive training and career assistance, and are provided mentors, career coaches, transportation assistance, and preparation for post-secondary education. REO grantees also connect participants with additional services such as housing, child care, family unification services, and legal assistance from non-profit legal service centers. REO also has a strong business engagement focus. Grantees connect with employers to educate them on the benefits of hiring persons with criminal records, and help connect employers with grantee participants who can fill employer skill needs.

The Workforce Innovation and Opportunity Act (WIOA) defines offenders as adults or juveniles who have been subject to any stage of the criminal justice process, and for whom services under the Act may be beneficial, or people that require assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction (Section 3(38)). Adult reentry programming focuses on persons age 18 and older who were incarcerated in the adult justice system and released within 180 days. Participants include persons under supervision participating in work release programs or living in residential reentry centers (halfway houses).

The Department has taken several steps to date to build effective industry partnerships and job-placement services, offer industry-recognized credentials, and focus training on high-demand occupations. The Department's efforts have primarily focused on grant requirements and performance metrics, business outreach, and tools to ease businesses' hiring decisions. REO grant solicitations require grants to include evidence-based or promising interventions that lead to increased employment outcomes. All grants must include employment-focused services, and include either Registered Apprenticeship, work-based learning, or a Career Pathways approach. To support job placement for ex-offenders, the Department has collaborated with the Department

## **REINTEGRATION OF EX-OFFENDERS**

of Justice to develop a National Clean Slate Clearinghouse that will provide information on current policies governing juvenile adjudication and adult criminal record clearance at a state level.

Grant applicants are rated in part based on whether proposed training meets a demand by area employers. During the period of performance, grantee performance measures include employment attainment, employment retention, average earnings, credential attainment, measurable skills gains, and effectiveness in serving employers. The Department holds grantees accountable for employment outcomes, including credential attainment and effectiveness in serving employers, by setting such performance measures and by considering prior performance on placement in education and/or employment and certificate/degree attainment in scoring grant applicants.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2013	\$76,055	0
2014	\$80,078	0
2015	\$82,078	0
2016	\$88,078	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared

### **Funding Mechanism**

Workforce Innovation and Opportunity Act (WIOA) programs operate on a program year (PY) calendar that generally runs from July 1 to June 30. FY 2018 REO funds will be available from April 1, 2018 through June 30, 2019, or PY 2018. The Department funds REO projects through a competitive solicitation process. Grants for serving adult ex-offenders may be awarded to local workforce development boards and non-profit faith-based and 501(c)(3) community- and faith-based organizations. Grants for serving youth offenders may be awarded to various types of organizations, including non-profit national and regional intermediaries, 501(c)(3) community- and faith-based organizations, state and local government agencies, and Indian and Native American entities eligible for grants under WIOA Section 166.

### **FY 2018**

The Department requests \$77,911,000 in FY 2018 for the period of April 1, 2018 through June 30, 2019 (PY 2018) to serve adult and juvenile offenders. This funding will serve an estimated 14,109 participants in PY 2018.

In FY 2018, the Department will focus on its core Reentry Projects, which seek to build the evidence base on ex-offender serving workforce models. In FY 2018, REO will continue to refine its Reentry Projects to incorporate new evidence, with an eye towards tightening the program model to focus on proven practices for serving ex-offenders. The Department will use



## REINTEGRATION OF EX-OFFENDERS

lessons from the previous *Training to Work* grants, which provided a full array of employment services to persons supervised under local work-release programs as well as lessons learned through the random assignment evaluation of the Department's Reintegration of Ex-Offenders Program: Final Impact Report<sup>1</sup> and the forthcoming Enhanced Transitional Jobs Demonstration. In designing services for adults with criminal records, the Department will also review successful strategies from the evaluation pilots of the Integrating Reentry and Employment Strategies (IRES) white paper released by the Council of State Government's Justice Center. In FY 2018, The Department will also evaluate new program models funded through the Reentry Projects grant to assess their effectiveness. Approximately \$29,000,000 will be used for grants to serve adults, while approximately \$48,911,000 will be used to serve youth between the ages of 16 to 24 who have been involved in the justice system.

