

General and special funds—Continued

TRAINING AND EMPLOYMENT SERVICES—Continued

(INCLUDING RESCISSION)—Continued

Clarksville, Tennessee on June 29, 2004, and to Hampton Roads on behalf of the Hampton Roads Workforce Development Board in Norfolk, Virginia on June 30, 2001, pursuant to section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918), may be used to provide services to spouses of members of the armed forces.】

【The Secretary of Labor shall take no action to amend, through regulatory or administration action, the definition established in 20 CFR 667.220 for functions and activities under title I of the Workforce Investment Act of 1998 until such time as legislation reauthorizing the Act is enacted.】

【Of the unobligated funds contained in the H-1B Nonimmigrant Petitioner Account that are available to the Secretary of Labor pursuant to section 286(s)(2) of the Immigration and Nationality Act (8 U.S.C. 1356(s)(2)), \$100,000,000 are rescinded.】 (*Department of Labor Appropriations Act, 2005.*)

Program and Financing (in millions of dollars)

Identification code 16-0174-0-1-504	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
00.01 Adult employment and training activities	895	891	866
00.03 Dislocated worker employment and training activities	1,474	1,499	1,350
00.05 Youth activities	997	986	950
00.06 Youth Opportunity Grants	44	.....	.....
00.07 Job corps	1,438	1,688	1,499
00.08 Prisoner Re-entry	55	50	20
00.10 Native Americans	55	53	54
00.11 Migrant and seasonal farmworkers	86	76	.....
00.13 National programs	175	94	151
00.14 Community College Initiative .....	.....	1	136
09.01 Reimbursable program	17	4	4
10.00 Total new obligations	5,236	5,342	5,030
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	903	857	863
22.00 New budget authority (gross)	5,147	5,348	5,160
22.10 Resources available from recoveries of prior year obligations	43	.....	-25
23.90 Total budgetary resources available for obligation	6,093	6,205	5,998
23.95 Total new obligations	-5,236	-5,342	-5,030
23.98 Unobligated balance expiring or withdrawn	-2	.....	.....
24.40 Unobligated balance carried forward, end of year	857	863	968
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	2,698	2,899	2,618
40.35 Appropriation permanently reduced	-16	.....	.....
40.35 Appropriation permanently reduced .....	.....	-23	.....
40.36 Unobligated balance permanently reduced .....	.....	.....	-20
40.36 Unobligated balance permanently reduced .....	.....	.....	-5
43.00 Appropriation (total discretionary)	2,682	2,876	2,593
55.00 Advance appropriation	2,463	2,463	2,463
55.35 Advance appropriation permanently reduced	-15	-20	-25
55.90 Advance appropriation (total discretionary)	2,448	2,443	2,438
Mandatory:			
60.20 Appropriation (special fund) .....	.....	125	125
60.36 Unobligated balance permanently reduced .....	.....	-100	.....
62.50 Appropriation (total mandatory) .....	.....	25	125
Discretionary:			
68.00 Spending authority from offsetting collections: Offsetting collections (cash)	17	4	4
70.00 Total new budget authority (gross)	5,147	5,348	5,160
Change in obligated balances:			
72.40 Obligated balance, start of year	4,280	3,815	3,916
73.10 Total new obligations	5,236	5,342	5,030
73.20 Total outlays (gross)	-5,625	-5,241	-5,352
73.40 Adjustments in expired accounts (net)	-33	.....	.....
73.45 Recoveries of prior year obligations	-43	.....	25
74.40 Obligated balance, end of year	3,815	3,916	3,619

Outlays (gross), detail:

86.90 Outlays from new discretionary authority	1,959	1,769	1,717
86.93 Outlays from discretionary balances	3,666	3,330	3,505
86.97 Outlays from new mandatory authority .....	.....	1	4
86.98 Outlays from mandatory balances .....	.....	141	126
87.00 Total outlays (gross)	5,625	5,241	5,352

Offsets:

Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-18	-2	-2
88.40 Non-Federal sources	-1	-2	-2
88.90 Total, offsetting collections (cash)	-19	-4	-4
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credited to expired accounts	2	.....	.....

Net budget authority and outlays:

89.00 Budget authority	5,130	5,344	5,156
90.00 Outlays	5,606	5,237	5,348

Summary of Budget Authority and Outlays

	(in millions of dollars)		
Enacted/requested:	2004 actual	2005 est.	2006 est.
Budget Authority	5,130	5,344	5,156
Outlays	5,606	5,237	5,348
Legislative proposal, not subject to PAYGO:			
Budget Authority .....	.....	.....	813
Outlays .....	.....	.....	145
Total:			
Budget Authority	5,130	5,344	5,969
Outlays	5,606	5,237	5,493

Performance Metrics

Identification code 16-0174-0-1-504	2004 actual	2005 est.	2006 est.
Dislocated Worker Assistance:			
33001 Percentage of participants employed after program exit. (This new measure will be implemented in 2005. Data shown are for similar current measure).	83%	.....
33002 Percentage of participants who retain employment after exit. (This new measure will be implemented in 2005. Data shown are for similar current measure).	92%	.....
33003 Percentage change in participants' earnings. (This new measure will be implemented in 2005. Data shown are for similar current measure: % wage replacement).	92%	.....
Job Corps:			
237201 Percentage of participants entering employment or enrolling in post-secondary education, the military or advanced training/occupational skills training	85%	87%
237202 Percentage of participants who achieve literacy or numeracy gains of one or more educational functioning levels.	45%	47%
237203 Percentage of participants that earn a high school diploma, GED, or certificate.	64%	65%

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, and substantial advance appropriation amounts are 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.

