

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

Federal Funds

General and special funds:

TRAINING AND EMPLOYMENT SERVICES

For necessary expenses of the Workforce Investment Act of 1998 (the "Act"), including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Act; \$2,488,986,000 plus reimbursements, of which \$1,457,805,000 is available for obligation for the period July 1, 2004 through June 30, 2005, except that amounts determined by the Secretary to be necessary pursuant to sections 173(a)(4)(A) and 174(c) of the Act shall be available from October 1, 2003 until expended; of which \$1,000,965,000 is available for obligation for the period April 1, 2004 through June 30, 2005; and of which \$30,216,000 is available for the period July 1, 2004 through June 30, 2007 for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers: Provided, That notwithstanding the transfer limitation under section 133(b)(4) of the Act, up to 40 percent of such funds may be transferred by a local board if approved by the Governor: Provided further, That notwithstanding sections 127(b)(1)(A) and 174(a)(2)(B) of such Act, no funds provided herein shall be available to carry out section 167 of such Act: Provided further, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers: Provided further, That notwithstanding sections 127(C) and 132(C) of the Act for program year 2003, the Secretary shall reallocate from States for the youth, adult, and dislocated worker formula fund programs under title I of the Act, the amounts by which the unexpended balance in a State for any such program at the end of program year 2002 exceeds 30 percent of the total amount available for such program in such State for such year (including funds appropriated for previous program years that were available during program year 2002), to those States that did not have such unexpended balances for such program at the end of such year. Such reallocations shall be made using the formula applicable to such program for fiscal year 2003 except that such formula shall only be applied to those States receiving reallocations for such program under this proviso: Provided further, That notwithstanding sections 128(C) and 133(C) of the Act for program year 2003, the Governor may reallocate from local workforce investment areas for the youth, adult, and dislocated worker formula fund programs under title I of the Act, the amounts by which the unexpended balance in a local workforce investment area for any such program at the end of program year 2002 exceeds 30 percent of the total amount available for such program in such local workforce investment area for such year (including funds appropriated for previous program years that were available during program year 2002), to those local workforce investment areas that did not have such unexpended balances for such program at the end of such year. Such reallocations shall be made using the formula applicable to such program for fiscal year 2003 except that such formula shall only be applied to those local workforce investment areas receiving reallocations for such program under this proviso.

For necessary expenses of the Act, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Act; \$2,463,000,000 plus reimbursements, of which \$2,363,000,000 is available for obligation for the period October 1, 2004 through June 30, 2005, and of which \$100,000,000 is available for the period October 1, 2004 through June 30, 2007, for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Unavailable Collections (in millions of dollars)

Identification code 16-0174-0-1-504	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year		- 91	- 189
Appropriations:			
05.98 Appropriations	- 91	- 98	
07.99 Balance, end of year	- 91	- 189	- 189

Program and Financing (in millions of dollars)

Identification code 16-0174-0-1-504	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Adult employment and training activities	951	900	900
00.03 Dislocated worker employment and training activities	1,520	1,433	1,469
00.05 Youth activities	1,133	1,001	1,001
00.06 Youth opportunity grants	229	225	44
00.07 Job corps	1,467	1,511	1,573
00.08 Responsible reintegration for young offenders	85	25	
00.10 Native Americans	55	55	55
00.11 Migrant and seasonal farmworkers	117	1	
00.13 National programs	261	243	180
09.01 Reimbursable program	16	4	4
10.00 Total new obligations	5,834	5,398	5,226
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	1,011	985	725
22.00 New budget authority (gross)	5,651	5,138	4,956
22.10 Resources available from recoveries of prior year obligations	161		
23.90 Total budgetary resources available for obligation	6,823	6,123	5,681
23.95 Total new obligations	- 5,834	- 5,398	- 5,226
23.98 Unobligated balance expiring or withdrawn	- 4		
24.40 Unobligated balance carried forward, end of year	985	725	455
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	3,199	2,573	2,489
40.36 Unobligated balance rescinded	- 178		
43.00 Appropriation (total discretionary)	3,021	2,573	2,489
55.00 Advance appropriation	2,463	2,463	2,463
Mandatory:			
60.00 Appropriation	60		
60.20 Appropriation (special fund)	91	98	
62.50 Appropriation (total mandatory)	151	98	
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	16	4	4
70.00 Total new budget authority (gross)	5,651	5,138	4,956
Change in obligated balances:			
72.40 Obligated balance, start of year	5,117	4,928	4,251
73.10 Total new obligations	5,834	5,398	5,226
73.20 Total outlays (gross)	- 5,875	- 6,075	- 5,513
73.40 Adjustments in expired accounts (net)	13		
73.45 Recoveries of prior year obligations	- 161		
74.40 Obligated balance, end of year	4,928	4,251	3,964
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	1,810	1,712	1,717
86.93 Outlays from discretionary balances	4,021	4,156	3,641
86.97 Outlays from new mandatory authority	3		
86.98 Outlays from mandatory balances	44	204	155
87.00 Total outlays (gross)	5,875	6,075	5,513
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	- 16	- 2	- 2
88.40 Non-Federal sources	- 2	- 2	- 2

General and special funds—Continued

TRAINING AND EMPLOYMENT SERVICES—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 16-0174-0-1-504	2002 actual	2003 est.	2004 est.
88.90 Total, offsetting collections (cash)	-16	-4	-4
Net budget authority and outlays:			
89.00 Budget authority	5,635	5,134	4,952
90.00 Outlays	5,859	6,071	5,509
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	6	6	6
99.01 Outlays	6	6	6

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	2002 actual	2003 est.	2004 est.
Budget Authority	5,635	5,134	4,952
Outlays	5,859	6,071	5,509
Legislative proposal, not subject to PAYGO:			
Budget Authority			797
Outlays			36
Total:			
Budget Authority	5,635	5,134	5,749
Outlays	5,859	6,071	5,545

Enacted in 1998, the Workforce Investment Act (WIA), is the primary authorization for this appropriation account. The act is intended to revitalize the Nation's job training system to provide workers with the information, advice, job search assistance, and training they need to get and keep good jobs, and to provide employers with skilled workers. Funds appropriated for this account generally are available on a July to June program year basis, but for 2000 through 2003 substantial advance appropriation amounts were provided.

