



## DEPARTMENT OF LABOR

### Funding Highlights:

- The Department of Labor (DOL) ensures that American workers, job seekers, and retirees are equipped to succeed in the workforce and ever-changing economy.
- The Budget focuses DOL on its highest priority functions and restores fiscal discipline by eliminating programs that are duplicative, unnecessary, unproven, or ineffective. The Budget also takes steps to reorganize and modernize DOL's operations so taxpayer dollars are spent efficiently.
- The Budget eliminates duplicative and unproven job training programs, saving more than \$500 million in taxpayer dollars.
- The 2021 Budget requests \$11.1 billion for DOL, a \$1.3 billion or 10.5-percent decrease from the 2020 enacted level, including the program integrity cap adjustment.

### The President's 2021 Budget:

DOL supports American workers, job seekers, and retirees by providing resources and opportunities to improve their skills, find work, and enter or return to the workforce. The Department also safeguards their working conditions, health and retirement benefits, and wages. The economy is strong, and the unemployment rate is at its lowest recorded level in over 50 years. Workers are the backbone of the strong American economy, and the Nation needs a skilled and productive workforce to keep the economy growing. The Budget puts American workers and taxpayers first by eliminating duplicative, wasteful, and non-essential job training programs and instead investing in evidence-based approaches, such as apprenticeship, to help workers build their skills and remain competitive in the dynamic 21<sup>st</sup> Century workforce.

### *Builds a Highly Skilled and Competitive Workforce*

**Expands Access to Apprenticeship.** The Budget invests \$200 million in apprenticeship, a proven solution for employers looking for a skilled workforce and workers looking for an affordable path to a secure future. As part of implementing the President's Executive Order 13801, "Expanding Apprenticeships in America," the Department is establishing a new industry-recognized apprenticeship system to modernize and expand the Nation's approach to apprenticeships. Since the start of the Administration, businesses have begun training 626,134 new apprentices. DOL is working to further expand apprenticeships by empowering third-party Standards Recognition Entities to recognize new, industry-driven apprenticeship programs, focusing on those in high-growth sectors

where apprenticeships are underutilized, such as healthcare, information technology, and advanced manufacturing.

*“We live in an age of acceleration, and the skills required for today’s jobs are changing more rapidly with each passing year. America needs to adapt its approach to skills education and be more nimble and responsive to the pace of change across all industries.”*

Ivanka Trump  
Advisor to the President  
June 24, 2019

**Reforms Job Corps.** Job Corps is among the most expensive Federal training programs on a per-capita basis and is in need of reform. To that end, the Budget takes aggressive steps to improve Job Corps for the youth it serves by improving center safety, focusing the program on older youth, and closing centers that inadequately prepare students for jobs. In order to create a more effective, streamlined program, the Budget proposes new legislative flexibilities that would enable DOL to more expediently close low-performing centers, target the program to youth who are more likely to benefit from it, and make the necessary capital investments to ensure successful pilot programs. These reforms would save money and improve results by eliminating ineffective centers and finding better ways to educate and provide skill instruction to youth.

**Combats Waste, Fraud, and Abuse in the Unemployment Insurance Program.** The Federal-State Unemployment Insurance (UI) program has continually had one of the highest rates of improper payments in the Federal Government. More than 10 percent of the program’s payments, representing \$2.8 billion, are paid to individuals who do not meet the program’s eligibility requirements. The Budget takes strong steps to address this problem by providing grants to States to combat the top two root causes of improper payments and emphasize work in their programs, getting claimants off of benefits and back on the job more quickly. The Budget also reduces waste, fraud, and abuse in the UI program with a package of program integrity proposals. These proposals require States to use the tools already at their disposal and allow States to spend certain UI program funds on activities that reduce waste, fraud, and abuse. The Budget also supports the UI Integrity Center of Excellence, which is developing a data hub to allow States to access a fraud analytics database to identify fraud as effectively as possible.

**Supports America’s Veterans.** The Budget supports the transition of the Nation’s veterans, servicemembers, and their spouses from active duty to civilian life. The Budget provides funding to better support wounded warriors in the Transition Assistance Program and provides enhanced reemployment services to Gold Star spouses who are seeking to enter the workforce.

**Closes the Skills Gap by Training American Workers.** The Budget proposes to double the American Competitiveness and Workforce Improvement Act of 1998 fee for the H-1B visa program to prepare American workers for jobs that are currently being filled by foreign workers, especially in science, technology, engineering, and mathematics fields. The increased revenue would support DOL’s grants to expand apprenticeship and other high-growth training opportunities and provide additional support for technical-skills instruction at the K-12 and community-college levels through the Department of Education’s Career and Technical Education formula grants.

