

FY 2021

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

Amounts Available for Obligation 2

Summary of Changes 3

Budget Authority by Object Class 5

Authorizing Statutes 6

Appropriation History 7

Overview 9

Budget Activities 11

 Special Benefits for Disabled Coal Miners 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, [\$20,970,000] \$40,970,000, 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 [2021] 2022, \$14,000,000, to remain available until expended.

(Department of Labor Appropriations Act, 2020.)

SPECIAL BENEFITS FOR DISABLED COAL MINERS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2019 Enacted		FY 2020 Enacted		FY 2021 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	16	\$10,319	13	\$20,970	13	\$40,970
Sequestration Reduction Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985	0	-\$330	0	-\$293	0	\$0
Unobligated Balance Carried Forward from Prior Year	0	\$85,410	0	\$40,422	0	\$10,350
First Quarter Advance Appropriation, prior year	0	\$15,000	0	\$14,000	0	\$14,000
B. Gross Budget Authority	16	\$110,399	13	\$75,099	13	\$65,320
Unobligated Balance Carried Forward from Prior Year	0	-\$85,410	0	-\$40,422	0	-\$10,350
First Quarter Advance Appropriation, prior year	0	-\$15,000	0	-\$14,000	0	-\$14,000
C. Budget Authority	16	\$9,989	13	\$20,677	13	\$40,970
Unobligated Balance Carried Forward from Prior Year	0	\$85,410	0	\$40,422	0	\$10,350
First Quarter Advance Appropriation, prior year	0	\$15,000	0	\$14,000	0	\$14,000
D. Total Budgetary Resources	16	\$110,399	13	\$75,099	13	\$65,320
Unobligated Balances	0	-\$40,422	0	-\$10,350	0	-\$5,220
E. Total, Estimated Obligations	16	\$69,977	13	\$64,749	13	\$60,100

SPECIAL BENEFITS FOR DISABLED COAL MINERS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2020 Enacted	FY 2021 Request	Net Change
Obligational Authority			
Benefit Payments	\$30,000	\$50,000	+\$20,000
Administrative	\$4,677	\$4,970	+\$293
Total Obligational Authority	\$34,677	\$54,970	+\$20,293
Full Time Equivalents			
Operating Activities	13	13	0
Total	13	13	0

Explanation of Change	FY 2021 Change							
	FY 2020 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	13	\$1,204	0	\$0	0	\$9	0	\$9
Personnel benefits	0	\$328	0	\$0	0	\$2	0	\$2
Employee health benefits	0	\$0	0	\$0	0	\$0	0	\$0
Moving allowance	0	\$0	0	\$0	0	\$0	0	\$0
One day 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	\$0	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	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$26	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	\$0	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$1,131	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	\$0	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	\$0	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$3	0	\$0	0	\$0	0	\$0
Equipment	0	\$0	0	\$0	0	\$0	0	\$0

SPECIAL BENEFITS FOR DISABLED COAL MINERS

Explanation of Change	FY 2021 Change							
	FY 2020 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
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	13	+\$2,692	0	\$0	0	+\$11	0	+\$11
B. Programs:								
SBDCM Benefits for FY 2021	0	\$0	0	\$0	0	\$20,000	0	\$20,000
Processing of Mandatory Workload - SBDCM	0	\$0	0	\$0	0	\$300	0	\$300
Programs Subtotal			0	\$0	0	+\$20,300	0	+\$20,300
Total Increase	13	+\$2,692	0	\$0	0	+\$20,311	0	+\$20,311
Decreases:								
A. Built-Ins:								
To Provide For:								
One day less of Pay	0	\$0	0	\$0	0	-\$7	0	-\$7
Operation and maintenance of equipment	0	\$1,985	0	\$0	0	-\$11	0	-\$11
Built-Ins Subtotal	0	+\$1,985	0	\$0	0	-\$18	0	-\$18
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Decrease	0	+\$1,985	0	\$0	0	-\$18	0	-\$18
Total Change	13	+\$4,677	0	\$0	0	+\$20,293	0	+\$20,293