As the Department focuses increasingly on the core Reentry Projects, it will phase out other more peripheral grants, including Pathways to Justice Careers and Linking to Employment Activities Pre-Release grants.

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

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<sup>1</sup> Reintegration of Ex-Offenders (RExO) Program: Final Impact Report, Social Policy Research, December 2016. [https://wdr.doleta.gov/research/FullText\\_Documents/ETAOP-2015-10\\_The-Evaluation-of-the-Re-Integration-of-Ex-Offenders-%28RExO%29-Program-Final-Impact-Report\\_Acc.pdf](https://wdr.doleta.gov/research/FullText_Documents/ETAOP-2015-10_The-Evaluation-of-the-Re-Integration-of-Ex-Offenders-%28RExO%29-Program-Final-Impact-Report_Acc.pdf)

## REINTEGRATION OF EX-OFFENDERS

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Reintegration of Ex-Offenders</b>							
ETA-WIOA REO Adult-01	Employment Rate – 2nd Quarter After Exit (WIOA ReEntry Employment Opportunities - Adult)	--	--	[base]	--	[base]	TBD
ETA-WIOA REO Adult-02	Employment Rate – Fourth Quarter After Exit (WIOA ReEntry Employment Opportunities - Adult)	--	--	[base]	--	[base]	TBD
ETA-WIOA REO Adult-03	Median Earning – 2nd Quarter After Exit (WIOA ReEntry Employment Opportunities - Adult)	--	--	[base]	--	[base]	TBD
	Number of Participants Served (ReEntry Employment Opportunities)	10,260[p]	14,865	15,950[p]	--	15,950[p]	15,950
	Cost Per Participant Served (ReEntry Employment Opportunities)	\$8,000	\$5,522	\$5,522[p]	--	\$5,522	\$5,522
ETA-WIA REO Adult-01	Entered Employment Rate for Non-Youth (WIA ReEntry Employment Opportunities - Adult)	61.2%	59.5%	N/A	N/A	N/A	N/A
ETA-WIA REO Adult-02	Employment Retention Rate for Non-Youth (WIA ReEntry Employment Opportunities - Adult)	68.2%	66.5%	N/A	N/A	N/A	N/A

## REINTEGRATION OF EX-OFFENDERS

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
ETA-WIA REO Adult-03	Six Month Average Earnings for Non-Youth (WIA ReEntry Employment Opportunities - Adult)	\$10,473	\$9,995	N/A	N/A	N/A	N/A
ETA-WIOA REO Youth-01	Education and Employment Rate – 2nd Quarter After Exit (WIOA ReEntry Employment Opportunities - Youth)	--	--	[base]	--	[base]	TBD
ETA-WIOA REO Youth-02	Education and Employment Rate – Fourth Quarter After Exit (WIOA ReEntry Employment Opportunities - Youth)	--	--	[base]	--	[base]	TBD
ETA-WIOA REO Youth-03	Median Earning – 2nd Quarter After Exit (WIOA ReEntry Employment Opportunities - Youth)	--	--	[base]	--	[base]	TBD
ETA-WIOA REO Youth-04	Credential Attainment (WIOA ReEntry Employment Opportunity - Youth)	--	--	[base]	--	[base]	TBD
ETA-WIA REO Youth-01	Placement in Employment or Education for Out-of-School Youth Ages 18+ (WIA ReEntry Employment Opportunities - Youth)	35.7%	61.2%	N/A	N/A	N/A	N/A

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

### **Workload and Performance Narrative**

The REO-Adult program model is employment-focused because participants are often required as a mandate of probation or parole to have a job. Employment is also considered one of the factors to reduce recidivism, as described above.

## REINTEGRATION OF EX-OFFENDERS

Beginning in PY 2016, the performance measures were revised based on WIOA authorization for six key indicators; these are consistent across populations served. The Department will use the employment and education based measures for budgetary purposes, including: 1) employment in the second quarter after exit; 2) employment in the fourth quarter after exit; and 3) median earnings of those employed in the second quarter after exit. The targets and results for these indicators have not been included in the budget request as the newly-implemented law, WIOA, instituted changes to the methodology for calculating these performance indicators. To accurately determine targets, the Department will collect baseline data in PY 2016 and PY 2017, and use results reported for PY 2017 to establish targets for subsequent years.