Prisoner Re-entry Initiative.—Supports activities to help individuals exiting prison make a successful transition to community life and long-term employment. The 2006 Budget provides the second year of funding for the four-year Prisoner Re-entry Initiative, involving the Departments of Justice, Labor, and Housing and Urban Development, which will fund grants to faith-based and community organizations to help reduce recidivism among non-violent ex-offenders through mentorships, job training, and other critical services.

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.

Community College Initiative.—A new grant program to provide training through community colleges that will be focused on industries with demonstrated labor shortages.

Object Classification (in millions of dollars)			
Identification code 16-0174-0-1-504	2004 actual	2005 est.	2006 est.
Direct obligations:			
21.0 Travel and transportation of persons	3	3	3
23.1 Rental payments to GSA	1	1	1
23.2 Rental payments to others	8	8	8
25.2 Other services	424	444	430
25.3 Other purchases of goods and services from Government accounts	9	10	9
25.5 Research and development contracts	3	3	3
41.0 Grants, subsidies, and contributions	4,596	4,683	4,386
99.0 Direct obligations	5,044	5,152	4,840
99.0 Reimbursable obligations	17	4	4
Allocation Account:			
Personnel compensation:			
11.1 Full-time permanent	60	61	62
11.3 Other than full-time permanent	3	3	3
11.5 Other personnel compensation	3	3	3
11.9 Total personnel compensation	66	67	68
12.1 Civilian personnel benefits	20	21	21
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	5	5	5
25.2 Other services	28	33	32
25.3 Other purchases of goods and services from Government accounts	5	5	5
25.4 Operation and maintenance of facilities	1	1	1
25.6 Medical care	2	2	2
25.7 Operation and maintenance of equipment	1	1	1
26.0 Supplies and materials	27	28	28
31.0 Equipment	2	2	2
32.0 Land and structures	3	4	4
41.0 Grants, subsidies, and contributions	12	14	14
99.0 Allocation account	175	186	186
99.9 Total new obligations	5,236	5,342	5,030
Obligations are distributed as follows:			
Department of Labor	5,061	5,156	4,844
Department of Agriculture	107	115	116
Department of the Interior	68	71	70

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

Program and Financing (in millions of dollars)			
Identification code 16-0174-2-1-504	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
00.01 Adult employment and training activities			154
00.03 Dislocated worker employment and training activities			290
00.05 Youth activities			950
00.09 Consolidated adult and dislocated worker state grants			2,148
00.16 Youthbuild			59
10.00 Total new obligations (object class 41.0)			813
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			813
23.95 Total new obligations			813
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			813
Change in obligated balances:			
72.40 Obligated balance, start of year			
73.10 Total new obligations			813
73.20 Total outlays (gross)			145
74.40 Obligated balance, end of year			668
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			145
Net budget authority and outlays:			
89.00 Budget authority			813
90.00 Outlays			145

Legislation will be proposed for 2006 to reform and reauthorize the Workforce Investment Act (WIA). The legislation would increase State flexibility and accountability. The proposal will consolidate the Adult, Dislocated Worker, Youth Activities, Work Opportunity Tax Credit, Labor Market Information, and Employment Service State grants into a single State grant to facilitate coordination and eliminate duplication in the provision of services. The consolidated State grant also would provide financing for labor market information grants to States, which currently is financed as a categorical grant by the Employment and Training Administration.

In addition, legislation will be proposed for 2006 to transfer Youthbuild from the Department of Housing and Urban Development to the Department of Labor, as recommended by the White House Task Force on Disadvantaged Youth, to allow for greater coordination of the program with Job Corps and other employment and training programs. Youthbuild provides grants to local organizations to provide education and training to disadvantaged youth age 16-24. In addition to participating in classroom training, youth learn construction skills by helping to build affordable housing.

WELFARE-TO-WORK JOBS

Program and Financing (in millions of dollars)			
Identification code 16-0177-0-1-504	2004 actual	2005 est.	2006 est.
Change in obligated balances:			
72.40 Obligated balance, start of year	364	62	56
73.20 Total outlays (gross)	181	6	
73.40 Adjustments in expired accounts (net)	122		
74.40 Obligated balance, end of year	62	56	56
Outlays (gross), detail:			
86.98 Outlays from mandatory balances	181	6	
Net budget authority and outlays:			
89.00 Budget authority			

General and special funds—Continued

WELFARE-TO-WORK JOBS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 16-0177-0-1-504	2004 actual	2005 est.	2006 est.
90.00 Outlays	181	6	.....

This account includes balances of 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 were made available for expenditure for up to 5 years after they were provided. Public Law 108-199 rescinded 1999 formula grant funding in this program that was unexpended on the date of enactment of the bill. This program provided 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.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

To carry out title V of the Older Americans Act of 1965, as amended, **[\$440,200,000] \$436,678,000.** (*Department of Labor Appropriations Act, 2005.*)

Program and Financing (in millions of dollars)

Identification code 16-0175-0-1-504	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
00.01 National programs	342	339	340
00.02 State programs	97	97	97
10.00 Total new obligations (object class 41.0)	439	436	437
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	438	436	437
23.95 Total new obligations	-439	-436	-437
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	441	440	437
40.35 Appropriation permanently reduced	-3	-4	.....
43.00 Appropriation (total discretionary)	438	436	437
Change in obligated balances:			
72.40 Obligated balance, start of year	375	374	374
73.10 Total new obligations	439	436	437
73.20 Total outlays (gross)	-439	-436	-435
73.40 Adjustments in expired accounts (net)	-1	.....	.....
74.40 Obligated balance, end of year	374	374	376
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	81	83	83
86.93 Outlays from discretionary balances	358	353	352
87.00 Total outlays (gross)	439	436	435
Net budget authority and outlays:			
89.00 Budget authority	438	436	437
90.00 Outlays	439	436	435

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 section 246; 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, Public Law 107-210), **[\$1,057,300,000] \$966,400,000,** 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. (*Department of Labor Appropriations Act, 2005.*)