SPECIAL BENEFITS FOR DISABLED COAL MINERS

BUDGET AUTHORITY BY OBJECT CLASS¹					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
	Full-Time Equivalent				
	Full-time Permanent	16	13	13	0
	Total	16	13	13	0
	Average ES Salary	\$0	\$0	\$0	\$0
	Average GM/GS Grade	12	12	12	0
	Average GM/GS Salary	\$76,342	\$78,709	\$79,496	\$787
11.1	Full-time permanent	1,378	1,173	1,177	4
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	31	31	42	11
11.9	Total personnel compensation	1,409	1,204	1,219	15
12.1	Civilian personnel benefits	431	328	328	0
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	0	0	0	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	26	26	26	0
24.0	Printing and reproduction	0	0	0	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	0	0	0	0
25.3	Other goods and services from Federal sources 1/	1,129	1,131	1,131	0
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	1,991	1,985	2,263	278
26.0	Supplies and materials	3	3	3	0
31.0	Equipment	0	0	0	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	20,000	30,000	50,000	20,000
	Total	24,989	34,677	54,970	20,293
	1/Other goods and services from Federal sources				
	Working Capital Fund	1,129	1,131	1,131	0

¹ FY 2019 and FY 2020 levels reflect the post-sequestration amounts. The FY 2021 level reflects the pre-sequestration amount.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

AUTHORIZING STATUTES

Public Law / Act	Legislation	Statute No. / US Code	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.	30 U.S.C. 801 note	N/A

SPECIAL BENEFITS FOR DISABLED COAL MINERS

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2011					
Base Appropriation...1/	\$203,000	\$203,220	\$203,220	\$203,220	17
2012					
Base Appropriation...2/	\$182,227	\$182,227	\$182,227	\$182,227	16
2013					
Base Appropriation...3/	\$163,220			\$162,970	15
2014					
Base Appropriation...4/				\$121,716	15
2015					
Base Appropriation...5/				\$102,756	16
2016					
Base Appropriation...6/	\$88,302	\$88,302	\$88,302	\$92,882	16
2017					
Base Appropriation...7/	\$77,319			\$76,952	16
2018					
Base Appropriation...8/	\$69,319	\$69,319		\$68,968	16
2019					
Base Appropriation...9/ 10/	\$24,319		\$24,319	\$23,989	16
2020					
Base Appropriation...11/ 12/ 13/	\$34,970	\$34,970		\$34,677	13
2021					
Base Appropriation...13/	\$54,970				13

^{1/} Includes first quarter Advance appropriation of \$45,000 requested in Fiscal Year 2010.

^{2/} Includes first quarter Advance appropriation of \$41,000 requested in Fiscal Year 2011.

^{3/} Includes first quarter Advance appropriation of \$40,000 requested in Fiscal Year 2012 and the appropriation includes sequestration amount of -\$267.

^{4/} Includes first quarter Advance appropriation of \$40,000 requested in Fiscal Year 2013 and the appropriation includes sequestration amount of -\$377.

^{5/} Includes first quarter Advance appropriation of \$24,000 requested in Fiscal Year 2014 and the appropriation includes sequestration amount of -\$384.

^{6/} Includes first quarter Advance appropriation of \$21,000 requested in Fiscal Year 2015 and the appropriation includes sequestration amount of -\$361.

^{7/} Includes first quarter Advance appropriation of \$19,000 requested in Fiscal Year 2016 and the appropriation includes sequestration amount of -\$367.

^{8/} Includes first quarter Advance appropriation of \$16,000 requested in Fiscal Year 2017 and the appropriation includes sequestration amount of -\$351.

^{9/} Includes first quarter Advance appropriation of \$15,000 requested in Fiscal Year 2018 and the appropriation includes sequestration amount of -\$330.

^{10/} This bill was passed by the Senate. It was passed out of the House Subcommittee but was not reported out of the House Committee or by the full House.