The training and employment services delivered through the REO program are designed to address all WIOA performance indicators. States and local areas target their service delivery strategies to the specific needs of their employer and youth populations, and the Department provides policy and programmatic guidance to help states and local areas identify strategies that are beneficial in improving successful outcomes in the current economy.

The Department will monitor grantee performance regularly through Federal Project Officers in the regional offices to ensure grantees are on target to meet performance goals. Such monitoring informs the design and delivery of technical assistance to improve performance. As part of program monitoring, the Department looks at the following system outputs:

- Number of people served by the program;
- Number of people that received training;
- Number of people that received career services;
- Number of people in training that received a credential;
- Number of people with demonstrated skills gain; and
- Amount of funds spent.

Additional data are collected on the intensity of participant services based on the number served, exiters, and those with positive outcomes for entered employment. These outputs help determine whether states are implementing strategies that will help meet their outcome goals.

## REINTEGRATION OF EX-OFFENDERS

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
25.2	Other services from non-Federal sources	0	0	0	0
41.0	Grants, subsidies, and contributions	88,078	87,911	77,911	-10,000
	<b>Total</b>	<b>88,078</b>	<b>87,911</b>	<b>77,911</b>	<b>-10,000</b>

# REINTEGRATION OF EX-OFFENDERS

## CHANGES IN FY 2018

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Other services from non-Federal sources \$0

Grants, subsidies, and contributions 0

**Built-Ins Subtotal \$0**

**Net Program -\$10,000**

**Direct FTE 0**

	Estimate	FTE
Base	\$87,911	0
Program Increase	\$0	0
Program Decrease	-\$10,000	0

## APPRENTICESHIP GRANTS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>90,000</b>	<b>89,829</b>	<b>89,829</b>	<b>0</b>
FTE	0	0	0	0

### **Introduction**

The FY 2016 Omnibus appropriated \$90,000,000 to support apprenticeship expansion across the United States. The funding is aimed at supporting the growth of Registered Apprenticeship programs to train workers with 21<sup>st</sup> century skills that meet employer and industry workforce needs. Registered Apprenticeship is a public-private partnership resulting in post-secondary work-based education and training programs that meet national standards for registration with the Department of Labor, or with a Department of Labor-recognized State Apprenticeship Agency (SAA).

This work-based training model combines job-related technical instruction with structured on-the-job learning experiences. Apprentices earn a starting salary and receive wages that rise as their skill attainment, and thus productivity, rise throughout the program. Upon successful completion of all phases of on-the-job learning and related instruction components, registered apprentices receive nationally recognized certificates of completion leading to long-term career opportunities. Through successful partnerships with community colleges, many Registered Apprenticeship programs also afford apprentices the opportunity to earn college credit towards a degree.

Registered Apprenticeship is a key strategy to develop the nation’s workforce in areas including manufacturing, transportation, information technology, health care, and the skilled trades. According to the Bureau of Labor Statistics (BLS) employment projections for 2012-2022, occupations that typically incorporate apprenticeships are projected to grow by 22.2 percent.<sup>1</sup>

Currently, there are over 533,000 Registered Apprentices in the United States, which represents a relatively small proportion of the labor force compared with other industrialized nations. This underutilization of apprenticeship represents a significant lost opportunity to: 1) efficiently increase the number of skilled American workers to create a stronger American economy; 2) bolster training for youth to reduce youth unemployment; and 3) support greater worker participation in the economy and also reduce the number of unfilled job vacancies.