Program and Financing (in millions of dollars)

Identification code 16-0326-0-1-999	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
Direct program:			
00.01 Trade adjustment assistance benefits	538	750	655
00.02 Trade adjustment assistance training	258	259	259
00.03 North American Free Trade Agreement adjustment assistance benefits	25	.....	.....
00.05 Wage insurance demonstration	5	48	52
09.01 Reimbursable program	64	40	40
10.00 Total new obligations	890	1,097	1,006
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	1,402	1,097	1,006
23.95 Total new obligations	-890	-1,097	-1,006
23.98 Unobligated balance expiring or withdrawn	-513	.....	.....
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation	1,338	1,057	966
69.00 Offsetting collections (cash)	64	40	40
70.00 Total new budget authority (gross)	1,402	1,097	1,006
Change in obligated balances:			
72.40 Obligated balance, start of year	255	370	547
73.10 Total new obligations	890	1,097	1,006
73.20 Total outlays (gross)	-760	-920	-1,006
73.40 Adjustments in expired accounts (net)	-15	.....	.....
74.40 Obligated balance, end of year	370	547	547
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	653	773	843
86.98 Outlays from mandatory balances	107	147	163
87.00 Total outlays (gross)	760	920	1,006
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources	-61	-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	1,338	1,057	966
90.00 Outlays	699	880	966

Performance Metrics

Identification code 16-0326-0-1-999	2004 actual	2005 est.	2006 est.
Trade Adjustment Assistance:			
34001 Percentage of participants employed after program exit. (This new measure will be implemented in 2005. Data shown are for similar current measure).	63%	70%	.....
34002 Percentage of participants who retain employment after exit. (This new measure will be implemented in 2005. Data shown are for similar current measure).	89%	89%	89%
34003 Percentage change in participants' earnings. (This new measure will be implemented in 2005. Data shown are for similar current measure: % wage replacement).	74%	80%	.....

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 ex-

panded eligibility, services, and benefits, which includes adjustment assistance, including cash weekly benefits, training, job search and relocation allowances. 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.

Object Classification (in millions of dollars)

Identification code 16-0326-0-1-999	2004 actual	2005 est.	2006 est.
41.0 Direct obligations: Grants, subsidies, and contributions	826	1,057	966
99.0 Reimbursable obligations: Reimbursable obligations ...	64	40	40
99.9 Total new obligations	890	1,097	1,006

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, **[\$141,934,000]** \$130,985,000, together with not to exceed **[\$3,524,301,000]** \$3,299,381,000 (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, and including \$10,000,000 which may be used to conduct in-person reemployment and eligibility assessments of unemployment insurance beneficiaries in one-stop career centers), 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, **[2005]** 2006, except that funds used for automation acquisitions shall be available for obligation by the States through September 30, **[2007]** 2008; of which **[\$141,934,000]** \$130,985,000, together with not to exceed **[\$763,587,000]** \$672,700,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period July 1, **[2005]** 2006 through June 30, **[2006]** 2007, 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 **[2005]** 2006 is projected by the Department of Labor to exceed **[3,227,000]** 2,984,000, 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 or immigration 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.

In addition to amounts made available above, and subject to the same terms and conditions, \$10,000,000 to conduct in-person reemployment and eligibility assessments of unemployment insurance beneficiaries in one-stop career centers, and \$30,000,000 to prevent and detect fraudulent unemployment benefits claims filed using personal information stolen from unsuspecting workers: Provided, That not later than 180 days following the end of fiscal year 2006, the Secretary shall provide a report to the Congress which includes:

(A) *the amount spent for in-person reemployment and eligibility assessments of UI beneficiaries in One-Stop Career Centers, as well as funds made available and expended to prevent and detect fraudulent claims for unemployment benefits filed using workers' stolen personal information;*

(B) *the number of scheduled in-person reemployment and eligibility assessments, the number of individuals who failed to appear for scheduled assessments, actions taken as a result of individuals not appearing for an assessment (e.g., benefits terminated), results of assessments (e.g., referred to reemployment services, found in compliance with program requirements), estimated savings resulting from cessation of benefits, and estimated savings as a result of accelerated reemployment; and*

(C) *the estimated number of UI benefit claims filed using stolen identification that are discovered at the time of initial filing, with an estimate of the resulting savings; and the estimated number of ID theft-related continued claims stopped, with an estimate of the amount paid on such fraudulent claims and an estimate of the resulting savings from their termination.*

(Department of Labor Appropriations Act, 2005.)

Program and Financing (in millions of dollars)

Identification code 16-0179-0-1-999	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
Direct program:			
Unemployment compensation:			
00.01 State administration	2,711	2,663	2,622
00.02 National activities	10	10	11
Employment service:			
00.10 Grants to States	779	782	696
00.11 National activities	34	65	34
00.12 One-stop career centers	117	100	91
00.13 Work incentive grants	29	25	20
09.01 Reimbursable program	9	10	10
10.00 Total new obligations	3,689	3,655	3,484
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	119	99	120
22.00 New budget authority (gross)	3,655	3,676	3,481
22.10 Resources available from recoveries of prior year obligations	14		
23.90 Total budgetary resources available for obligation	3,788	3,775	3,601
23.95 Total new obligations	-3,689	-3,655	-3,484
24.40 Unobligated balance carried forward, end of year	99	120	117
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	143	142	131
40.35 Appropriation permanently reduced	-1	-1	
43.00 Appropriation (total discretionary)	142	141	131
Spending authority from offsetting collections:			
68.00 Offsetting collections (cash)	2,927	3,505	3,350
68.10 Change in uncollected customer payments from Federal sources (unexpired)	527		
68.90 Spending authority from offsetting collections (total discretionary)	3,454	3,505	3,350
Mandatory:			
69.00 Offsetting collections (cash)	59	30	
70.00 Total new budget authority (gross)	3,655	3,676	3,481
Change in obligated balances:			
72.40 Obligated balance, start of year	296	248	192
73.10 Total new obligations	3,689	3,655	3,484
73.20 Total outlays (gross)	-3,685	-3,711	-3,529
73.40 Adjustments in expired accounts (net)	-4		
73.45 Recoveries of prior year obligations	-14		
74.00 Change in uncollected customer payments from Federal sources (unexpired)	-527		

