

FY 2017

CONGRESSIONAL BUDGET JUSTIFICATION

SPECIAL BENEFITS FOR DISABLED COAL MINERS

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SPECIAL BENEFITS FOR DISABLED COAL MINERS

TABLE OF CONTENTS

Appropriation Language	1
Analysis of Appropriation Language.....	2
Amounts Available for Obligation.....	3
Summary of Changes	4
Budget Authority by Object Class	6
Authorizing Statutes.....	7
Appropriation History	8
Overview	9
Budget Activities	11
Division of Coal Mine Workers Compensation.....	11

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SPECIAL BENEFITS FOR DISABLED COAL MINERS

APPROPRIATION LANGUAGE

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, as amended by Public Law 107–275, [\$69,302,000] \$61,319,000, to remain available until expended.

For making after July 31 of the current fiscal year, benefit payments to individuals under title IV of such Act, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV for the first quarter of fiscal year [2017]2018, [\$19,000,000] \$16,000,000, to remain available until expended. (*Department of Labor Appropriations Act, 2016.*)

SPECIAL BENEFITS FOR DISABLED COAL MINERS

ANALYSIS OF APPROPRIATION LANGUAGE

"For making, after July 31 of the current fiscal year, benefit payments to individuals under title IV of such Act, for costs incurred in the current fiscal year, such amounts as may be necessary."

Provides an indefinite appropriation to finance any shortfall in the definite appropriation of benefit costs during the last two months of fiscal year 2017.

"For making benefit payments under title IV for the first quarter of fiscal year [2017]2018, [\$19,000,000] \$16,000,000, to remain available until expended."

Appropriates funds for benefit payments in the first quarter of the subsequent fiscal year. Ensures that beneficiaries will continue to receive benefits during the first quarter of FY 2018 in the event of a temporary funding hiatus.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2015 Enacted		FY 2016 Enacted		FY 2017 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	16	\$77,262	16	\$69,302	16	\$61,319
Sequestration Reduction Pursuant to P.L. 113-235 for FY 2015	0	-\$384	0	\$0	0	\$0
Sequestration reduction to admin funds pursuant to P.L. 114-113 for FY 2016	0	\$0	0	-\$361	0	\$0
First Quarter Advance Appropriation, prior year	0	\$24,000	0	\$21,000	0	\$19,000
B. Gross Budget Authority	16	\$100,878	16	\$89,941	16	\$80,319
C. Obligational Authority before Committee	16	\$100,878	16	\$89,941	16	\$80,319
Unexpired unobligated balance end-of-year	0	-\$56	0	\$0	0	\$0
D. Total, Estimated Obligations	16	\$100,822	16	\$89,941	16	\$80,319

SPECIAL BENEFITS FOR DISABLED COAL MINERS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2016 Enacted	FY 2017 Request	Net Change
Obligational Authority			
Benefit Payments	\$85,000	\$75,000	-\$10,000
Administrative	\$4,941	\$5,319	+\$378
Total Obligational Authority	\$89,941	\$80,319	-\$9,622
Full Time Equivalents			
Operating Activities	16	16	0
Total	16	16	0

Explanation of Change	FY 2016 Base		FY 2017 Change					
	FTE	Amount	Trust Funds FTE	Trust Funds Amount	General Funds FTE	General Funds Amount	Total FTE	Total Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	16	\$1,381	0	\$0	0	\$22	0	\$22
Personnel benefits	0	\$327	0	\$0	0	\$7	0	\$7
Employee health benefits	0	\$37	0	\$0	0	\$0	0	\$0
Moving allowance	0	\$0	0	\$0	0	\$0	0	\$0
Two days less of Pay	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees' Compensation Act (FECA)	0	\$0	0	\$0	0	\$0	0	\$0
Benefits for former personnel	0	\$0	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$3	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$0	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$0	0	\$0	0	\$1	0	\$1
Communications, utilities, and miscellaneous charges	0	\$17	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$0	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$0	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$8	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$0	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$0	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$530	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$2,580	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$18	0	\$0	0	\$0	0	\$0