The Workforce Innovation and Opportunity Act (WIOA) supports apprenticeship expansion by emphasizing engagement with employers across the workforce system, aligning training with needed skills, and matching employers with qualified workers. WIOA recognizes that Registered Apprenticeship is a proven model for meeting employers’ workforce needs while

<sup>1</sup> See Occupational Outlook Handbook (OOH) “Apprenticeship: Earn while you learn” by Elka Torpey Summer 2013 <http://www.bls.gov/ooq/2013/summer/art01.pdf>

## APPRENTICESHIP GRANTS

allowing workers to earn while they learn new skills and acquire credentials. Thus, WIOA represents an opportunity for increased collaboration between Registered Apprenticeship and the Adult, Dislocated Worker, and Youth Formula programs in several ways. Under WIOA, representatives of Registered Apprenticeship programs are required members of both State and Local boards. Registered Apprenticeship programs with the Department of Labor or an SAA recognized by the Department are included as eligible training providers for the Adult and Dislocated Worker formula programs, and the Registered Apprenticeship completion certificate is recognized as a post-secondary credential. Registered Apprenticeship is recognized as a career pathway to good jobs for Job Corps students, and pre-apprenticeship training is an authorized Youth program activity to help participants meet entrance requirements for Registered Apprenticeship programs. YouthBuild also authorizes pre-apprenticeship training and represents an important potential pipeline to apprenticeship programs.

### Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2015	\$0	0
2016	\$90,000	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

### Funding Mechanism

The Registered Apprenticeship programs will operate on a program year (PY) calendar. FY 2018 Registered Apprenticeship funds will be available from April 1, 2018 through June 30, 2019 or PY 2018. The Department will carry out Registered Apprenticeship activities through grants, cooperative agreements, and contracts. The Department may award funds to various organizations, including (but not limited to) state and local government agencies, industry intermediaries, community-based organizations, labor organizations, Registered Apprenticeship program sponsors, community colleges, employer-related non-profit organizations, and workforce intermediaries.

### FY 2018

The Department is requesting \$89,829,000 in FY 2018 for the period of April 1, 2018 through June 30, 2019 (PY 2018). This funding level is consistent with the FY 2017 annualized continuing resolution funding level.

ApprenticeshipUSA investment strategies may include but are not limited to support for:

**State Strategies to Expand Apprenticeship.** These resources will enable Governors to support strategic apprenticeship functions, such as: 1) State-specific outreach strategies that increase the awareness of the benefits and value of apprenticeships and help employers and program sponsors start or expand apprenticeship programs; 2) Expansion



## APPRENTICESHIP GRANTS

of programs into new industry sectors, including healthcare, construction, transportation and logistics, manufacturing, and information and communications technology; 3) Economic development strategies that generate new or leverage existing employer demand for apprenticeships; 4) Expanded access to apprenticeship opportunities such as pre-apprenticeships and career pathways that meet the needs of under-represented populations; 5) Stronger partnerships with the workforce system, the Department of Education's Perkins Career and Technical Education grants, economic development entities, and current/potential program sponsors; 6) System innovations to increase and modernize the capacity and infrastructure at the State and local level to conduct outreach, promotion and oversight activities, leveraging technology solutions to improve efficiency; and, 6) Incentives for apprenticeship through policies and/or other resources to allow more employers to participate in apprenticeship.

**Industry Support, Re-engineering, and Apprenticeship Modernization.** Funding will support industry and workforce consortia efforts to expand or launch multi-employer apprenticeship models that can scale apprenticeships in existing, new, and emerging high-growth industries/sectors; develop and coordinate occupational standards for apprenticeship programs and common curricula; align apprenticeships to pathways for further learning, credit and career advancement; and scale apprenticeship models that have been proven successful.

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## APPRENTICESHIP GRANTS

<b>DETAILED WORKLOAD AND PERFORMANCE</b>					
		<b>FY 2016 Enacted</b>		<b>FY 2017 Enacted</b>	<b>FY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Apprenticeship Grants</b>					
ETA-App Grants-01	New Apprentices (Apprenticeship Grants)	36,000	--	36,000	36,000

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

### **Workload and Performance Summary**

The Department anticipates that these yearly investments will result in 36,000 new apprentices (over the prior year) and assist in sustaining previous efforts and investments. This equates to spending approximately \$2,500 per apprentice.

Industry and workforce intermediary grantees will provide quarterly progress reports to the Department. The report will include quarterly information on grant activities, performance goals, and milestones. We are specifying that grantees provide performance projections on the metrics listed below. They will also have the flexibility to report on other key metrics that are critical to measuring the success of their specific program design.