Adult employment and training activities.—Grants to provide financial assistance to States and territories to design and operate training and employment assistance programs for adults, including low-income individuals and public assistance recipients.

Dislocated worker employment and training activities.—Grants to provide reemployment services and retraining assistance to individuals dislocated from their employment.

Youth activities.—Grants to support a wide range of activities and services to prepare low-income youth for academic and employment success, including summer jobs. The program links academic and occupational learning with youth development activities.

Job corps.—A system of primarily residential centers offering basic education, training, work experience, and other support, typically to economically disadvantaged youth.

Native Americans.—Grants to Indian tribes and other Native American groups to provide training, work experience, and other employment-related services to Native Americans.

National programs.—Provides program support for WIA activities and nationally administered programs for segments of the population that have special disadvantages in the labor market.

Expired programs.—Includes programs previously funded in this account for which no budget authority is requested for 2003.

Object Classification (in millions of dollars)

Identification code 16-0174-0-1-504	2002 actual	2003 est.	2004 est.
Direct obligations:			
23.1 Rental payments to GSA	1	2	1
23.3 Communications, utilities, and miscellaneous charges	6	5	5
24.0 Printing and reproduction	1	1	1
25.2 Other services	393	361	351

25.3 Other purchases of goods and services from Government accounts	8	8	8
25.5 Research and development contracts	3	3	3
26.0 Supplies and materials	3	3	3
31.0 Equipment	4	4	3
41.0 Grants, subsidies, and contributions	5,207	4,822	4,658
94.0 Financial transfers	1	1	1
99.0 Direct obligations	5,627	5,210	5,034
99.0 Reimbursable obligations	16	4	4
Allocation Account:			
Personnel compensation:			
11.1 Full-time permanent	57	59	60
11.3 Other than full-time permanent	3	3	3
11.5 Other personnel compensation	4	4	4
11.9 Total personnel compensation	64	66	67
12.1 Civilian personnel benefits	18	19	19
21.0 Travel and transportation of persons	2	2	2
22.0 Transportation of things	1	1	1
23.3 Communications, utilities, and miscellaneous charges	7	5	6
25.2 Other services	46	45	45
25.4 Operation and maintenance of facilities	1	1	1
25.6 Medical care	1	1	1
25.7 Operation and maintenance of equipment	1		
26.0 Supplies and materials	34	28	29
31.0 Equipment	2	2	2
32.0 Land and structures	1	1	1
41.0 Grants, subsidies, and contributions	13	13	14
99.0 Allocation account	191	184	188
99.9 Total new obligations	5,834	5,398	5,226

Obligations are distributed as follows:

Department of Labor	5,642	5,213	5,038
Department of Agriculture	121	115	115
Department of the Interior	70	70	74

TRAINING AND EMPLOYMENT SERVICES
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16-0174-2-1-504	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01 Adult employment and training activities			-188
00.03 Dislocated worker employment and training activities			-275
00.05 Youth activities			-1,001
00.15 Consolidated adult and dislocated worker state grants			1,190
00.16 Youth grants			890
10.00 Total new obligations (object class 41.0)			616
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			797
23.95 Total new obligations			-616
24.40 Unobligated balance carried forward, end of year			182
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			797
Change in obligated balances:			
73.10 Total new obligations			616
73.20 Total outlays (gross)			-36
74.40 Obligated balance, end of year			580

Outlays (gross), detail:

86.90 Outlays from new discretionary authority			36
--	--	--	----

Net budget authority and outlays:

89.00 Budget authority			797
90.00 Outlays			36

Legislation will be proposed for 2004 to reauthorize the Workforce Investment Act (WIA). The reauthorization pro-

posal will increase State flexibility and target resources more effectively. For adults, the proposal will consolidate the Adult, Dislocated Worker and Employment Service State Grants into a single block grant to facilitate coordination and eliminate duplication in the provision of services to adults. For youth, the proposal will minimize overlap between the Departments of Labor (DOL) and Education by targeting all of DOL's formula resources to out-of-school youth programs and national grant resources to non-school and out-of-school youth programs that have proven effective.

WELFARE-TO-WORK JOBS

Program and Financing (in millions of dollars)

Identification code 16-0177-0-1-504	2002 actual	2003 est.	2004 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	1,237	688	501
73.20 Total outlays (gross)	-500	-187	-114
73.40 Adjustments in expired accounts (net)	-49		
74.40 Obligated balance, end of year	688	501	387
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	500	187	114
Net budget authority and outlays:			
89.00 Budget authority			
90.00 Outlays	500	187	114

This account provides funding for activities of the Welfare-to-Work Grants program, which was established by the Balanced Budget Act of 1997 (P.L. 105-33) appropriating funding for 1998 and 1999. Funds are available for expenditure for up to 5 years after they are provided. This program provides formula grants to States and federally administered competitive grants to local workforce boards, political subdivisions of States, and private entities to assist hard-to-employ welfare recipients to secure lasting, unsubsidized employment.