General and special funds—Continued

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 16-0179-0-1-999	2004 actual	2005 est.	2006 est.
74.10 Change in uncollected customer payments from Federal sources (expired)	493		
74.40 Obligated balance, end of year	248	192	147
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	2,798	2,481	2,417
86.93 Outlays from discretionary balances	828	1,200	1,112
86.97 Outlays from new mandatory authority	59	30	
87.00 Total outlays (gross)	3,685	3,711	3,529
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
88.00 Federal sources	-9	-10	-10
88.00 Trust Fund sources	-3,470	-3,525	-3,340
88.90 Total, offsetting collections (cash)	-3,479	-3,535	-3,350
Against gross budget authority only:			
88.95 Change in uncollected customer payments from Federal sources (unexpired)	-527		
88.96 Portion of offsetting collections (cash) credited to expired accounts	493		
Net budget authority and outlays:			
89.00 Budget authority	142	141	131
90.00 Outlays	206	176	179

Summary of Budget Authority and Outlays

(in millions of dollars)

	2004 actual	2005 est.	2006 est.
Enacted/requested:			
Budget Authority	142	141	131
Outlays	206	176	179
Legislative proposal, not subject to PAYGO:			
Budget Authority			-63
Outlays			-63
Total:			
Budget Authority	142	141	68
Outlays	206	176	116

Performance Metrics

Identification code 16-0179-0-1-999	2004 actual	2005 est.	2006 est.
Unemployment Insurance Administration State Grants:			
110201 Payment timeliness: Percentage of intrastate UI first payments made within 14 days in states with a waiting week and 21 days if no waiting week	88.7%	89.9%	90.3%
110202 Establish tax accounts promptly: Percentage of determinations about UI tax liability of new employers made within 90 days of the end of the first quarter they became liable.	83.6%	82.4%	82.5%
110203 Establish overpayments: Dollar amount established for recovery as a percentage of estimated overpayments that states can detect and recover under state law.	57.9%	59.5%	59.5%
Employment Service:			
237601 Percentage of participants employed after program exit (This new measure will be implemented in 2005. Data shown are for a similar current measure.)		61%	
237602 Percentage of participants who retain employment found after exit (This new measure will be implemented in 2005. Data shown are for a similar current measure.)		78%	

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

	2003 actual	2004 actual	2005 estimate	2006 estimate
Staff years	36,157	35,121	38,488	38,045
Basic workload (in thousands):				
Employer tax accounts	7,025	7,109	7,212	7,295
Employee wage items recorded	590,151	587,780	603,112	618,949
Initial claims taken	22,307	19,298	18,807	18,888
Weeks claimed	188,176	164,297	152,080	152,290
Nonmonetary determinations	8,553	8,343	7,908	7,656
Appeals	1,560	1,616	1,494	1,435
Covered employment	126,080	127,030	128,870	130,580

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.

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.

ONE-STOP CAREER CENTER PROGRAM STATISTICS

	(In thousands)			
	2003 ¹	2004 ²	2005 ³	2006 ⁴
Total applicants	15,155	15,000	17,000	18,535
Entered employment	7,630	7,000	8,700	12,975

¹ For the program year, July 1, 2003–June 30, 2004.² For the program year, July 1, 2004–June 30, 2005.³ For the program year, July 1, 2005–June 30, 2006.⁴ For the program year, July 1, 2006–June 30, 2007.

Object Classification (in millions of dollars)				
Identification code 16-0179-0-1-999	2004 actual	2005 est.	2006 est.	
Direct obligations:				
23.3	Communications, utilities, and miscellaneous charges	167	169	169
41.0	Grants, subsidies, and contributions	3,513	3,476	3,305
99.0	Direct obligations	3,680	3,645	3,474
99.0	Reimbursable obligations	9	10	10
99.9	Total new obligations	3,689	3,655	3,484

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	2004 actual	2005 est.	2006 est.	
Obligations by program activity:				
Direct program:				
Employment service:				
00.10	Grants to States			-696
00.11	Work Opportunity Tax Credit			-18
00.12	One-stop career centers			-40
10.00	Total new obligations (object class 41.0)			-754
Budgetary resources available for obligation:				
22.00	New budget authority (gross)			-754
23.95	Total new obligations			754
New budget authority (gross), detail:				
Discretionary:				
40.00	Appropriation			-63
68.00	Spending authority from offsetting collections: Offsetting collections (cash)			-691
70.00	Total new budget authority (gross)			-754
Change in obligated balances:				
73.10	Total new obligations			-754
73.20	Total outlays (gross)			754
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority			-754
Offsets:				
Against gross budget authority and outlays:				
88.00	Offsetting collections (cash) from: Trust Fund sources			691
Net budget authority and outlays:				
89.00	Budget authority			-63
90.00	Outlays			-63

Legislation will be proposed for 2006 to reform and reauthorized the Workforce Investment Act (WIA). The legislation would increase State flexibility and accountability. The proposal will consolidate the Adult, Dislocated Worker, Youth Activities, Work Opportunity Tax Credit, Labor Market Information, and Employment Service State grants into a single State grant to facilitate coordination and eliminate duplication in the provision of services. The consolidated State grant also would provide financing for labor market information grants to States, which currently is financed as a categorical grant by the Employment and Training Administration.