#### ***Capacity Building & Employer Metrics***

- Total number of employers that receive services under this grant;
- Total number of newly registered programs;
- Total number of existing Registered Apprenticeship programs expanded (e.g., adding occupations);
- Promotional/outreach activities to employers; and
- Others described by grantee.

#### ***Employment & Training Metrics***

- Total number of participants who receive services under this grant (e.g., includes participants served in pre-apprenticeship, apprenticeship, and by other grant activities);
- Total number of new apprentices served;

## **APPRENTICESHIP GRANTS**

- Percentage of total participants served who will be identified as an under-represented population;
- Percent of apprentices served who complete their apprenticeship program (Completion Rate); and
- Others described by grantee.

## APPRENTICESHIP GRANTS

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
25.1	Advisory and assistance services	0	0	0	0
41.0	Grants, subsidies, and contributions	90,000	89,829	89,829	0
	<b>Total</b>	<b>90,000</b>	<b>89,829</b>	<b>89,829</b>	<b>0</b>

# APPRENTICESHIP GRANTS

## CHANGES IN FY 2018

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Advisory and assistance services \$0

Grants, subsidies, and contributions 0

**Built-Ins Subtotal \$0**

**Net Program \$0**

**Direct FTE 0**

	Estimate	FTE
<b>Base</b>	<b>\$89,829</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>\$0</b>	<b>0</b>



## WORKFORCE DATA QUALITY INITIATIVE

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>6,000</b>	<b>5,989</b>	<b>0</b>	<b>-5,989</b>
FTE	0	0	0	0

### **Introduction**

This initiative provides competitive grants to support the development and enhancement of longitudinal data systems that integrate education and workforce data to support evaluation and research on the effectiveness of workforce and education programs and the provision of customer friendly information to help customers select the education and training programs that best suit their needs. The grants were initially provided under the research authority in Section 171 of the Workforce Investment Act of 1998 (Public Law 105-220), and now are provided under section 169 of the Workforce Innovation and Opportunity Act (WIOA). These grants supported accountability and transparency, key goals of WIOA.

Data linkages helped state leaders identify effective pathways through education and training services that lead to success in the workforce, and provided individuals with information that helped them make smart choices about their education and careers. Longitudinal data systems have information on individuals as they progress through the education system and into the workforce. Some states have developed comprehensive data systems that link individuals' demographic information, high school transcripts, college transcripts, and quarterly wage data. These data systems have provided valuable information to consumers, practitioners, policymakers, researchers and evaluators about the performance of education and workforce development programs.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2013	\$6,126	0
2014	\$6,000	0
2015	\$4,000	0
2016	\$6,000	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

# WORKFORCE DATA QUALITY INITIATIVE

## **Funding Mechanism**

WIOA programs operate on a Program Year (PY) basis. The Workforce Data Quality Initiative (WDQI) grants are awarded to states through a competitive Funding Opportunity Announcement (FOA).

## **FY 2018**

The Department is not requesting funding for the WDQI program in FY 2018. The Budget shifts responsibility to States for linking state data systems.

## **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.



## WORKFORCE DATA QUALITY INITIATIVE

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
25.1	Advisory and assistance services	0	0	0	0
41.0	Grants, subsidies, and contributions	6,000	5,989	0	-5,989
	<b>Total</b>	<b>6,000</b>	<b>5,989</b>	<b>0</b>	<b>-5,989</b>

# WORKFORCE DATA QUALITY INITIATIVE

## CHANGES IN FY 2018

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Advisory and assistance services \$0

Grants, subsidies, and contributions 0

**Built-Ins Subtotal \$0**

**Net Program -\$5,989**

**Direct FTE 0**

	Estimate	FTE
<b>Base</b>	<b>\$5,989</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>-\$5,989</b>	<b>0</b>

# YOUTHBUILD

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>84,534</b>	<b>84,373</b>	<b>84,373</b>	<b>0</b>
FTE	0	0	0	0

## **Introduction**

The YouthBuild program helps ensure that youth have an opportunity to develop the skills and knowledge that prepare them to succeed in a knowledge-based economy. YouthBuild addresses the challenges faced by unemployed, high school dropouts by providing them with an opportunity to gain both the education and occupational skills that will prepare them for employment with a living wage.