REEMPLOYMENT ACCOUNTS

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16-0328-4-1-504	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Grants to states for individual reemployment accounts		3,600	
10.00 Total new obligations (object class 41.0)		3,600	
Budgetary resources available for obligation:			
22.00 New budget authority (gross)		3,600	
23.95 Total new obligations		-3,600	
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation		3,600	
Change in obligated balances:			
72.40 Obligated balance, start of year			2,000
73.10 Total new obligations		3,600	
73.20 Total outlays (gross)		-1,600	-2,000
74.40 Obligated balance, end of year			2,000
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority		1,600	
86.98 Outlays from mandatory balances			2,000
87.00 Total outlays (gross)		1,600	2,000
Net budget authority and outlays:			
89.00 Budget authority		3,600	
90.00 Outlays		1,600	2,000

Legislation will be proposed to authorize grants to States for Re-employment Accounts for unemployed workers. These accounts would provide certain unemployed workers up to \$3,000 per person to purchase job training, child care, transportation, or moving services, or to finance other expenses of finding a job. As an additional incentive to find work, an individual who gets a job within thirteen weeks of establishing the account would receive any funds remaining in the account as a re-employment bonus.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out title V of the Older Americans Act of 1965, as amended, \$440,200,000.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 16-0175-0-1-504	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 National programs	345	343	343
00.02 State programs	100	97	97
10.00 Total new obligations (object class 41.0)	445	440	440
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	445	440	440
23.95 Total new obligations	-445	-440	-440
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	445	440	440
Change in obligated balances:			
72.40 Obligated balance, start of year	398	384	380
73.10 Total new obligations	445	440	440
73.20 Total outlays (gross)	-454	-444	-442
73.40 Adjustments in expired accounts (net)	-5		
74.40 Obligated balance, end of year	384	380	378
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	70	84	84
86.93 Outlays from discretionary balances	384	360	358
87.00 Total outlays (gross)	454	444	442
Net budget authority and outlays:			
89.00 Budget authority	445	440	440
90.00 Outlays	454	444	442

This program provides part-time work experience in community service activities to unemployed, low-income persons aged 55 and over.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I; and for training, allowances for job search and relocation, and related State administrative expenses under part II of chapter 2, title II of the Trade Act of 1974 (including the benefits and services described under sections 123(c)(2) and 151(b) and (c) of the Trade Adjustment Assistance Reform Act of 2002, P.L. 107-210), \$1,338,200,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

General and special funds—Continued

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES—Continued

Program and Financing (in millions of dollars)

Identification code 16-0326-0-1-999	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01 Trade adjustment assistance benefits	254	561	1,062
00.02 Trade adjustment assistance training	94	222	258
00.03 North American Free Trade Agreement adjustment assistance benefits	32	51	7
00.04 North American Free Trade Agreement adjustment assistance training	37	37	1
00.05 Wage insurance demonstration			10
09.01 Reimbursable program	15	40	40
10.00 Total new obligations	432	911	1,378
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	434	911	1,378
23.95 Total new obligations	-432	-911	-1,378
23.98 Unobligated balance expiring or withdrawn	-2		
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	416	871	1,338
69.00 Offsetting collections (cash)	18	40	40
70.00 Total new budget authority (gross)	434	911	1,378
Change in obligated balances:			
72.40 Obligated balance, start of year	168	181	250
73.10 Total new obligations	432	911	1,378
73.20 Total outlays (gross)	-406	-842	-1,352
73.40 Adjustments in expired accounts (net)	-13		
74.40 Obligated balance, end of year	181	250	276
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	312	748	1,215
86.98 Outlays from mandatory balances	94	94	137
87.00 Total outlays (gross)	406	842	1,352
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-15	-40	-40
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credited to expired accounts	-3		
Net budget authority and outlays:			
89.00 Budget authority	416	871	1,338
90.00 Outlays	391	802	1,312

The Trade Adjustment Assistance Reform Act of 2002 (Division A of Public Law 107-210) was signed into law on August 6, 2002. This Act amended the Trade Act of 1974 to consolidate the previous Trade Adjustment Assistance (TAA) and NAFTA Transitional Adjustment Assistance (NAFTA-TAA) programs into a single, enhanced TAA program with expanded eligibility, services, and benefits. Additionally, the act provides for a program of Alternative Trade Adjustment Assistance for Older Workers. The amendments generally apply only to those workers covered by a petition for certification filed on or after November 4, 2002. Sections 123(c) and 151(b) and (c) of the Trade Adjustment Assistance Reform Act provide that workers certified under a petition filed before November 4 will continue to be eligible for services and benefits in accordance with the requirements that were applicable to the previous TAA and NAFTA-TAA programs, until such time as their eligibility under those requirements is exhausted. Therefore, the amounts appropriated to the Federal Unemployment Benefits and Allowances (FUBA) account are to provide for services and benefits to workers certified under the amended program, as well as the predecessor programs.

Trade adjustment assistance.—Adjustment assistance, including cash weekly benefits, training, job search and reloca-

tion allowances, is paid to workers as authorized by the Trade Act of 1974, as amended.

North American Free Trade Agreement (NAFTA) transitional adjustment assistance.—Adjustment assistance, including weekly cash benefits, training, job search and relocation allowances, is paid to workers determined to be adversely affected as a result of trade with Canada and Mexico as authorized by the Trade Act of 1974, as amended.

Object Classification (in millions of dollars)

Identification code 16-0326-0-1-999	2002 actual	2003 est.	2004 est.
41.0 Direct obligations: Grants, subsidies, and contributions	417	871	1,338
99.0 Reimbursable obligations: Reimbursable obligations	15	40	40
99.9 Total new obligations	432	911	1,378