SPECIAL BENEFITS FOR DISABLED COAL MINERS

FY 2017 Change

Explanation of Change	FY 2016 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Equipment	0	\$40	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$0	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	16	+\$4,941	0	\$0	0	+\$30	0	+\$30
B. Programs:								
Sequestration Restoration-SBDCM	0	\$0	0	\$0	0	\$361	0	\$361
Programs Subtotal			0	\$0	0	+\$361	0	+\$361
Total Increase	16	+\$4,941	0	\$0	0	+\$391	0	+\$391
Decreases:								
A. Built-Ins:								
To Provide For:								
Two days less of Pay	0	\$0	0	\$0	0	-\$13	0	-\$13
Built-Ins Subtotal	0	\$0	0	\$0	0	-\$13	0	-\$13
B. Programs:								
Benefit Payments	0	\$85,000	0	\$0	0	-\$10,000	0	-\$10,000
Programs Subtotal			0	\$0	0	-\$10,000	0	-\$10,000
Total Decrease	0	+\$85,000	0	\$0	0	-\$10,013	0	-\$10,013
Total Change	16	+\$89,941	0	\$0	0	-\$9,622	0	-\$9,622

SPECIAL BENEFITS FOR DISABLED COAL MINERS

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
	Full-Time Equivalent				
	Full-time Permanent	16	16	16	0
	Total	16	16	16	0
	Average ES Salary	\$0	\$0	\$0	\$0
	Average GM/GS Grade	12	12	12	0
	Average GM/GS Salary	\$73,226	\$73,958	\$74,919	\$961
11.1	Full-time permanent	1,365	1,367	1,379	12
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	14	14	14	0
11.9	Total personnel compensation	1,379	1,381	1,393	12
12.1	Civilian personnel benefits	357	364	368	4
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	3	3	3	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	0	0	1	1
23.3	Communications, utilities, and miscellaneous charges	17	17	17	0
24.0	Printing and reproduction	0	0	0	0
25.1	Advisory and assistance services	58	0	0	0
25.2	Other services from non-Federal sources	4	8	8	0
25.3	Other goods and services from Federal sources 1/	428	530	570	40
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	2,534	2,580	2,901	321
26.0	Supplies and materials	16	18	18	0
31.0	Equipment	82	40	40	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	96,000	85,000	75,000	-10,000
	Total	100,878	89,941	80,319	-9,622
	1/Other goods and services from Federal sources				
	Services by DOL Agencies	428	530	570	40

SPECIAL BENEFITS FOR DISABLED COAL MINERS

AUTHORIZING STATUTES

Public Law / Act	Legislation	Statute No. / US Code	Volume No.	Page No.	Expiration Date
PUB. L. 91-173	Federal Coal Mine Health and Safety Act of 1969, (now called Federal Mine Safety and Health Act of 1977), as amended.	30 U.S.C. 901, et seq.			N/A
PUB. L. 107-275	Black Lung Consolidation of Administrative Responsibility Act, as amended.				N/A

SPECIAL BENEFITS FOR DISABLED COAL MINERS

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2007					
Base Appropriation...1/	303,373	303,373	303,373	303,373	17
2008					
Base Appropriation...2/	276,221	276,221	276,221	276,221	17
2009					
Base Appropriation...3/	250,130		250,130	250,130	17
2010					
Base Appropriation...4/	225,180	225,180	225,180	225,180	17
2011					
Base Appropriation...5/	203,220	203,220	203,220	203,220	17
2012					
Base Appropriation...6/	182,227	182,227	182,227	182,227	16
2013					
Base Appropriation...7/	163,220			162,960	15
2014					
Base Appropriation...8/	133,235			127,858	15
2015					
Base Appropriation...9/	101,262			100,878	16
2016					
Base Appropriation...10/	90,302			89,941	16
2017					
Base Appropriation...	80,319				16