YouthBuild is a community-based, work-based education program that provides job training and educational opportunities to at-risk youth ages 16-24 with a specific focus on attaining construction skills through building or rehabilitating affordable housing for low-income or homeless families in their own neighborhoods. The program contributes to the quality and energy efficiency of community and other non-profit and public facilities, including those that serve homeless and low-income families. Youth split their time between the construction site and the classroom, where they earn their GED or high school diploma, learn to be community leaders, and prepare for college and other postsecondary training opportunities. Since 2012, the YouthBuild program has expanded its training and educational focus to include in-demand occupations outside of construction, including STEM fields, such as Information Technology and Manufacturing. YouthBuild provides significant support services, such as mentoring, follow-up education, employment and personal counseling, and participation in community service and civic engagement. There are over 220 DOL-funded YouthBuild programs in 43 states serving more than 6,000 youth per year.

WIOA requires work experience and skills training to be “coordinated, to the maximum extent feasible, with pre-apprenticeship and Registered Apprenticeship programs.” YouthBuild programs are considered to be pre-apprenticeship programs and will continue to develop partnerships and cross-learning opportunities from grantees selected under the PY 2015 American Apprenticeship Initiative grant competition. Other cross-collaborative efforts that will continue through FY 2018 include the Department’s work promoting the connection between Section 3 and YouthBuild with the Department of Housing and Urban Development (HUD). This collaboration brings graduates of the YouthBuild program together with HUD-funded contractors to: 1) strengthen local apprenticeship opportunities for at-risk young people trained in the construction trades; 2) promote self-sufficiency for residents of public housing; and 3) connect contractors working on HUD-funded projects to DOL Registered Apprenticeship programs.

# YOUTHBUILD

## Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2013	\$75,535	0
2014	\$77,534	0
2015	\$79,689	0
2016	\$84,534	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

## Funding Mechanism

Workforce Innovation and Opportunity Act (WIOA) programs operate on a program year (PY) calendar. FY 2018 YouthBuild funds will be available from April 1, 2018 through June 30, 2019, or PY 2018. The funds appropriated for YouthBuild are authorized by WIOA and are awarded through an annual grant competition. Programs are funded for four months of implementation, two years of program operation, and one year of follow-up support.

## FY 2018

In FY 2018, the Department requests \$84,373,000 for the period of April 1, 2018 through June 30, 2019 which is consistent with the FY 2017 annualized Continuing Resolution funding level. Of the total funding amount, five percent will be directed toward the statutory set-aside for technical assistance (TA). The remainder will support approximately 82 grants to serve approximately 7,257 youth with an average cost per participant of \$11,626 based on PY 2015 results.

In 2018, the Department's YouthBuild program will continue to provide education and occupational skills training that provides a clear pathway into a chosen career field, while maintaining its efforts to increase credential attainment (high school diplomas, high school equivalency degrees, and industry-recognized credentials) for YouthBuild participants. The program is committed to expanding "Construction Plus," which began with the PY 2012 grant competition for in-demand occupations outside of construction, including STEM fields, Information Technology and Manufacturing. The Department is also supportive of innovative, evidence-based practices that model effective student-centered problem-solving techniques, such as problem-based learning.

The Department will continue to support the random assignment evaluation that began in the fall of 2011 with planned completion in 2019. The implementation report was issued in February 2015, and the initial impact evaluation report is expected in FY 2017. The results of this report will further inform and support TA delivery and indicate promising practices in the field. The final impact evaluation report is anticipated in 2019.