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, \$144,452,000, together with not to exceed \$3,502,331,000 (including not to exceed \$1,228,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980), which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund including the cost of administering section 51 of the Internal Revenue Code of 1986, as amended, section 7(d) of the Wagner-Peyser Act, as amended, the Trade Act of 1974, as amended, the Immigration Act of 1990, and the Immigration and Nationality Act, as amended, and of which the sums available in the allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502-504), and the sums available in the allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501-8523, shall be available for obligation by the States through December 31, 2004, except that funds used for automation acquisitions shall be available for obligation by the States through September 30, 2006; of which \$144,452,000, together with not to exceed \$773,283,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period July 1, 2004 through June 30, 2005, to fund activities under the Act of June 6, 1933, as amended, including the cost of penalty mail authorized under 39 U.S.C. 3202(a)(1)(E) made available to States in lieu of allotments for such purpose: Provided, That to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 2004 is projected by the Department of Labor to exceed 3,227,000, an additional \$28,600,000 shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) from the Employment Security Administration Account of the Unemployment Trust Fund: Provided further, That funds appropriated in this Act which are used to establish a national one-stop career center system, or which are used to support the national activities of the Federal-State unemployment insurance programs, may be obligated in contracts, grants or agreements with non-State entities: Provided further, That funds appropriated under this Act for activities authorized under the Wagner-Peyser Act, as amended, and title III of the Social Security Act, may be used by the States to fund integrated Employment Service and Unemployment Insurance automation efforts, notwithstanding cost allocation principles prescribed under Office of Management and Budget Circular A-87.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 16-0179-0-1-999	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
Unemployment compensation:			
00.01 State administration	2,860	2,794	2,640
00.02 National activities	10	10	11
Employment service:			
00.10 Grants to States	805	773	773
00.11 National activities	51	29	79

00.12	One-stop career centers	113	113	101
00.13	Work incentive grants	20	20	20
09.01	Reimbursable program	2	10	10
10.00	Total new obligations	3,861	3,749	3,634
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	100	104	284
22.00	New budget authority (gross)	3,864	3,929	3,656
23.90	Total budgetary resources available for obligation	3,964	4,033	3,940
23.95	Total new obligations	-3,861	-3,749	-3,634
24.40	Unobligated balance carried forward, end of year	104	284	306
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation	167	156	144
Spending authority from offsetting collections:				
68.00	Offsetting collections (cash)	2,978	3,551	3,512
68.10	Change in uncollected customer payments from Federal sources (unexpired)	573		
68.90	Spending authority from offsetting collections (total discretionary)	3,551	3,551	3,512
Mandatory:				
69.00	Offsetting collections (cash)	146	222	
70.00	Total new budget authority (gross)	3,864	3,929	3,656
Change in obligated balances:				
72.40	Obligated balance, start of year	320	323	34
73.10	Total new obligations	3,861	3,749	3,634
73.20	Total outlays (gross)	-3,622	-4,038	-3,652
73.40	Adjustments in expired accounts (net)	-4		
74.00	Change in uncollected customer payments from Federal sources (unexpired)	-573		
74.10	Change in uncollected customer payments from Federal sources (expired)	341		
74.40	Obligated balance, end of year	323	34	16
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	2,386	2,915	2,837
86.93	Outlays from discretionary balances	1,189	801	815
86.97	Outlays from new mandatory authority	47	222	
86.98	Outlays from mandatory balances		100	
87.00	Total outlays (gross)	3,622	4,038	3,652
Offsets:				
Against gross budget authority and outlays:				
Offsetting collections (cash) from:				
Federal sources:				
88.00	Federal sources	-343	-10	-10
88.00	Trust Fund sources	-3,122	-3,763	-3,502
88.90	Total, offsetting collections (cash)	-3,465	-3,773	-3,512
Against gross budget authority only:				
88.95	Change in uncollected customer payments from Federal sources (unexpired)	-573		
88.96	Portion of offsetting collections (cash) credited to expired accounts	341		
Net budget authority and outlays:				
89.00	Budget authority	167	156	144
90.00	Outlays	157	265	140

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	2002 actual	2003 est.	2004 est.
Budget Authority	167	156	144
Outlays	157	265	140
Legislative proposal, not subject to PAYGO:			
Budget Authority			-23
Outlays			-5
Total:			
Budget Authority	167	156	121
Outlays	157	265	135

Unemployment compensation.—State administration amounts provide administrative grants to State agencies which pay unemployment compensation to eligible workers and collect State unemployment taxes from employers. These

agencies also pay unemployment benefits to former Federal personnel as well as trade adjustment assistance to eligible individuals. State administration amounts also provide administrative grants to State agencies to improve the integrity and financial stability of the unemployment compensation program through a comprehensive program, UI Performs. The purpose is to effect continuous improvement in State performance and related activities designed to assess and reduce errors and prevent fraud, waste, and abuse in the payment of unemployment compensation benefits and the collection of unemployment taxes. National activities relating to the Federal-State unemployment insurance programs are conducted through contracts or agreements with the State agencies or with non-state entities. A workload reserve is included in State administration to meet increases in the costs of administration resulting from changes in State law, or increases in the number of claims filed and claims paid. The appropriation automatically provides additional funds whenever unemployment increases above budgeted levels.

PROGRAM STATISTICS

	2001 actual	2002 estimate	2003 estimate	2004 estimate
Staff years	33,090	36,716	52,102	50,967
Basic workload (in thousands):				
Employer tax accounts	6,839	6,933	7,045	7,098
Employee wage items recorded	609,371	609,096	621,867	636,510
Initial claims taken	20,274	22,606	23,221	22,587
Eligibility interviews	2,918	2,005	14,182	12,688
Weeks claimed	139,948	190,442	182,383	163,978
Nonmonetary determinations	7,851	8,521	8,305	7,798
Appeals	1,107	1,365	1,468	1,392
Covered employment	128,460	127,110	128,220	129,900

Employment service.—The public employment service is a nationwide system providing no-fee employment services to individuals who are seeking employment and employers who are seeking workers. State employment service activities are financed by allotments to States distributed under a demographically based funding formula established under the Wagner-Peyser Act, as amended. Employment service allotments are funded on a program year basis running from July 1 through June 30 of the following year. The reemployment needs of unemployed workers who lose their jobs through no fault of their own and who need extra job finding help are financed by Reemployment Services grants. These funds are distributed to States on a program year basis running from July 1 through June 30 the following year.

Employment service activities serving national needs, which includes certification of aliens for employment-based visas, are conducted through specific reimbursable agreements between the States and the Federal Government under the Wagner-Peyser Act, as amended and other legislation. Funding is also provided for amortization payments for States which had independent retirement plans prior to 1980 in their State employment service agencies.