PAYMENTS TO THE UNEMPLOYMENT TRUST FUND

Program and Financing (in millions of dollars)				
Identification code 16-0178-0-1-603	2004 actual	2005 est.	2006 est.	
Obligations by program activity:				
00.10	Payments to EUCA	719	9	1

10.00	Total new obligations (object class 41.0)	719	9	1
Budgetary resources available for obligation:				
21.40	Unobligated balance carried forward, start of year	5		
22.00	New budget authority (gross)	714	9	1
23.90	Total budgetary resources available for obligation	719	9	1
23.95	Total new obligations	-719	-9	-1
24.40	Unobligated balance carried forward, end of year			
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation	714	9	1
Change in obligated balances:				
73.10	Total new obligations	719	9	1
73.20	Total outlays (gross)	-719	-9	-1
Outlays (gross), detail:				
86.97	Outlays from new mandatory authority	714	9	1
86.98	Outlays from mandatory balances	5		
87.00	Total outlays (gross)	719	9	1
Net budget authority and outlays:				
89.00	Budget authority	714	9	1
90.00	Outlays	719	9	1

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 as amended). 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, [2006, \$517,000,000] 2007, \$465,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, [2005] 2006, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary. (Department of Labor Appropriations Act, 2005.)

Program and Financing (in millions of dollars)				
Identification code 16-0327-0-1-600	2004 actual	2005 est.	2006 est.	
Obligations by program activity:				
00.01	Nonrepayable advance to the Unemployment Trust Fund	80		
10.00	Total new obligations (object class 41.0)	80		
Budgetary resources available for obligation:				
22.00	New budget authority (gross)	80		
23.95	Total new obligations	-80		
New budget authority (gross), detail:				
Mandatory:				
60.00	Appropriation	80		
Change in obligated balances:				
73.10	Total new obligations	80		

General and special funds—Continued

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 16-0327-0-1-600	2004 actual	2005 est.	2006 est.
73.20 Total outlays (gross)	80		
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority	80		
Net budget authority and outlays:			
89.00 Budget authority	80		
90.00 Outlays	80		

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	2004 actual	2005 est.	2006 est.
Budget Authority	80		
Outlays	80		
Legislative proposal, not subject to PAYGO:			
Budget Authority			3,808
Outlays			3,808
Total:			
Budget Authority	80		3,808
Outlays	80		3,808

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 2006 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	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
00.02 Prepayment premium			3,808
10.00 Total new obligations (object class 41.0)			3,808
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			3,808
23.95 Total new obligations			3,808
New budget authority (gross), detail:			
Mandatory:			
60.00 Appropriation			3,808
Change in obligated balances:			
73.10 Total new obligations			3,808
73.20 Total outlays (gross)			3,808
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			3,808
Net budget authority and outlays:			
89.00 Budget authority			3,808

90.00 Outlays	3,808
---------------------	-------

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, **[\$113,810,000] \$118,123,000**, together with not to exceed **[\$57,663,000] \$87,988,000**, which may be expended from the Employment Security Administration Account in the Unemployment Trust Fund. (*Department of Labor Appropriations Act, 2005.*)

Program and Financing (in millions of dollars)

Identification code 16-0172-0-1-504	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
00.01 Adult services	45	46	53
00.02 Youth services	39	40	38
00.03 Workforce security	60	67	97
00.04 Apprenticeship training, employer and labor services	21	21	22
00.05 Executive direction	11	9	9
00.06 Welfare-to-work	2		
10.00 Total new obligations	178	183	219
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	178	183	219
23.95 Total new obligations	178	183	219
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	116	114	118
40.35 Appropriation permanently reduced	1	1	
43.00 Appropriation (total discretionary)	115	113	118
Mandatory:			
60.20 Appropriation (special fund)		13	13
Discretionary:			
68.00 Spending authority from offsetting collections: Trust Fund sources	63	57	88
70.00 Total new budget authority (gross)	178	183	219
Change in obligated balances:			
72.40 Obligated balance, start of year	32	32	25
73.10 Total new obligations	178	183	219
73.20 Total outlays (gross)	178	190	218
74.40 Obligated balance, end of year	32	25	26
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	155	159	194
86.93 Outlays from discretionary balances	23	19	11
86.97 Outlays from new mandatory authority		12	12
86.98 Outlays from mandatory balances			1
87.00 Total outlays (gross)	178	190	218
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Trust fund sources	63	57	88
Net budget authority and outlays:			
89.00 Budget authority	115	126	131
90.00 Outlays	114	133	130

Summary of Budget Authority and Outlays

(in millions of dollars)

Enacted/requested:	2004 actual	2005 est.	2006 est.
Budget Authority	115	126	131

Outlays	115	133	130
Legislative proposal, not subject to PAYGO:			
Budget Authority			1
Outlays			1
Total:			
Budget Authority	115	126	132
Outlays	115	133	131

Performance Metrics

Identification code 16-0172-0-1-504	2004 actual	2005 est.	2006 est.
Trade Adjustment Assistance:			
34001 Percentage of participants employed after program exit. (This new measure will be implemented in 2005. Data shown are for similar current measure).	63%	70%	
34002 Percentage of participants who retain employment after exit. (This new measure will be implemented in 2005. Data shown are for similar current measure).	89%	89%	89%
34003 Percentage change in participants' earnings. (This new measure will be implemented in 2005. Data shown are for similar current measure: % wage replacement).	74%	80%	
H-1B Labor Condition Applications Program:			
237801 Percentage of H-1B labor condition applications (LCAs) for which no prevailing wage issues are identified within seven days of filing.	99%	100%	100%
237802 Percentage of H-1B labor condition applications (LCAs) for which no prevailing wage issues are identified within two days of filing.	95%	98%	98%
Permanent Labor Certification Program:			
238001 Percentage of backlogged applications for the Permanent Labor Certification program that are resolved each year (measured against backlog remaining each year).		20%	100%

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 the Job Corps.

