U.S. Department of Labor

Office of the Assistant Secretary for
Congressional and Intergovernmental Affairs
Washington, D.C. 20210

The Honorable Rosa DeLauro
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Ranking Member DeLauro:

Thank you for contacting the Department of Labor (DOL) with important questions about the impact of capping discretionary spending levels at the fiscal year (FY) 2022 enacted level on workers and their families. The Department of Labor's mission is to foster, promote, and develop the welfare of the wage earners, job seekers, and retirees of the United States; improve working conditions; advance opportunities for profitable employment; and assure work-related benefits and rights. This includes centering our work on the most vulnerable and marginalized workers, those facing barriers to employment, misclassified workers, and workers in temporary jobs or other jobs that heighten their economic insecurity and vulnerability.

On March 9, 2023, the President released his Fiscal Year (FY) 2024 budget. The FY 2024 budget request builds on the Biden-Harris Administration's successes, reinforces President Biden's investments in America, continues to lower costs for families, protects and strengthens Social Security and Medicare, and reduces the deficit. The Department's role in this effort is to ensure that all workers and job seekers in America—particularly those from disadvantaged communities—have access to high-quality jobs that can support a middle-class life. That includes accessing training and finding pathways to high-quality jobs as well as protecting workers' rights and benefits, health and safety, and wages once they are employed.

The potential cuts you describe in your letter would have very real and damaging impacts on our families, communities, economy, and competitiveness—undermining a broad range of critical services the American people rely on in their everyday lives.

These drastic reductions in spending proposed by certain Congressional Republicans would be devastating—undermining our ability to protect our nation's most vulnerable workers and hindering our efforts to address critical issues like exploitative child labor. These types of cuts would send an unmistakable message that the workers who were essential during the pandemic are expendable, diminishing the value of their work and failing to honor them by ensuring their wages, health, and safety are protected. Additionally, drastically cutting funding levels would mean fewer resources for workforce training programs designed to ensure there is a workforce armed with the skills needed to fill high-quality jobs in our growing economy.

Below please find specific examples of how funding cuts would impact Department of Labor programs and the workers we aim to serve. For each example, the Department analyzed two scenarios: 1) FY 2024 appropriations equal to 22 percent below currently enacted levels and 2) FY 2024 appropriations equal to the FY 2022 enacted levels.

Limiting Access to Training for Job Seekers and Workers Across the Country

The **Employment and Training Administration** provides grants to states for running the Adult, Youth, and Dislocated Worker employment programs, which provide training and job assistance services. Reductions to each of those programs would result in people losing critical services they need to obtain and retain better jobs.

- *Workforce Development & Training*: A 22 percent reduction would prevent about 750,000 job seekers from accessing services and training through ETA-funded programming. A return to FY 2022 enacted levels would result in about 125,000 fewer job seekers receiving services and training from the workforce development system.

- *Registered Apprenticeship:* A 22 percent reduction would lead to over 100,000 fewer workers being employed through Registered Apprenticeships. A return to FY 2022 enacted levels would lead to 76,000 fewer workers being employed through Registered Apprenticeships.

- *Senior Community Service Employment Program (SCSEP)*: A 22 percent reduction would lead to almost 10,000 fewer low-income older workers participating in paid community service work.

- *Office of Foreign Labor Certification (OFLC):* If funding levels were reduced by 22 percent, there would be significant processing delays across the labor certification programs. Labor certification decisions for nonimmigrant visas, especially for seasonal nonagricultural businesses, would be delayed. Employers would have to wait up to 2 additional months for decisions on their ability to hire H-2B workers.

  In the PERM immigrant program, labor certification decision would increase 73 percent, from 188 days (FY 2022) to approximately 325 days. Similarly, if funding levels reverted to the FY 2022 level, and workloads continued to rise, average processing times in the FLC programs would continue to increase. OFLC would prioritize available resources to address more time-sensitive H-2A and H-2B applications for farmers and seasonal nonagricultural businesses.

Weakening Wage and Safety Protections for Workers

The **Wage and Hour Division (WHD)** promotes compliance with basic labor laws and ensures that workers receive the protections they are entitled to under the law. Last year, WHD staff recovered more than $213 million in back wages for nearly 153,000 workers—an average of $1,400 per worker. These recovered wages make a real difference for workers struggling to pay rent, buy food, pay for childcare, or cover gas or transportation costs to get to their jobs.