One-stop career centers.—These funds will be used to support the joint Federal-State efforts to improve the comprehensive One-Stop system created under the Workforce Investment Act (WIA). This system provides workers and employers with quick and easy access to a wide array of enhanced career development and labor market information services. In this activity, funds will be used to implement the emerging e-government strategy for the WIA workforce system, which will improve accessibility, update the one-stop technology infrastructure, and improve the efficiency of the labor exchange and other services.

Work incentive grants.—These funds provide competitive grants to improve access to and coordination of information, benefits, and services to enable individuals with disabilities to return to work.

General and special funds—Continued

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE
OPERATIONS—Continued

PROGRAM STATISTICS

(In thousands)

Total applicants	19,016	17,000	17,000	17,000
Entered employment	3,924	9,860	9,860	9,860

¹ For the program year, July 1, 2001–June 30, 2002.² For the program year, July 1, 2002–June 30, 2003.³ For the program year, July 1, 2003–June 30, 2004.⁴ For the program year, July 1, 2004–June 30, 2005.

Object Classification (in millions of dollars)

Identification code 16–0179–0–1–999	2002 actual	2003 est.	2004 est.
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges	153	125	125
41.0 Grants, subsidies, and contributions	3,706	3,614	3,499
99.0 Direct obligations	3,859	3,739	3,624
99.0 Reimbursable obligations	2	10	10
99.9 Total new obligations	3,861	3,749	3,634

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE
OPERATIONS

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16–0179–2–1–999	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
Employment service:			
00.10 Grants to States			–797
10.00 Total new obligations			–797
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			–797
23.95 Total new obligations			797
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			–23
68.00 Spending authority from offsetting collections: Offsetting collections (cash)			–774
70.00 Total new budget authority (gross)			–797
Change in obligated balances:			
73.10 Total new obligations			–797
73.20 Total outlays (gross)			779
74.40 Obligated balance, end of year			–19
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			–779
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Trust Fund sources			774
Net budget authority and outlays:			
89.00 Budget authority			–23
90.00 Outlays			–5

Legislation will be proposed for 2004 to amend the Wagner-Peyser Act and the Workforce Investment Act to consolidate the Employment Service State Grants with the Adult and Dislocated Worker programs into a single block grant to increase state flexibility, facilitate coordination, and eliminate duplication in the provision of employment services to adults.

Object Classification (in millions of dollars)

Identification code 16–0179–2–1–999	2002 actual	2003 est.	2004 est.
23.3 Communications, utilities, and miscellaneous charges			–16
41.0 Grants, subsidies, and contributions			–781
99.9 Total new obligations			–797

PAYMENTS TO THE UNEMPLOYMENT TRUST FUND

Program and Financing (in millions of dollars)

Identification code 16–0178–0–1–603	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.10 Payments to EUCA	270	644	103
10.00 Total new obligations (object class 41.0)	270	644	103
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	5	38	
22.00 New budget authority (gross)	303	606	103
23.90 Total budgetary resources available for obligation	308	644	103
23.95 Total new obligations	–270	–644	–103
24.40 Unobligated balance carried forward, end of year	38		
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	303	606	103
Change in obligated balances:			
73.10 Total new obligations	270	644	103
73.20 Total outlays (gross)	–270	–644	–103
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	270	606	103
86.98 Outlays from mandatory balances		38	
87.00 Total outlays (gross)	270	644	103
Net budget authority and outlays:			
89.00 Budget authority	303	606	103
90.00 Outlays	270	644	103

This account was initiated as a result of the amendments to the Emergency Unemployment Compensation law (P.L. 102–164, as amended) which currently provides for general fund financing for administrative costs related to extended benefits under the optional, total unemployment rate trigger. This account is also used to make reimbursements for a portion of benefits paid under the Temporary Extended Unemployment Compensation Act of 2002 (P.L. 107–147). These funds are transferred to a receipt account in the Unemployment Trust Fund (UTF) so that resources may be transferred to the Employment Security Administration Account in the UTF for administrative costs or to the Extended Unemployment Compensation Account for benefit costs.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the “Federal unemployment benefits and allowances” account, to remain available until September 30, 2005, \$467,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2004, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107–229, as amended). The amounts included for 2003 in this budget reflect the Administration’s 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 16-0327-0-1-600	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.02 North American Free Trade Agreement adjustment assistance benefits	3		
10.00 Total new obligations (object class 41.0)	3		
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	3		
23.95 Total new obligations	-3		
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	3		
Change in obligated balances:			
73.10 Total new obligations	3		
73.20 Total outlays (gross)	-3		
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	3		
Net budget authority and outlays:			
89.00 Budget authority	3		
90.00 Outlays	3		

Summary of Budget Authority and Outlays

(in millions of dollars)

	2002 actual	2003 est.	2004 est.
Enacted/requested:			
Budget Authority	3		
Outlays	3		
Legislative proposal, not subject to PAYGO:			
Budget Authority			2,318
Outlays			2,318
Total:			
Budget Authority	3		2,318
Outlays	3		2,318

This account provides repayable advances to the Black Lung Disability Trust Fund for making payments from that fund whenever its balances prove insufficient. The funding requested in this appropriation for 2004 is entirely for Black Lung. This spending authority is presented as authority to borrow in the Black Lung Disability Trust Fund.