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 investment 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.

Object Classification (in millions of dollars)

Identification code 16-0172-0-1-504	2004 actual	2005 est.	2006 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	91	92	94

11.3 Other than full-time permanent	2	2	3
11.5 Other personnel compensation	2	3	4
11.9 Total personnel compensation	95	97	101
12.1 Civilian personnel benefits	24	26	25
21.0 Travel and transportation of persons	5	5	4
23.1 Rental payments to GSA	12	15	16
23.3 Communications, utilities, and miscellaneous charges	2	4	2
25.1 Advisory and assistance services	4	6	36
25.2 Other services	2	2	4
25.3 Other purchases of goods and services from Government accounts	14	17	20
25.7 Operation and maintenance of equipment	14	6	8
26.0 Supplies and materials	1	2	1
31.0 Equipment	4	3	2
99.0 Direct obligations	177	183	219
99.5 Below reporting threshold	1		
99.9 Total new obligations	178	183	219

Personnel Summary

Identification code 16-0172-0-1-504	2004 actual	2005 est.	2006 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment	1,204	1,194	1,194
Reimbursable:			
2001 Total compensable workyears: Civilian full-time equivalent employment	3	3	3
Allocation account:			
3001 Total compensable workyears: Civilian full-time equivalent employment	37	12	12

PROGRAM ADMINISTRATION

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16-0172-2-1-504	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
00.02 Youth services			1
10.00 Total new obligations (object class 11.1)			1
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			1
23.95 Total new obligations			-1
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation			1
Change in obligated balances:			
73.10 Total new obligations			1
73.20 Total outlays (gross)			-1
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			1
Net budget authority and outlays:			
89.00 Budget authority			1
90.00 Outlays			1

The Administration will propose legislation to transfer Youthbuild from the Department of Housing and Urban Development to the Department of Labor, as recommended by the White House Task Force on Disadvantaged Youth. Administrative funds and staff would be transferred with the grant funds.

Personnel Summary

Identification code 16-0172-2-1-504	2004 actual	2005 est.	2006 est.
Direct:			
1001 Total compensable workyears: Civilian full-time equivalent employment			7

General and special funds—Continued

WORKERS COMPENSATION PROGRAMS

Of funds provided under this heading in the Emergency Supplemental Appropriations Act, 2002 (Public Law 107-117), there is hereby cancelled \$120,000,000.

Program and Financing (in millions of dollars)

Identification code 16-0170-0-1-806	2004 actual	2005 est.	2006 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			-120
22.10 Resources available from recoveries of prior year obligations			120
23.90 Total budgetary resources available for obligation			
New budget authority (gross), detail:			
Discretionary:			
40.36 Unobligated balance permanently reduced			-120
Change in obligated balances:			
72.40 Obligated balance, start of year	131	125	125
73.20 Total outlays (gross)	-6		120
73.45 Recoveries of prior year obligations			-120
74.40 Obligated balance, end of year	125	125	125
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			-120
86.93 Outlays from discretionary balances	6		
87.00 Total outlays (gross)	6		-120
Net budget authority and outlays:			
89.00 Budget authority			-120
90.00 Outlays	6		-120

FOREIGN LABOR CERTIFICATION PROCESSING

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 16-5507-4-2-505	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
00.01 National programs			37
00.02 State programs			3
10.00 Total new obligations			40
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			40
23.95 Total new obligations			-40
New budget authority (gross), detail:			
Mandatory:			
60.20 Appropriation (special fund)			40
Change in obligated balances:			
73.10 Total new obligations			40
73.20 Total outlays (gross)			-40
Outlays (gross), detail:			
86.97 Outlays from new mandatory authority			40
Net budget authority and outlays:			
89.00 Budget authority			40
90.00 Outlays			40

The Administration will propose legislation to establish a new fee for applications under the permanent labor certification program. Fee proceeds would offset the costs of administering the permanent program and partially support backlog reduction in regional offices. Upon enactment of the fee, funding for these activities now included in the Program Administration account will be reviewed and adjusted.

Object Classification (in millions of dollars)

Identification code 16-5507-4-2-505	2004 actual	2005 est.	2006 est.
11.1 Personnel compensation: Full-time permanent			7
12.1 Civilian personnel benefits			2
23.1 Rental payments to GSA			1
23.3 Communications, utilities, and miscellaneous charges			1
25.1 Advisory and assistance services			25
25.3 Other purchases of goods and services from Government accounts			3
31.0 Equipment			1
99.9 Total new obligations			40

UNEMPLOYMENT TRUST FUND

Unavailable Receipts (in millions of dollars)

Identification code 20-8042-0-7-999	2004 actual	2005 est.	2006 est.
01.99 Balance, start of year	47,114	44,330	50,628
Receipts:			
02.00 General taxes, FUTA, Unemployment trust fund	6,718	7,009	7,357
02.01 Unemployment trust fund, State accounts, Deposits by States	32,605	35,371	37,513
02.02 Unemployment trust fund, Deposits by Railroad Retirement Board	130	96	86
02.20 Recovery of beneficiary overpayment from the UI program			281
02.40 Deposits by Federal agencies to the Federal employees compensation	744	793	737
02.41 Unemployment trust fund, Interest and profits on investments in	2,589	2,367	2,318
02.42 Payments from the general fund for administrative cost for extension	719	9	1
02.43 Non-repayable advances for unemployment compensation	80		
02.44 Interest on unemployment insurance loans to States	84	49	7
02.99 Total receipts and collections	43,669	45,694	48,300
04.00 Total: Balances and collections	90,783	90,024	98,928
Appropriations:			
05.00 Unemployment trust fund	-3,800	-3,861	-3,706
05.01 Unemployment trust fund	-39,684	-35,461	-36,891
05.03 Railroad unemployment insurance trust fund	-135	-76	-66
05.04 Railroad unemployment insurance trust fund	87		
05.05 Appropriations temporarily reduced	23	31	
05.07 Unemployment trust fund			691
05.08 Railroad unemployment insurance trust fund	-51	-29	-43
05.09 Unemployment trust fund	-2,893		
05.99 Total appropriations	-46,453	-39,396	-40,015
07.99 Balance, end of year	44,330	50,628	58,913