**Moves toward Reorganizing and Consolidating the Nation’s Workforce Development Programs.** The Federal Government has more than 40 workforce development programs spread across 15 Agencies with a total annual cost of approximately \$19 billion. The Administration has proposed to streamline the system with a Government-wide restructuring and consolidation proposal and looks forward to working with the Congress to enact it. The Budget takes steps in this direction

by eliminating programs that are ineffective, unproven, or duplicative. As part of this long-overdue reorganization of workforce programs, the Budget also transfers the Social Security Administration's Ticket to Work program to DOL, where it would be simplified, streamlined, and improved to better accomplish its goal of getting individuals with disabilities back into the labor force.

**Improves the Delivery of America's Economic**

**Statistics.** The Budget recognizes the importance of economic statistics to businesses and everyday citizens as they make informed decisions and confidently invest

in America's future. The Budget proposes investments in the Bureau of Labor Statistics (BLS) to better understand job-market changes in States and local areas and to improve poverty measurement, including the development of a consumption-based poverty measure. The Budget also continues to support moving the BLS to the Suitland Federal Center, which would save more than \$300 million over the lifetime of the new lease.

***Supports American Workers and their Families***

**Supports United States-Mexico-Canada Agreement (USMCA) Enforcement.** The historic USMCA agreement will create a more level playing field for American workers, including improved rules of origin for automobiles, which will support better jobs for workers and more business for U.S. manufacturers. The Budget funds implementation and enforcement of the USMCA labor chapter, which includes some of the strongest labor provisions of any U.S. free-trade agreement.

**Makes Health Insurance More Affordable for Small Businesses.** In Executive Order 13813, "Promoting Healthcare Choice and Competition Across the United States," the President directed the Secretary of Labor to consider expanding access to affordable health coverage for small businesses. The Budget continues to support this initiative by increasing funding for the Employee Benefits Security Administration to develop policy, regulations, and enforcement capacity to enable more employers to adopt the Multiple Employer Welfare Arrangement model and expand access to health insurance for American workers in ways that better fit the modern American workplace.

**Rebuilds DOL's Role in Overseeing Union Integrity.** To help safeguard labor-union democracy and financial integrity, the Budget takes steps to restore the Office of Labor-Management Standards' investigative workforce, which has fallen by more than 30 percent in the past 10 years. The Budget would strengthen protections for union members by supporting more audits and investigations to uncover flawed officer elections, fraud, and embezzlement.

**Protects Americans' Pensions.** The Pension Benefit Guaranty Corporation's (PBGC) multi-employer program, which insures the pension benefits of 10 million workers, is at risk of insolvency by 2025. As an important step to protect the pensions of these hardworking Americans, the Budget proposes to add new premiums to the multiemployer program, raising approximately \$26 billion in premiums over the next 10 years. At this level of premium receipts, the program is projected to remain solvent over the next 20 years, helping to ensure that there is a safety net available to workers and retirees whose multiemployer plans fail. The Administration looks forward to working with the Congress on bipartisan, comprehensive reform to resolve the multiemployer crisis.

**Reforms the Federal Employees' Compensation Act.** The Budget proposes to reform the Federal Employees' Compensation Act program, which provides workers' compensation benefits to Federal employees and their survivors. These reforms would save taxpayer dollars by modernizing

*"Every day, we are lifting our forgotten Americans off the sidelines, out of the margins, and back into the workforce."*

President Donald J. Trump  
July 19, 2018

program administration, simplifying benefit rates, and adding controls to prevent waste, fraud, and abuse.

**Puts American Workers First.** DOL administers the labor-certification component of foreign temporary work visa programs, which ensure that American workers are not unfairly displaced or disadvantaged by foreign workers. The certification programs lack a reliable workload-based source of funding, which has created recurring seasonal backlogs for employers. The Budget proposes to establish fees to create a workload-based funding source and place responsibility for funding this work on the program's users rather than taxpayers.

**Provides for Paid Leave for New Parents.** The Budget invests in a better future for Americans with a proposal to provide paid leave to new mothers and fathers, including adoptive parents, so all families can afford to take time to recover from child-birth and bond with a new child. The proposal would allow States to establish paid parental leave programs in a way that is most appropriate for their workforce and economy. The Federal Government is leading by example. At the end of 2019, the Administration secured paid parental leave for the Federal workforce. The Administration looks forward to continuing to work with the Congress to advance policies that would make paid parental leave a reality for families across the Nation.

*"I am...proud to be the first President to include in my budget a plan for nationwide paid family leave, so that every new parent has the chance to bond with their newborn child."*

President Donald J. Trump  
February 5, 2019

### ***Makes Government More Efficient***

**Tackles Duplication and Inefficiency at DOL.** Many of DOL's administrative activities, including information technology, procurement, human resources, financial management, and physical security are separated across its subcomponents. DOL is centralizing these activities to eliminate duplication, achieve economies of scale, and save money. For example, the Department has avoided over \$10 million in unnecessary spending by centralizing its laptop purchasing for DOL employees. DOL will also save money by changing the way it procures goods and services across the Department. By centralizing its procurement functions, DOL will be able to concentrate its contracting expertise, achieve economies of scale, and make better purchasing decisions.