This account may also provide advances to several other accounts to pay unemployment compensation to eligible individuals under various Federal and State unemployment compensation laws whenever the balances in the funds prove insufficient or whenever reimbursements to certain accounts, as allowed by law, are to be made. Advances made to the Federal employees compensation account in the Unemployment Trust Fund and to the Federal unemployment benefits and allowances account are nonrepayable. All other advances made to the Federal unemployment account and to the Extended unemployment compensation account (both in the Unemployment Trust Fund) are repaid, with interest, to the general fund of the Treasury.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND
(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16-0327-2-1-600	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.02 One-time prepayment premium to Treasury			2,318
10.00 Total new obligations (object class 41.0)			2,318
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			2,318
23.95 Total new obligations			-2,318

New budget authority (gross), detail:

60.00	2002 actual	2003 est.	2004 est.
Mandatory:			
60.00 Appropriation			2,318
Change in obligated balances:			
73.10 Total new obligations			2,318
73.20 Total outlays (gross)			-2,318
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			2,318
Net budget authority and outlays:			
89.00 Budget authority			2,318
90.00 Outlays			2,318

The Black Lung Disability Trust Fund (BLDTF) revenues, which consist primarily of excise taxes on coal, are not sufficient to repay its \$9 billion debt to the Treasury or to service the interest on that debt. See discussion in the Black Lung Disability Trust Fund for a full description of the Administration's proposal to remedy this problem. As a part of this proposal, the Administration will propose legislation that will provide for a one-time appropriation to permit the BLDTF to compensate the General Fund for lost interest income.

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, \$115,824,000, of which \$2,393,000 is to administer welfare-to-work grants together with not to exceed \$67,541,000, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 16-0172-0-1-504	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01 Adult services	37	44	46
00.02 Youth services	38	39	39
00.03 Workforce security	50	52	65
00.04 Apprenticeship training, employer and labor services	21	21	21
00.05 Executive direction	9	10	10
00.06 Welfare-to-work	6	5	2
10.00 Total new obligations	161	171	183
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	161	171	183
23.95 Total new obligations	-161	-171	-183
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	113	116	116
40.71 Reduction pursuant to P.L. 107-206	-1		
43.00 Appropriation (total discretionary)	112	116	116
68.00 Spending authority from offsetting collections: Trust Fund sources	49	55	67
70.00 Total new budget authority (gross)	161	171	183
Change in obligated balances:			
72.40 Obligated balance, start of year	18	23	18
73.10 Total new obligations	161	171	183
73.20 Total outlays (gross)	-155	-175	-184
74.40 Obligated balance, end of year	23	18	18
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	144	160	172
86.93 Outlays from discretionary balances	11	15	12
87.00 Total outlays (gross)	155	175	184

General and special funds—Continued

PROGRAM ADMINISTRATION—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 16-0172-0-1-504	2002 actual	2003 est.	2004 est.
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Trust fund sources	-49	-55	-67
Net budget authority and outlays:			
89.00 Budget authority	112	116	116
90.00 Outlays	106	120	117
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	6	6	6
99.01 Outlays	6	6	6

Adult services.—Provides leadership, policy direction and administration for a decentralized system of grants to State and local governments as well as federally administered programs for job training and employment assistance for low income adults and dislocated workers; provides for training and employment services to special targeted groups; provides for the settlement of trade adjustment petitions; and includes related program operations support activities.

Youth services.—Provides leadership, policy direction and administration for a decentralized system of grants to State and local governments as well as federally administered programs for job training and employment assistance for youth, including youth grants, the Job Corps, and Youth Opportunity Grants.

Workforce security.—Provides leadership and policy direction for the administration of the comprehensive nationwide public employment service system; oversees unemployment insurance programs in each State; administers foreign labor certification programs; supports a one-stop career center network, including a comprehensive system of collecting, analyzing and disseminating labor market information; and includes related program operations support activities.

Apprenticeship training, employer and labor services.—Promotes and provides leadership and policy direction for the administration of apprenticeship as a method of skill acquisition through a Federal-State apprenticeship structure. Employer and labor services will facilitate the understanding and responsiveness of workforce development systems to the training needs of employers and the interest of labor organizations in training programs.

Executive direction.—Provides leadership and policy direction for all training and employment services programs and activities and provides for related program operations support, including research, evaluations, and demonstrations.

Welfare-to-work.—Provides leadership, policy direction, technical assistance, and administration for a decentralized system of grants to States and federally administered competitive grants to Workforce Investment Boards, political subdivisions of States, and private entities to assist hard-to-employ welfare recipients and certain noncustodial parents to secure lasting, unsubsidized employment.

Object Classification (in millions of dollars)

Identification code 16-0172-0-1-504	2002 actual	2003 est.	2004 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	85	85	92
11.3 Other than full-time permanent	2	2	2
11.5 Other personnel compensation	2	2	2
11.9 Total personnel compensation	89	89	96
12.1 Civilian personnel benefits	20	22	24
21.0 Travel and transportation of persons	5	5	5
23.1 Rental payments to GSA	11	12	14

23.3 Communications, utilities, and miscellaneous charges	2	2	2
24.0 Printing and reproduction	1	1	1
25.1 Advisory and assistance services	4	11	11
25.2 Other services	3	3	3
25.3 Other purchases of goods and services from Government accounts	13	14	15
25.7 Operation and maintenance of equipment	8	9	9
26.0 Supplies and materials	1	1	1
31.0 Equipment	3	2	2
99.0 Direct obligations	160	171	183
99.5 Below reporting threshold	1		
99.9 Total new obligations	161	171	183

Personnel Summary

Identification code 16-0172-0-1-504	2002 actual	2003 est.	2004 est.
Direct:			
Total compensable workyears:			
1001 Civilian full-time equivalent employment	1,292	1,257	1,357
Reimbursable:			
Total compensable workyears:			
2001 Civilian full-time equivalent employment	3	3	3
Allocation account:			
Total compensable workyears:			
3001 Civilian full-time equivalent employment	49	110	

WORKERS COMPENSATION PROGRAMS

Program and Financing (in millions of dollars)

Identification code 16-0170-0-1-806	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.01 Workers compensation programs		175	
10.00 Total new obligations (object class 41.0)		175	
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		175	
22.00 New budget authority (gross)	175		
23.90 Total budgetary resources available for obligation	175	175	
23.95 Total new obligations		-175	
24.40 Unobligated balance carried forward, end of year	175		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	175		
Change in obligated balances:			
73.10 Total new obligations		175	
73.20 Total outlays (gross)		-175	
Outlays (gross), detail:			
86.93 Outlays from discretionary balances		175	
Net budget authority and outlays:			
89.00 Budget authority	175		
90.00 Outlays		175	