## **YOUTHBUILD**

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## YOUTHBUILD

<b>DETAILED WORKLOAD AND PERFORMANCE</b>							
		<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017 Full Year C.R.</b>	<b>PY 2018 Request</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>YouthBuild</b>							
ETA-WIOA YB-01	Education and Employment Rate – 2nd Quarter After Exit (WIOA YouthBuild)	--	--	[base]	--	[base]	TBD
ETA-WIOA YB-02	Education and Employment Rate – 4th Quarter After Exit (WIOA YouthBuild)	--	--	[base]	--	[base]	[TBD]
ETA-WIOA YB-03	Median Earning – 2nd Quarter After Exit (WIOA YouthBuild)	--	--	[base]	--	[base]	TBD
ETA-WIOA YB-04	Credential Attainment (WIOA YouthBuild)	--	--	[base]	--	[base]	TBD
	Number of Participants Served (YouthBuild)	5,208[p]	6,854	7,271[p]	--	7,257[p]	7,257
	Cost Per Participant Served (YouthBuild)	\$15,300	\$11,626	11,626	--	\$11,626	\$11,626
ETA-WIA YB-01	Placement in Employment or Education (WIA YouthBuild)	50.5%	53.2%	N/A	N/A	N/A	N/A
ETA-WIA YB-02	Attainment of Degree or Credential (WIA YouthBuild)	67.1%	69.6%	N/A	N/A	N/A	N/A
ETA-WIA YB-03	Literacy and Numeracy Gains (WIA YouthBuild)	57.6%	61.6%	N/A	N/A	N/A	N/A

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

# YOUTHBUILD

## **Workload and Performance Narrative**

Beginning in PY 2016, the performance measures were revised based on WIOA authorization for six key indicators; these are consistent across populations served. The Department will use the employment and education based measures for budgetary purposes, including: 1) employment in the second quarter after exit; 2) employment in the fourth quarter after exit; and 3) median earnings of those employed in the second quarter after exit. The targets and results for these indicators have not been included in the budget request as the newly-implemented law, WIOA, instituted changes to the methodology for calculating these performance indicators. To accurately determine targets, the Department will collect baseline data in PY 2016 and PY 2017 and use results reported for PY 2017 to establish targets for subsequent years.

Per the average cost per participant of \$11,626, the Department projects enrolling 7,257 participants during PY 2018. The \$11,626 cost per participant is based on PY 2015 actual cost information. Participants are anticipated to be served in a YouthBuild program for nine months; however, some youth may complete the program in less time, creating an opportunity to serve additional youth.

# YOUTHBUILD

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
41.0	Grants, subsidies, and contributions	84,534	84,373	84,373	0
	<b>Total</b>	<b>84,534</b>	<b>84,373</b>	<b>84,373</b>	<b>0</b>



# YOUTHBUILD

## CHANGES IN FY 2018

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Costs of pay adjustments \$0

Grants, subsidies, and contributions 0

RTAA 0

**Built-Ins Subtotal \$0**

**Net Program \$0**

**Direct FTE 0**

	Estimate	FTE
<b>Base</b>	<b>\$84,373</b>	<b>0</b>
<b>Program Increase</b>	<b>\$0</b>	<b>0</b>
<b>Program Decrease</b>	<b>\$0</b>	<b>0</b>



## WOMEN IN APPRENTICESHIP

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>994</b>	<b>992</b>	<b>0</b>	<b>-992</b>
FTE	0	0	0	0

### **Introduction**

Over the past several years, Congress has appropriated approximately \$1,000,000 annually for the Women in Apprenticeship and Non-Traditional Occupations Act (WANTO) of 1992 (Pub. L. 102-530). The WANTO Act’s purpose is to provide technical assistance (TA) to employers and labor unions to assist them in placing women into apprentice-able and non-traditional occupations. The Department’s Women’s Bureau and Employment and Training Administration (ETA) jointly administer the program. The Budget proposes to eliminate the WANTO program, which duplicates the larger and broader \$90 million investment in Apprenticeship Grants.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2013	\$944	0
2014	\$994	0
2015	\$994	0
2016	\$994	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

### **Funding Mechanism**

WANTO programs operate on a program year calendar. WANTO grants are awarded to community-based organizations, which form partnerships with labor organizations, RA program sponsors, community colleges, and employer-related non-profit organizations.

### **FY 2018**

The Department is not requesting funding for WANTO in FY 2018. We believe that the programs’ goals can be accomplished more efficiently and effectively through the core Apprenticeship Grants.