- ^{1/} Includes first quarter Advance appropriation of \$74,000 requested in Fiscal Year 2006.
- ^{2/} Includes first quarter Advance appropriation of \$68,000 requested in Fiscal Year 2007.
- ^{3/} Includes first quarter Advance appropriation of \$62,000 requested in Fiscal Year 2008.
- ^{4/} Includes first quarter Advance appropriation of \$56,000 requested in Fiscal Year 2009.
- ^{5/} Includes first quarter Advance appropriation of \$45,000 requested in Fiscal Year 2010.
- ^{6/} Includes first quarter Advance appropriation of \$41,000 requested in Fiscal Year 2011.
- ^{7/} Includes first quarter Advance appropriation of \$40,000 requested in Fiscal Year 2012 and the appropriation includes sequestration amount of -\$267 pursuant to P.L. 113-6.
- ^{8/} Includes first quarter Advance appropriation of \$40,000 requested in Fiscal Year 2013 and the appropriation includes sequestration amount of -\$377 pursuant to P.L. 113-76.
- ^{9/} Includes first quarter Advance appropriation of \$24,000 requested in Fiscal Year 2014 and the appropriation includes sequestration amount of -\$384 pursuant to P.L. 113-235.
- ^{10/} Includes first quarter Advance appropriation of \$21,000 requested in Fiscal Year 2015 and the appropriation includes sequestration amount of -\$361 pursuant to P.L. 114-113.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

Overview

The Black Lung Benefits Act authorizes monetary benefits to former coal mine workers (and their dependent survivors) who are totally disabled by occupational pneumoconiosis. This account, Special Benefits for Disabled Coal Miners, referred to as Part B of the Act, pertains to Black Lung claims filed on or before December 31, 1973. These monetary benefits support the Secretary's vision of *Promoting and Protecting Opportunity* and the Department's *Strategic Goal 4: Secure retirement, health, and other employee benefits and, for those not working, provide income security, and Strategic Objective 4.1: Provide income support when work is impossible or unavailable and facilitate return to work*. Historically, the Black Lung Benefits Act was administered by the Social Security Administration (Part B) and the Department of Labor (Part C). In FY 2002, Congress passed legislation permanently transferring responsibility for Part B to the DOL effective October 1, 2003, thus combining all components of program administration under the Black Lung Benefits Act and resulting in fiscal and operational efficiencies and improved service delivery. The program now carries responsibilities for both Parts B and C of the Act.

The beneficiary population covered by the Special Benefits for Disabled Coal Mine Workers appropriation is essentially closed and declining in number. The primary activities of the program are to ensure accurate and timely benefit payments. Service to these beneficiaries focuses on monitoring dependent eligibility and processing changes to the miner's or survivors' entitlement promptly. The program must also validate representative payee requests and accounting reports and seeks to implement new Federal financial management requirements, minimize erroneous payments, and increase administrative efficiencies.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
Benefit Payments	96,000	85,000	75,000	-10,000
Administration	4,878	4,941	5,319	378
Total Budget Authority for the Fiscal Year	100,878	89,941	80,319	-9,622
Less Funds Advanced in Prior Year	-24,000	-21,000	-19,000	2,000
Current Request for the Fiscal Year	76,878	68,941	61,319	-7,622
New Advances 1st Quarter Next FY	21,000	19,000	16,000	-3,000
Activity Appropriation	97,878	87,941	77,319	-10,622
FTE	16	16	16	0

NOTE: FY 2015 reflects actual FTE. Authorized FTE for FY 2015 was 16.

Introduction

Special Benefits for Disabled Coal Miners implements Part B of the Black Lung Benefits Act. Part B provides benefits for coal miners totally disabled by pneumoconiosis who filed claims on or before December 31, 1973. Part B benefits are paid from General Funds. Historically, the statute divided program administration between the Social Security Administration (Part B) and the DOL (Part C). However, in FY 2002, Congress passed legislation permanently transferring jurisdiction to the DOL on October 1, 2003. All components of program administration under the Black Lung Benefits Act were thus combined, resulting in fiscal and operational efficiencies and improved service delivery.