UNEMPLOYMENT TRUST FUND

Unavailable Collections (in millions of dollars)

Identification code 20-8042-0-7-999	2002 actual	2003 est.	2004 est.
01.99 Balance, start of year	88,302	67,271	48,998
Receipts:			
General taxes, FUTA			
02.00 State accounts, deposits by States	6,613	6,777	6,872
02.01 Deposits by Railroad Retirement Board	20,911	27,312	33,195
02.02 CMA interest, Unemployment trust fund	95	141	139
02.40 Deposits by Federal agencies to the Federal Employees Compensation Account	5	3	3
02.41 Interest and profits on investments in public debt securities	448	544	538
02.42 Payments from the general fund for administrative cost for exten	5,445	3,460	2,711
	270	644	103

02.80	Offsetting collections, Railroad unemployment insurance trust fund	30	26	26
02.99	Total receipts and collections	33,817	38,907	43,587
04.00	Total: Balances and collections	122,119	106,178	92,585
Appropriations:				
Appropriations:				
05.00	Unemployment trust fund	-54,700	-57,031	-43,675
05.00	Legislative proposal not subject to PAYGO, Employment Service consolidation			774
05.01	Railroad unemployment insurance trust fund	-148	-149	-142
05.99	Total appropriations	-54,848	-57,180	-43,043
07.99	Balance, end of year	67,271	48,998	49,542

Program and Financing (in millions of dollars)

Identification code 20-8042-0-7-999	2002 actual	2003 est.	2004 est.	
Obligations by program activity:				
Federal-State unemployment insurance:				
Withdrawals:				
00.01	Benefit payments by States	50,175	52,345	39,269
00.02	Federal employees' unemployment compensation	524	567	520
00.03	State administrative expenses	3,689	3,835	3,578
Federal administrative expenses:				
00.10	Direct expenses	54	60	74
00.11	Reimbursements to the Department of the Treasury	69	35	38
00.20	Veterans employment and training	186	186	193
00.21	Interest on refunds	3	3	3
10.00	Total new obligations	54,700	57,031	43,675
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	54,700	57,031	43,675
23.95	Total new obligations	-54,700	-57,031	-43,675
New budget authority (gross), detail:				
Discretionary:				
40.26	Appropriation (trust fund)	3,859	3,859	3,845
Mandatory:				
Appropriation (trust fund):				
60.26	Appropriation (trust fund)[UI Benefits]	50,695	52,950	39,830
60.26	Appropriation (trust fund)[TEUC Admin]	146	222	
62.50	Appropriation (total mandatory)	50,841	53,172	39,830
70.00	Total new budget authority (gross)	54,700	57,031	43,675
Change in obligated balances:				
72.40	Obligated balance, start of year	1,029	1,257	1,114
73.10	Total new obligations	54,700	57,031	43,675
73.20	Total outlays (gross)	-54,471	-57,174	-43,661
74.40	Obligated balance, end of year	1,257	1,114	1,128
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	2,964	2,815	2,785
86.93	Outlays from discretionary balances	666	1,187	1,046
86.97	Outlays from new mandatory authority	50,841	53,172	39,830
87.00	Total outlays (gross)	54,471	57,174	43,661
Net budget authority and outlays:				
89.00	Budget authority	54,700	57,031	43,675
90.00	Outlays	54,471	57,174	43,661
Memorandum (non-add) entries:				
92.01	Total investments, start of year: Federal securities: Par value	88,638	68,523	49,821
92.02	Total investments, end of year: Federal securities: Par value	68,523	49,821	50,639
Additional net budget authority and outlays to cover cost of fully accruing retirement:				
99.00	Budget authority	4	4	4
99.01	Outlays	4	4	4

Summary of Budget Authority and Outlays

(in millions of dollars)

	2002 actual	2003 est.	2004 est.
Enacted/requested:			
Budget Authority	54,700	57,031	43,675
Outlays	54,471	57,174	43,661
Legislative proposal, not subject to PAYGO:			
Budget Authority			-774

Outlays			-774
Total:			
Budget Authority	54,700	57,031	42,901
Outlays	54,471	57,174	42,887

The financial transactions of the Federal-State and railroad unemployment insurance systems are made through the Unemployment Trust Fund. All State and Federal unemployment tax receipts are deposited in the trust fund and invested in Government securities until needed for benefit payments or administrative costs. States may receive repayable advances from the fund when their balances in the fund are insufficient to pay benefits. The fund may receive repayable advances from the general fund when it has insufficient balances to make advances to States or to pay the Federal share of extended benefits.

State payroll taxes pay for all regular State benefits. During periods of high State unemployment, extended benefits, financed one-half by State payroll taxes and one-half by the Federal unemployment payroll tax, are also paid. The Federal tax pays the costs of Federal and State administration of unemployment insurance and veterans employment services and 97% of the costs of the employment service. The Federal tax also pays for benefits under the Temporary Extended Unemployment Compensation program.

The Federal employees compensation account provides funds to States for unemployment compensation benefits paid to eligible former Federal civilian personnel, Postal Service employees, and ex-servicemembers. Benefits paid are reimbursed to the Federal employees compensation account by the various Federal agencies. Any additional resources necessary to assure that the account can make the required payments to States will be provided from the Advances to the Unemployment Trust Fund and other funds account.

Both the benefit payments and administrative expenses of the separate unemployment insurance program for railroad employees are paid from the Unemployment Trust Fund and receipts from the tax on railroad payrolls are deposited in the fund to meet expenses.

