

US Department of Labor: Releases fiscal year 2018 budget request

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WASHINGTON - [U.S. Secretary of Labor Alexander Acosta](#) today released the fiscal year 2018 budget request for the U.S. Department of Labor. It supports President Donald J. Trump's plan to invest in priorities that will help American workers develop the necessary skills to meet the demands of a 21st century economy and get good, safe jobs, provide working families access to paid leave, assist employers in meeting their responsibilities under worker protection laws, and restore fiscal responsibility.

The FY 2018 budget provides \$9.7 billion in discretionary funding for the department. This funding level, coupled with mandatory investments and reforms, supports critical functions of the department, while providing a strong investment return for the American taxpayer, by consolidating or eliminating duplicative or ineffective programs.

"This budget reflects the Department of Labor's core mission and commitment to ensuring all Americans have access to good, safe jobs - and does so in a fiscally responsible way," said Secretary Acosta. "Most importantly, this budget focuses on narrowing the skills gap, and includes a proposal to provide new mothers, fathers, and adoptive parents with paid family leave, the cost of which is completely offset

by reforms to the Unemployment Insurance system.”

Fiscal Year 2018 Budget Request for the Department of Labor Highlights:

- **Helps American families achieve a work-life balance** with a fully paid-for proposal to provide six weeks of paid family leave to new mothers and fathers, including adoptive parents. The proposal will allow states to establish paid parental leave programs in a way that is most appropriate for their workforce and economy. The proposal is fully offset by a package of sensible reforms to the Unemployment Insurance system – including reforms to reduce improper payments.
- **Trains workers for high-growth jobs and helps to close the skills gap** by allocating \$90 million to expand apprenticeships, an evidence-based approach that combines on-the-job training with classroom instruction. Regional economies are bolstered when workers are trained specifically for in-demand jobs.
- **Helps unemployed workers find jobs more quickly** by investing in Reemployment Services and Eligibility Assessments. The 2018 budget provides a \$15 million increase for RESEA, and beginning in 2019, proposes permanent, mandatory funding to reach the one-half of eligible claimants identified as most likely to exhaust benefits, as well as all ex-service members receiving unemployment compensation. Research of this model shows that it helps UI claimants get back to work more quickly and at higher wages, leading to UI benefit savings of more than \$500 per claimant. These benefit savings would allow states to reduce their UI taxes by \$1.8 billion, reducing the burden on employers.
- **Protects the American workforce** by requesting authorization to establish and retain fees to cover the operating costs for foreign labor certification programs, the restrictions of which protect against the displacement of American workers by foreign labor. Once fully implemented, these fees would eliminate the need for appropriations to administer these programs.
- **Refocuses the department’s commitment to people with disabilities** by launching a new demonstration project, jointly funded with the Social Security Administration, to test interventions that promote the labor force participation of people with disabilities and prevent permanent labor force detachment resulting from illness or injury.
- **Improves the solvency of the Pension Benefit Guaranty Corporation**

and the security of workers' pension benefits by increasing the insurance premiums paid by underfunded multiemployer pension plans. The multiemployer insurance program, which covers more than 10 million participants, is projected to be insolvent by 2025. PBGC premiums are currently far lower than what a private financial institution would charge for insuring the same risk. The proposed premium reforms will improve PBGC's financial condition and are expected to be sufficient to fund the multiemployer program for the next 20 years.

– **Places a priority on helping protect American workers and help American employers understand and comply with worker protection laws** by putting an emphasis on compliance assistance and outreach. The budget includes:

- \$543 million for the Occupational Safety and Health Administration to help ensure workers are safe on the job, providing \$130 million for federal and state compliance assistance activities to enhance employer outreach and training.
- \$230 million for the Wage and Hour Division to protect the minimum standards for wages and working conditions in U.S. workplaces, including a funding increase of \$3 million to educate employers on how to comply with the law.
- \$184 million for the Employee Benefits Security Administration, providing a \$1 million increase for compliance assistance to small businesses on Employee Retirement Income Security Act disclosure requirements.
- \$47 million for the Office of Labor-Management Standards to administer safeguards for labor union democracy and financial integrity, including a funding increase of \$2 million to re-establish the International Compliance Audit Program.
- **Restores fiscal responsibility** by prioritizing programs that have demonstrated a strong return on investment and implementing sensible reductions to unproven or duplicative activities. The budget provides savings of:
 - \$434 million by eliminating the Senior Community Service Employment Program, which is ineffective in transitioning seniors into unsubsidized employment.
 - \$238 million by closing Job Corps centers that do an inadequate job of educating and training disadvantaged youth, or where it does not make economic sense to keep the center open.

- \$68 million by refocusing the Bureau of International Labor Affairs on ensuring that U.S. trade agreements are fair for American workers.

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