The program strives to be a premier service organization, viewed by its stakeholders as a fair and balanced adjudicator that exercises sound case and fiscal management. Because the beneficiary population covered by the Special Benefits for Disabled Coal Miner's appropriation is essentially closed, the primary activities of the program are to ensure accurate and timely benefit payments. Service to these beneficiaries focuses on monitoring dependent eligibility and processing changes to the miner's or survivors' entitlement. The program also validates representative payee requests and accounting reports and seeks to implement new Federal financial management requirements, minimize erroneous payments, and increase administrative efficiencies.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

Five-Year Budget Activity History

SPECIAL BENEFITS FOR DISABLED COAL MINERS PART B				
(Dollars in Thousands)				
Fiscal Year	Total Appropriation^{1/}	Benefits^{1/}	Salaries and Expenses	FTE
2012	\$182,227	\$177,000	\$5,227	16
2013	\$162,960	\$158,000	\$4,960	15
2014	\$132,858	\$128,000	\$4,858	15
2015	\$100,878	\$96,000	\$4,878	16
2016	\$89,941	\$85,000	\$4,941	16

^{1/}Includes the Advance Appropriation requested in the prior fiscal year and excludes Advance Appropriation for the next Fiscal Year.

FY 2017

The FY 2017 Request is \$61,319,000 which includes administrative funding of \$5,319,000 and 16 FTE dedicated to Part B, and \$75,000,000 for benefits, of which \$19,000,000 is an advance appropriation that was provided in the FY 2016 Enacted level. An additional \$361,000 is also included for sequestration restoration. A \$16,000,000 advance appropriation is requested for the first quarter of FY 2018 to ensure continuity of benefit payments during the transition between fiscal year appropriations.

At the funding level requested in FY 2017, the program will focus resources on continuing to provide benefits to this beneficiary population in support of the Department's *Strategic Goal 4: Secure retirement, health, and other employee benefits and, for those not working, provide income security*, and *Strategic Objective 4.1: Provide income support when work is impossible or unavailable and facilitate return to work* by providing income support for an average of 11,300 Part B beneficiaries who are unable to work.

FY 2016

The FY 2016 Enacted level is \$89,941,000 which includes administrative funding of \$4,941,000 and 16 FTE dedicated to Part B and \$85,000,000 for benefits, of which \$21,000,000 is an advance appropriation that was provided in the FY 2015 Enacted level. In addition, a \$19,000,000 advance appropriation is requested for the first quarter of FY 2017 to ensure continuity of benefit payments during the transition between fiscal year appropriations.

FY 2015

The FY 2015 Enacted level was \$100,878,000 which includes administrative funding of \$4,878,000 and 16 FTE dedicated to Part B and \$96,000,000 for benefits, of which \$24,000,000 is an advance appropriation that was provided in the FY 2014 Enacted level. In addition, a \$21,000,000 advance appropriation was enacted for the first quarter of FY 2016 to ensure continuity of benefit payments during the transition between fiscal year appropriations.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

DETAILED WORKLOAD AND PERFORMANCE						
	FY 2015 Enacted		FY 2016 Enacted	FY 2017 Request		
	Target	Result	Target	Target		
Special Benefits for Disabled Coal Miners						
Strategic Goal 4 - Secure retirement, health, and other employee benefits and, for those not working, provide income security						
Strategic Objective 4.1 - Provide income support when work is impossible or unavailable and facilitate return to work						
SBDCM WL 1	Maintenance of Benefits for Part B Beneficiaries		14,520[e]	13,064	11,400[r]	10,000[e]

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

SPECIAL BENEFITS FOR DISABLED COAL MINERS

Workload Summary

In FY 2017, OWCP projects an average of 10,000 Part B beneficiaries, which reflects the decline of the beneficiary population from FY 2016 and FY 2015. OWCP's activities of maintaining benefits for these Part B recipients support the program's core mission of processing benefits for claimants. Program activities include: payment of benefits, monitoring of beneficiary status for the suspension/termination of benefits, reinstatement of benefits, addition/deletion of dependents, conversion of benefits to widows upon death of miners, resolution of over/under payments, and representative payee determinations. OWCP will continue to meet new and evolving financial management requirements and achieve strategic and operational performance targets.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$22
Personnel benefits	7
Employee health benefits	0
Moving allowance	0
Two days less of Pay	-13
Federal Employees' Compensation Act (FECA)	0
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	1
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$17**

Net Program **\$361**

Direct FTE **0**

	Estimate	FTE
Base	\$4,958	16
Program Increase	\$361	0
Program Decrease	\$0	0