^{11/} Includes first quarter Advance appropriation of \$14,000 requested in Fiscal Year 2019 and the appropriation includes sequestration amount of -\$293.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

12/ This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or full Appropriations Committee.

13/ FTE for FY 2020 and FY 2021 reflect the Shared Services Realignment.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

Overview

The Black Lung Benefits Act authorizes monetary benefits to coal miners who are totally disabled by pneumoconiosis arising out of coal mine employment, as well as eligible survivors of coal miners. Historically, administration of the Black Lung Benefits Act was split between the Social Security Administration (SSA) and the Department of Labor (DOL). Claims filed on or before December 31, 1973 (Part B of the Act) were administered by SSA; claims filed after that date (Part C of the Act) were administered by DOL. Congress transferred responsibility for Part B to DOL, effective October 1, 2003. DOL now administers both Part B and Part C, resulting in fiscal and operational efficiencies and improved service delivery. This account, Special Benefits for Disabled Coal Miners (SBDCM), funds the administration and payment of Part B claims.

The primary activities of the program under Part B 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 survivor's entitlement promptly. The program must also validate representative payee requests and accounting reports, as well as 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 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
Benefit Payments	20,000	30,000	50,000	20,000
Administration ²	4,989	4,677	4,970	293
Total Budget Authority for the Fiscal Year	24,989	34,677	54,970	20,293
Less Funds Advanced in Prior Year	-15,000	-14,000	-14,000	0
Current Request for the Fiscal Year	9,989	20,677	40,970	20,293
New Advances 1st Quarter Next FY	14,000	14,000	14,000	0
Activity Appropriation	23,989	34,677	54,970	20,293
FTE	16	13	13	0

² FY 2019 and FY 2020 levels reflect the post-sequestration amounts. The FY 2021 level reflects the pre-sequestration amount.

NOTE: FY 2019 reflects actual FTE. Authorized FTE for FY 2019 was 16.

Introduction

The Special Benefits for Disabled Coal Miners (SBDCM) program implements Part B of the Black Lung Benefits Act. Part B provides benefits for coal miners totally disabled by pneumoconiosis, as well as for eligible survivors of coal miners, who filed claims on or before December 31, 1973. Part B benefits are paid from General Funds. Service to these beneficiaries focuses on monitoring dependent eligibility and promptly processing changes to the miner's (or eligible survivor's) entitlement.

In FY 2019 and FY 2020, the request for the SBDCM benefits appropriation was reduced to increase use of unobligated balances to pay for program obligations. These amounts do not disrupt the ability of the program to ensure all beneficiaries and eligible dependents receive promised benefits, while maintaining a reasonable unobligated balance at the end of FY 2020. The FY 2021 Budget reflects the necessary funding to ensure that beneficiaries and eligible dependents will continue to receive all promised benefits.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

The exhibits below provide relevant data for the last five years.

Fiscal Year	Budgetary Resources	Obligations	Balance available End-of-Year
	(\$ in '000s)	(\$ in '000s)	(\$ in '000s)
2015	\$228,235	\$114,433	\$113,802
2016	\$204,002	\$100,918	\$103,084
2017	\$183,214	\$89,526	\$93,688
2018	\$163,661	\$78,276	\$85,385
2019	\$110,399	\$69,977	\$40,422
2020 ⁺	\$75,099	\$64,749	\$10,350
2021 ⁺	\$65,320	\$60,100	\$5,220

	Beneficiaries ⁺	Benefit Payments (\$ in '000s)
2015	14,124	\$109,555
2016	12,290	\$95,977
2017	10,630	\$84,574
2018	9,260	\$73,308
2019	7,975	\$65,635
2020	7,188	\$60,072
2021	6,509	\$55,131

⁺ Beneficiary figures for 2015-2019 are the actual number of beneficiaries and eligible dependents at the end of the fiscal year. Figures for 2020-2021 are end-of-fiscal-year estimates based on OWCP's projections.