## **WOMEN IN APPRENTICESHIP**

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

## WOMEN IN APPRENTICESHIP

<b>DETAILED WORKLOAD AND PERFORMANCE</b>						
	<b>PY 2015 Enacted</b>		<b>PY 2016 Enacted</b>		<b>PY 2017Enacted</b>	<b>PY 2018 Request</b>
	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Women in Apprenticeship</b>						
Number of Registered Apprenticeship Program Sponsors Provided Technical Assistance	39	69	39	TBD	NA	NA

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

### **Workload and Performance Narrative**

In FY 2018, the Department proposes to eliminate funding for WANTO grants. The Department has generally competitively awarded three WANTO grants per annual appropriation to cover a two-year period of performance for the selected grantees. Beginning with the FY 2011 appropriation, the Department used a measure of performance, the Number of Participants Entering Employment as measured by placement into Registered Apprenticeship or related employment, to track the number of women being trained and placed by the WANTO grantees during the two-year performance cycle.

## WOMEN IN APPRENTICESHIP

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
25.1	Advisory and assistance services	0	0	0	0
41.0	Grants, subsidies, and contributions	994	992	0	-992
	<b>Total</b>	<b>994</b>	<b>992</b>	<b>0</b>	<b>-992</b>

# JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
<b>Activity Appropriation</b>	<b>139,644</b>	<b>160,200</b>	<b>150,000</b>	<b>10,200</b>
FTE	0	0	0	0

## **Introduction**

The funding for this program is provided through H-1B fees, which are authorized under Section 414(c) of the American Competitiveness and Workforce Improvement Act of 1998 (P.L. 105-277, Title IV), as amended by P.L. 108-447 (codified at 20 U.S.C. 2916a) (ACWIA). The fees are collected from employers when they file applications seeking to hire temporary foreign workers, as needed, in occupations that require highly-specialized knowledge and skills. Authorized fees are available to the Department without appropriations by Congress and are used to provide job training and related activities for workers to help them fill jobs in occupations and industries that employ foreign workers with H-1B visas. The Secretary of Labor has discretion to make decisions regarding the types of grants that will be made with these funds, per the ACWIA.

## **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2013	\$0	0
2014	\$0	0
2015	\$0	0
2016	\$0	0
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

## **Funding Mechanism**

Job Training for Employment in High Growth Industries funds are awarded competitively through one or more Funding Opportunity Announcements (FOA). Eligible applicants for these grants include public-private partnerships of business-related nonprofit organizations, education and training providers, community-based organizations, entities involved in administering the public workforce system, and economic development agencies.

## **FY 2018**

Grants in FY 2018 will continue to be awarded to partnerships of private and public sector entities. These partnerships include entities involved in administering the public workforce system established under Title I of the Workforce Innovation and Opportunity Act (WIOA);

## **JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES**

business-related nonprofit organizations, such as trade associations, industry associations or consortium of employers; education and training providers, including community colleges and community-based organizations; economic development agencies; and other partners that reflect the character and resources of the local or regional economy.

Because these grants are financed by a user fee paid by employers to hire foreign workers into the United States under the H-1B nonimmigrant visa program, as authorized by the American Competitiveness and Workforce Improvement Act of 1998 (ACWIA), the Department must direct investments to industries and occupations for which employers are using H-1B visas to hire foreign workers. In addition, projects cannot serve youth that are 16 years of age or younger and currently enrolled in school within a local secondary educational agency (i.e., high school).

### **FY 2017**

Figures shown for FY 2017 reflect the annualized Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.



# JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2016 Enacted</b>	<b>FY 2017 Full Year C.R.</b>	<b>FY 2018 Request</b>	<b>Diff. FY18 Request / FY17 Full Year C.R.</b>
41.0	Grants, subsidies, and contributions	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# JOB TRAINING FOR EMPLOYMENT IN HIGH GROWTH INDUSTRIES

## CHANGES IN FY 2018

(Dollars in Thousands)

### Activity Changes

#### Built-In

To Provide For:

Grants, subsidies, and contributions

\$0

#### Built-Ins Subtotal

\$0

#### Net Program

\$0

Direct FTE

0

	Estimate	FTE
Base	\$0	0
Program Increase	\$0	0
Program Decrease	\$0	0