Cuts to WHD funding levels would undermine the agency's ability to ensure workers receive the wages that they've earned. WHD would be forced to reduce the number of compliance actions, investigations, and targeted inspections that result in recovery for thousands of workers.

Specifically, a 22 percent reduction in funding levels would result in about $156 million less in back wages for 135,000 workers or an average over $1,000 per worker. A return to FY 2022 enacted levels would result in $24.5 million less in back wages recovered for nearly 21,000 workers.

The **Occupational Safety and Health Administration (OSHA)** works to assure safe and healthful working conditions. Every worker deserves to return home safely at the end of the day. Cutting OSHA's budget by one-fifth would mean fewer inspections, fewer staff, less enforcement, and less safe and healthy workplaces.

A 22 percent budget reduction would result in OSHA losing at least 270 inspectors and conducting 10,800 fewer inspections. This would be by far the lowest level of enforcement in OSHA's 52-year history. Fewer inspections would significantly reduce OSHA's ability to conduct proactive and more complex inspections such as those involving chemical exposure, heat, musculoskeletal injuries, and workplace violence. A return to 2022 enacted levels would result in 2,800 fewer safety inspections and 715 fewer health inspections.

OSHA would drastically cut back on responding to worker complaints and proactive inspections, including strategic priorities like silica, heat, and fall protection. Reducing OSHA's ability to conduct preventive inspections would result in more workplace injuries and illnesses – allowing unscrupulous employers to put workers in danger under a weaker, more predictable, and less strategic OSHA.

The **Mine Safety and Health Administration (MSHA)** works to prevent death, illness, and injury from mining and promote safe and healthful workplaces for U.S. miners. MSHA's enforcement responsibilities—statutorily mandated inspections, accident investigations, and responding to hazard complaints, among others—have contributed significantly to the reduction in fatal mining accidents.

Significant budget cuts would jeopardize the health and safety of the nation's miners. For example, under a 22 percent reduction, MSHA would not be able to complete approximately 4,400 mandatory inspections of surface and underground mines. Fatal accident investigation activities would continue but MSHA could not perform serious injury accident investigations and could only investigate 75 percent of hazard complaints in a timely manner. Targeted safety and health initiatives that address hazards associated with the leading causes of mining fatalities and occupational illnesses would not occur. Approximately one third of coal mine plan and addenda approvals, which are necessary for operators to continue mining operations, would be delayed by approximately a month.

At the FY 2022 funding level, MSHA would not be able to complete approximately 2,200 mandatory inspections of surface and underground mines. Fatal accident investigations would continue, but MSHA would be limited in its ability to perform any serious accident investigations and could only investigate 50 percent of the hazard complaints in a timely manner. Approximately 3,200 samples for respirable dust, silica, diesel particulate matter, and other toxic substances would not be taken, putting miners at risk of developing preventable debilitating occupational illnesses like Black Lung and silicosis.

Eliminating Critical Employment Services for Veterans

The Department's **Veterans' Employment and Training Service** helps veterans transition to employment, protects their employment rights, and promotes their employment opportunities.

The Jobs for Veterans State Grants (JVSG) program provides intensive employment and job placement services for eligible veterans, and JVSG fund allow states to hire qualified veterans to provide these services. There are currently over 1,800 JVSG staff at 2,300 American Job Centers (AJC) nationwide. A 22 percent reduction would result in 4,282 fewer veterans experiencing or at risk of homelessness receiving employment services through the Homeless Veterans' Reintegration Program (HVRP). A return to the 2022 enacted level would lead to a reduction of 16 staff serving veterans at AJCs as well as 1,428 fewer veterans experiencing or at risk of homelessness receiving employment services through HVRP.

I have seen first-hand the positive impacts of the Biden-Harris plan. 2021 and 2022 were the two strongest years of job growth in our nation's history. More than 12 million jobs have been created since President Biden took office—including nearly 800,000 manufacturing jobs. The unemployment rate has been below 4% for more than a year, and a record number of small businesses have started since President Biden took office. Black Americans and Hispanic Americans have near-record-low unemployment rates and people with disabilities are experiencing record-low unemployment.

The Department stands ready and committed to continuing the plan as laid out by the Biden-Harris Administration to build an economy and a labor market that is more just and equitable and creates opportunity for all.

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