Status of Funds (in millions of dollars)

Identification code 20-8042-0-7-999	2002 actual	2003 est.	2004 est.	
Unexpended balance, start of year:				
0100	Treasury balance	660	-22	260
0101	Federal securities: Par value	88,638	68,523	49,821
0199	Total balance, start of year	89,298	68,501	50,081
Cash income during the year:				
Current law:				
Receipts:				
1200	General taxes, FUTA, Unemployment trust fund	6,613	6,777	6,872
1201	Unemployment trust fund, State accounts, Deposits by States	20,911	27,312	33,195
1202	Deposits by Railroad Retirement Board	95	141	139
Offsetting receipts (proprietary):				
1220	CMA interest, Unemployment trust fund	5	3	3
Offsetting receipts (intragovernmental):				
1240	Deposits by Federal agencies to the Federal Employees Compensation Account, Unemployment trust fund	448	544	538
1241	Unemployment trust fund, Interest and profits on investments in public debt securities	5,445	3,460	2,711
1242	Offsetting receipts (intragovernmental)	270	644	103
Offsetting collections:				
1280	Railroad unemployment insurance trust fund, Offsetting collections	30	26	26
1299	Income under present law	33,817	38,907	43,587
Cash outgo during year:				
Current law:				
4500	Unemployment trust fund	-54,471	-57,174	-43,661
4501	Railroad unemployment insurance trust fund	-129	-136	-126
4599	Outgo under current law (-)	-54,600	-57,310	-43,787
Proposed legislation:				
5500	Legislative proposal not subject to PAYGO			774

General and special funds—Continued

UNEMPLOYMENT TRUST FUND—Continued

Status of Funds (in millions of dollars)—Continued

Identification code 20-8042-0-7-999	2002 actual	2003 est.	2004 est.
6599 Total cash outgo (—)	–54,600	–57,310	–43,013
7645 Transfers, net	–14	–16	–16
Unexpended balance, end of year:			
8700 Uninvested balance	–22	260	
8701 Federal securities: Par value	68,523	49,821	50,639
8799 Total balance, end of year	68,501	50,081	50,639

Object Classification (in millions of dollars)

Identification code 20-8042-0-7-999	2002 actual	2003 est.	2004 est.
25.3 Reimbursements to Department of the Treasury	69	35	38
Insurance claims and indemnities:			
42.0 Federal unemployment benefits	524	567	520
42.0 State unemployment benefits	50,175	52,345	39,269
43.0 Interest and dividends	3	3	3
Financial transfers:			
94.0 Employment and Training Administration	49	54	68
94.0 Veterans employment and training	186	186	193
94.0 Payments to States for administrative expenses	3,689	3,835	3,578
94.0 Departmental management	5	6	6
99.0 Direct obligations	54,700	57,031	43,675
99.9 Total new obligations	54,700	57,031	43,675

UNEMPLOYMENT TRUST FUND

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 20-8042-2-7-999	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
00.03 State administrative expenses			–774
10.00 Total new obligations (object class 94.0)			–774
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			–774
23.95 Total new obligations			774
New budget authority (gross), detail:			
Discretionary:			
40.26 Appropriation (trust fund)			–774
Change in obligated balances:			
73.10 Total new obligations			–774
73.20 Total outlays (gross)			774
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			–774
Net budget authority and outlays:			
89.00 Budget authority			–774
90.00 Outlays			–774
Memorandum (non-add) entries:			
92.01 Total investments, start of year: Federal securities:			
Par value			
92.02 Total investments, end of year: Federal securities:			
Par value			

Legislation will be proposed for 2004 to amend the Wagner-Peyser Act and the Workforce Investment Act to consolidate the Employment Service State Grants with the Adult and Dislocated Worker programs into a single block grant to increase state flexibility, facilitate coordination, and eliminate duplication in the provision of employment services to adults.

In addition to the legislative proposal to consolidate the Employment Service and Workforce Investment Act Adult and

Dislocated Worker grant programs, legislation will also be proposed to reform unemployment insurance (UI) administration. The proposal is designed to make the UI system more responsive to the needs of workers and employers by giving states flexibility and control. It would reduce current Federal payroll taxes on employers by 25 percent in 2005 and 75 percent in 2009. These changes would not affect workers' UI benefits, which are paid by State, not Federal funds.

EMPLOYEE BENEFITS SECURITY ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for the Employee Benefits Security Administration, \$128,605,000.

Note.—A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 107-229, as amended). The amounts included for 2003 in this budget reflect the Administration's 2003 policy proposals.

Program and Financing (in millions of dollars)

Identification code 16-1700-0-1-601	2002 actual	2003 est.	2004 est.
Obligations by program activity:			
Direct program:			
00.01 Enforcement and participant assistance	90	97	107
00.02 Policy and compliance assistance	15	16	17
00.03 Executive leadership, program oversight and administration	5	4	5
09.01 Reimbursable program	8	17	17
10.00 Total new obligations	118	134	146
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year		1	
22.00 New budget authority (gross)	118	134	146
23.90 Total budgetary resources available for obligation	118	135	146
23.95 Total new obligations	–118	–134	–146
24.40 Unobligated balance carried forward, end of year	1		
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	111	117	129
40.71 Reduction pursuant to P.L. 107-116	–1		
43.00 Appropriation (total discretionary)	110	117	129
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	8	17	17
70.00 Total new budget authority (gross)	118	134	146
Change in obligated balances:			
72.40 Obligated balance, start of year	40	41	42
73.10 Total new obligations	118	134	146
73.20 Total outlays (gross)	–116	–133	–143
74.40 Obligated balance, end of year	41	42	46
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	90	111	120
86.93 Outlays from discretionary balances	26	22	23
87.00 Total outlays (gross)	116	133	143
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	–8	–17	–17
Net budget authority and outlays:			
89.00 Budget authority	110	117	129
90.00 Outlays	108	116	126
Additional net budget authority and outlays to cover cost of fully accruing retirement:			
99.00 Budget authority	4	5	5
99.01 Outlays	4	5	5