Program and Financing (in millions of dollars)

Identification code 20-8042-0-7-999	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
Federal-State unemployment insurance:			
Withdrawals:			
00.01 Benefit payments by States	41,746	34,619	36,127
00.02 Federal employees' unemployment compensation	688	795	719
00.03 State administrative expenses	3,618	3,578	3,417
Federal administrative expenses:			
00.10 Direct expenses	68	63	94
00.11 Reimbursements to the Department of the Treasury	38	40	43
00.20 Veterans employment and training	192	193	194
00.21 Interest on refunds	3	3	3
10.00 Total new obligations	46,353	39,291	40,597
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	46,354	39,291	40,597
23.95 Total new obligations	-46,353	-39,291	-40,597
New budget authority (gross), detail:			
Discretionary:			
40.26 Appropriation (trust fund)	3,800	3,861	3,706
40.37 Appropriation temporarily reduced	-23	-31	
43.00 Appropriation (total discretionary)	3,777	3,830	3,706

Mandatory:				
60.26	Appropriation (trust fund)	39,684	35,461	36,891
60.28	Appropriation (previously unavailable)	2,893		
62.50	Appropriation (total mandatory)	42,577	35,461	36,891
70.00	Total new budget authority (gross)	46,354	39,291	40,597
Change in obligated balances:				
72.40	Obligated balance, start of year	1,304	1,336	1,341
73.10	Total new obligations	46,353	39,291	40,597
73.20	Total outlays (gross)	-46,321	-39,286	-40,681
74.40	Obligated balance, end of year	1,336	1,341	1,257
Outlays (gross), detail:				
86.90	Outlays from new discretionary authority	2,740	2,784	2,745
86.93	Outlays from discretionary balances	1,056	1,041	1,045
86.97	Outlays from new mandatory authority	42,525	35,461	36,891
87.00	Total outlays (gross)	46,321	39,286	40,681
Net budget authority and outlays:				
89.00	Budget authority	46,354	39,291	40,597
90.00	Outlays	46,321	39,286	40,681
Memorandum (non-add) entries:				
92.01	Total investments, start of year: Federal securities: Par value	48,188	45,239	46,066
92.02	Total investments, end of year: Federal securities: Par value	45,239	46,066	46,066

Summary of Budget Authority and Outlays

(in millions of dollars)

	2004 actual	2005 est.	2006 est.
Enacted/requested:			
Budget Authority	46,354	39,291	40,597
Outlays	46,321	39,286	40,681
Legislative proposal, not subject to PAYGO:			
Budget Authority			-691
Outlays			-691
Legislative proposal, subject to PAYGO:			
Budget Authority			
Outlays			
Total:			
Budget Authority	46,354	39,291	39,906
Outlays	46,321	39,286	39,990

Status of Funds (in millions of dollars)

Identification code 20-8042-0-7-999	2004 actual	2005 est.	2006 est.
Balance, start of year:			
0100 Treasury balance	48,423	45,672	51,975
0199 Total balance, start of year	48,423	45,672	51,975
Cash income during the year:			
Current law:			
Receipts:			
1200 General taxes, FUTA, Unemployment trust fund	6,718	7,009	7,357
1201 Unemployment trust fund, State accounts, Deposits by States	32,605	35,371	37,513
1202 Deposits by Railroad Retirement Board	130	96	86
Offsetting receipts (intragovernmental):			
1240 Deposits by Federal agencies to the Federal Employees Compensation Account, Unemployment trust fund	744	793	737
1241 Unemployment trust fund, Interest and profits on investments in public debt securities	2,589	2,367	2,318
1242 Offsetting receipts (intragovernmental)	719	9	1
1243 Offsetting receipts (intragovernmental)	80		
1244 Offsetting receipts (intragovernmental)	84	49	7
Offsetting collections:			
1280 Railroad unemployment insurance trust fund, Offsetting collections	33	28	28
1299 Income under present law	43,702	45,722	48,047
Proposed legislation:			
Offsetting receipts (proprietary receipts):			
2220 Offsetting receipts (proprietary receipts)			281
2299 Income under proposed legislation			281
3299 Total cash income	43,702	45,722	48,328
Cash outgo during year:			
Current law:			
4500 Unemployment trust fund	-46,321	-39,286	-40,681

4501	Railroad unemployment insurance trust fund	-116	-117	-121
4599	Outgo under current law (-)	-46,437	-39,403	-40,802
Proposed legislation:				
5500	Legislative proposal not subject to PAYGO			691
5599	Outgo under proposed legislation (-)			691
6599	Total cash outgo (-)	-46,437	-39,403	-40,111
7645	Transfers, net	-16	-16	-16
7699	Total adjustments	-16	-16	-16
Unexpended balance, end of year:				
8799	Total balance, end of year	45,672	51,975	60,176

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 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.