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
2016	\$89,941	\$85,000	\$4,941	16
2017	\$79,952	\$75,000	\$4,952	16
2018	\$69,968	\$65,000	\$4,968	16
2019	\$24,989	\$20,000	\$4,989	16
2020	\$34,677	\$30,000	\$4,677	13

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

SPECIAL BENEFITS FOR DISABLED COAL MINERS

FY 2021

The FY 2021 Request level for SBDCM is \$50,000,000, including a pre-sequester total of \$4,970,000 and 13 FTE for program administration. Of the \$50,000,000 for benefits, \$14,000,000 is an advance appropriation that was requested in FY 2020. In addition, an advance appropriation of \$14,000,000 is requested for the first quarter of FY 2022 to ensure continuity of benefit payments during the transition between fiscal year appropriations. The amount requested for FY 2021 will be sufficient to cover expected benefits expenditures while significantly reducing the carryover balance.

With this funding SBDCM will manage and support the critical systems, processes, and functions, which provide the foundation for OWCP's Part B benefits maintenance activities and financial management protocols. These foundational resources at current FTE levels are necessary to support OWCP's core mission of timely and accurate processing of benefits for claimants and their families, and represent the minimum required to support program integrity efforts and minimize improper payments.

FY 2020

The FY 2020 Enacted level for SBDCM is \$34,677,000, including a post-sequester total of \$4,677,000, and 13 FTE for program administration. Of \$30,000,000 for benefits, \$14,000,000 is an advance appropriation that was requested in FY 2019. In FY 2020, program staff began the fiscal year ensuring accurate and timely benefit payments to 7,975 beneficiaries and eligible dependents by monitoring dependent eligibility and processing changes in entitlement promptly. The program estimates that 7,188 beneficiaries and eligible dependents will be receiving benefits at the end of the fiscal year.

FY 2019

The FY 2019 Enacted level for SBDCM was \$23,989,000, including a post-sequester total of \$4,989,000 and 16 FTE for program administration. Of \$20,000,000 for benefits, \$15,000,000 was an advance appropriation that was requested in FY 2018. In FY 2019, program staff ensured accurate and timely benefit payments to Part B beneficiaries and eligible dependents. There were 9,260 beneficiaries and eligible dependents at the beginning of the fiscal year and 7,975 at the end of the fiscal year. Services to beneficiaries included monitoring dependent eligibility and processing changes in the miner's or survivors' entitlement promptly. The program focused resources on providing benefits and support to this beneficiary population.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

WORKLOAD AND PERFORMANCE SUMMARY³				
	FY 2019 Enacted		FY 2020 Enacted	FY 2021 Request
	Target	Result	Target	Target
Special Benefits for Disabled Coal Miners				
Strategic Goal 3 - Administer Strong Workers' Compensation and Benefits Programs				
Strategic Objective OWCP 3.1 - Provide workers' compensation benefits for workers who are injured or become ill on the job.				
SBDCM WL	Number of Part B Beneficiaries Requiring Benefit Maintenance			
1	7,800[e]	7,975	7,188[e]	6,509[e]

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

³ The targets are the number of beneficiaries estimated to be receiving benefits at the end of the fiscal year. The FY 2019 Result was the actual number of beneficiaries at the end of FY 2019.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

Workload Summary

In FY 2021, OWCP will begin the fiscal year servicing an estimated 7,188 Part B beneficiaries and eligible dependents and will end the fiscal year servicing an estimated 6,509 Part B beneficiaries and eligible dependents. This work includes maintaining and supporting the critical systems, processes, and functions, which provide the foundation of OWCP's Part B benefits maintenance activities. These activities 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 also continue efforts to meet new and evolving financial management requirements.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

CHANGES IN FY 2021

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$9
Personnel benefits	2
Employee health benefits	0
Moving allowance	0
One day less of Pay	-7
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	0
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	-11
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

Built-Ins Subtotal **-\$7**

Net Program **\$300**

Direct FTE **0**

	Estimate	FTE
Base	\$4,670	13
Program Increase	\$300	0
Program Decrease	\$0	0