Object Classification (in millions of dollars)

Identification code 20-8042-0-7-999	2004 actual	2005 est.	2006 est.	
25.3	Reimbursements to Department of the Treasury	38	40	43
42.0	Federal unemployment benefits	617	608	588
42.0	State unemployment benefits	41,817	34,714	36,129
43.0	Interest and dividends	3	3	3
94.0	Employment and Training Administration	62	57	88
94.0	Veterans employment and training	192	193	194
94.0	Payments to States for administrative expenses	3,618	3,670	3,546
94.0	Departmental management	6	6	6
99.0	Direct obligations	46,353	39,291	40,597
99.9	Total new obligations	46,353	39,291	40,597

UNEMPLOYMENT TRUST FUND

(Legislative proposal, not subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 20-8042-2-7-999	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
00.03	State administrative expenses		-673
00.04	Work Opportunity Tax Credit		-18
10.00	Total new obligations (object class 94.0)		-691

General and special funds—Continued

UNEMPLOYMENT TRUST FUND—Continued

Program and Financing (in millions of dollars)—Continued

Identification code 20–8042–2–7–999	2004 actual	2005 est.	2006 est.
Budgetary resources available for obligation:			
22.00 New budget authority (gross)			– 691
23.95 Total new obligations			691
New budget authority (gross), detail:			
Discretionary:			
40.26 Appropriation (trust fund)			– 691
Change in obligated balances:			
73.10 Total new obligations			– 691
73.20 Total outlays (gross)			691
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority			– 691
Net budget authority and outlays:			
89.00 Budget authority			– 691
90.00 Outlays			– 691

Legislation will be proposed for 2006 to reform and reauthorize the Workforce Investment Act (WIA). The legislation would increase State flexibility and accountability. The proposal will consolidate the Adult, Dislocated Worker, Youth Activities, Work Opportunity Tax Credit, Labor Market Information, and Employment Service State grants into a single State grant to facilitate coordination and eliminate duplication in the provision of services. The consolidated State grant also would provide financing for labor market information grants to States, which currently is financed as a categorical grant by the Employment and Training Administration.

UNEMPLOYMENT TRUST FUND

(Legislative proposal, subject to PAYGO)

Legislation will be proposed for 2006 to strengthen the financial integrity of the unemployment insurance (UI) system by reducing improper payments and tax avoidance. The Administration's proposal will boost States' incentives to recover benefit overpayments by permitting them to use a portion of recovered funds on fraud and error reduction. The legislation would also require States to impose a monetary penalty for UI fraud which would be used to reduce overpayments; permit more active participation by private collection agencies in the recovery of overpayments and delinquent employer taxes; require States to charge employers when their actions lead to overpayments; and collect delinquent UI overpayments through garnishment of Federal tax refunds. These efforts to strengthen the financial integrity of the UI system will keep State UI taxes down and improve the solvency of the State trust funds.

Legislation will also be proposed to allow States to borrow funds from the Federal Unemployment Account (FUA) in the Unemployment Trust Fund (UTF) for information technology (IT) infrastructure replacement and enhancement. States would pay the same rate of interest on borrowed funds as that paid by the UTF for funds on deposit. The proposal would be structured similar to the current arrangement of States borrowing from FUA when their trust funds become insolvent, with borrowing States being liable for repayment of principle and interest. This proposal would help promote timely and accurate benefit payments to unemployed workers and facilitate their reemployment, and it will provide a cost-effective solution when States need to replace/update IT infrastructure used to administer their UI programs.

EMPLOYEE BENEFITS SECURITY
ADMINISTRATION

Federal Funds

General and special funds:

SALARIES AND EXPENSES

For necessary expenses for the Employee Benefits Security Administration, **[\$132,345,000] \$137,000,000.** (Department of Labor Appropriations Act, 2005.)

Program and Financing (in millions of dollars)

Identification code 16–1700–0–1–601	2004 actual	2005 est.	2006 est.
Obligations by program activity:			
00.01 Enforcement and participant assistance	103	109	115
00.02 Policy and compliance assistance	17	17	17
00.03 Executive leadership, program oversight and administration	4	5	5
09.01 Reimbursable program	10	17	17
10.00 Total new obligations	134	148	154
Budgetary resources available for obligation:			
22.00 New budget authority (gross)	134	148	154
23.95 Total new obligations	– 134	– 148	– 154
New budget authority (gross), detail:			
Discretionary:			
40.00 Appropriation	125	132	137
40.35 Appropriation permanently reduced	– 1	– 1	
43.00 Appropriation (total discretionary)	124	131	137
68.00 Spending authority from offsetting collections: Offsetting collections (collected)	10	17	17
70.00 Total new budget authority (gross)	134	148	154
Change in obligated balances:			
72.40 Obligated balance, start of year	39	40	40
73.10 Total new obligations	134	148	154
73.20 Total outlays (gross)	– 133	– 148	– 153
74.40 Obligated balance, end of year	40	40	41
Outlays (gross), detail:			
86.90 Outlays from new discretionary authority	102	122	127
86.93 Outlays from discretionary balances	31	26	26
87.00 Total outlays (gross)	133	148	153
Offsets:			
Against gross budget authority and outlays:			
88.00 Offsetting collections (cash) from: Federal sources collected	– 11	– 17	– 17
Against gross budget authority only:			
88.96 Portion of offsetting collections (cash) credited to expired accounts	1		
Net budget authority and outlays:			
89.00 Budget authority	124	131	137
90.00 Outlays	123	131	136

Performance Metrics

Identification code 16–1700–0–1–601	2004 actual	2005 est.	2006 est.
Employee Benefits Security Administration (EBSA):			
33801 Ratio of closed civil cases with corrected violations to all civil cases closed	0.72	0.66	0.69
33802 Ratio of criminal cases referred for prosecution to total criminal cases.	0.38	0.377	0.402
33803 Achieve a customer satisfaction index of 67 by FY 2008 for participants and beneficiaries who have contacted EBSA for assistance	62	63	65

Enforcement and participant assistance.—Conducts criminal and civil investigations and performs reviews to ensure compliance with the fiduciary provisions of the Employee Retirement Income Security Act (ERISA) and the Federal Employees' Retirement System Act. Provides information and assist-