

FY 2011

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Advances to the Unemployment Trust Fund

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

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APPROPRIATION LANGUAGE

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1986; and for nonrepayable advances to the Unemployment Trust Fund as authorized by 5 U.S.C. 8509, and to the "Federal Unemployment Benefits and Allowances" account, such sums as may be necessary, which shall be available for obligation through September 30, [2011] 2012 (*Department of Labor Appropriations Act, 2010.*)

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

EXPLANATION OF LANGUAGE CHANGE

Not applicable.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

ANALYSIS OF APPROPRIATION LANGUAGE

Not applicable.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

AMOUNTS AVAILABLE FOR OBLIGATION								
(Dollars in Thousands)								
	FY 2009 Enacted¹		Recovery Act		FY 2010 Enacted²		FY 2011 Request³	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	50,000	0	0	0	150,000	0	200,000
Other Supplementals and Rescissions	0	0	0	0	0	0	0	0
Balance Carried Forward	0	0	0	0	0	0	0	0
Appropriation, Revised	0	50,000	0	0	0	150,000	0	200,000
Comparative Transfer To:	0	0	0	0	0	0	0	0
Comparative Transfer From:	0	0	0	0	0	0	0	0
Subtotal Appropriation	0	50,000	0	0	0	150,000	0	200,000
Subtotal	0	0	0	0	0	0	0	0
B. Gross Budget Authority	0	50,000	0	0	0	150,000	0	200,000
Offsetting Collections From:	0	0	0	0	0	0	0	0
Prior Year Balance	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0
C. Budget Authority	0	50,000	0	0	0	150,000	0	200,000
Before Committee	0	50,000	0	0	0	150,000	0	200,000
Prior Year Balance	0	0	0	0	0	0	0	0
Subtotal	0	0	0	0	0	0	0	0
D. Total Budgetary Resources	0	50,000	0	0	0	150,000	0	200,000
Other Unobligated Balances	0	0	0	0	0	0	0	0
Unobligated Balance Expiring	0	0	0	0	0	0	0	0
E. Total, Estimated Obligations	0	50,000	0	0	0	150,000	0	200,000

¹ Actual FY 2009 non-repayable advances to Federal Employees Compensation Account (FECA)

² Estimate needed in FY 2010 for non-repayable advances to FECA.

³ Estimate needed in FY 2011 for non-repayable advances to FECA.

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2010 Enacted	FY 2011 Request	Net Change
Budget Authority			
General Funds	150,000	200,000	+50,000
Trust Funds	0	0	0
Total	150,000	200,000	+50,000
Full Time Equivalents			
General Funds	0	0	0
Trust Funds	0	0	0
Total	0	0	0

Explanation of Change	FY 2010 Base		Trust Funds		FY 2011 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:						50,000		50,000
Built-Ins Subtotal	0	0	0	0	0	50,000	0	50,000
B. Program:								
C. Financing:								
Total Increase	0	0	0	0	0	+50,000	0	+50,000
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	0	0	0	0	0	0	0
B. Program:								
C. Financing:								
Total Decrease	0	0	0	0	0	0	0	0
Total Change	0	150,000	0	0	0	+50,000	0	+50,000

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2009 Enacted		Recovery Act		FY 2010 Enacted		FY 2011 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Advances to the Unemployment Trust Fund (Non-add)	0	50,000	0	0	0	150,000	0	200,000
General Funds	0	50,000	0	0	0	150,000	0	200,000
Total	0	50,000	0	0	0	150,000	0	200,000
General Funds	0	50,000	0	0	0	150,000	0	200,000

NOTE: FY 2009 reflects actual advances to FECA.

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BUDGET AUTHORITY BY OBJECT CLASS						
(Dollars in Thousands)						
		FY 2009 Enacted	Recovery Act	FY 2010 Enacted	FY 2011 Request	Change FY 11 Req. / FY 10 Enacted
41.0	Grants, subsidies, and contributions	50,000	0	150,000	200,000	50000
	Total	50,000	0	150,000	200,000	50,000

NOTE: FY 2009 reflects actual advances to FECA.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2001....2/	435,000	435,000	435,000	505,000	0
2002....3/	467,000	467,000	467,000	471,000	0
2003....4/	463,000	463,000	463,000	470,000	0
2004....5/	467,000	467,000	467,000	577,000	0
2005....6/	517,000	517,000	517,000	517,000	0
2006	465,000	465,000	465,000	465,000	0
2007	465,000	465,000	465,000	465,000	0
2008	437,000	437,000	437,000	437,000	0
2009....7/ 8/	422,000	0	422,000	50,000	0
2010	120,000	0	0	150,000	0
2011	200,000	0	0	0	0

1/ Includes \$134,000,000 advanced to the Black Lung Disability Trust Fund by using the "such sums as may be necessary" language included in the appropriation.

2/ Includes \$70,000,000 advanced to the Black Lung Disability Trust Fund by using the "such sums as may be necessary" language included in the appropriation.

3/ Includes \$4,000,000 advanced to the Black Lung Disability Trust Fund by using the "such sums as may be necessary" language included in the appropriation.

4/ Includes \$7,000,000 advanced to the Black Lung Disability Trust Fund by using "such sums as may be necessary" language included in the appropriation.

5/ Includes \$110,000,000 advanced to the Black Lung Disability Trust Fund by using the "such sums as may be necessary" language included in the appropriation.

6/ Includes \$71,000,000 that was not needed for advances to the Black Lung Disability Trust Fund.

7/ This bill was only reported out of Subcommittee and was not passed by the Full House.

8/ P.L. 111-46 amended the appropriations language to provide "such sums as may be necessary" for advances. Actual non-repayable advances to FECA totaled \$50,000,000.

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BUDGET AUTHORITY BEFORE THE COMMITTEE					
(Dollars in Thousands)					
	FY 2009 Enacted	Recovery Act	FY 2010 Enacted	FY 2011 Request	Diff. FY 11 Req. / FY 10 Enacted
Activity Appropriation	50,000	0	150,000	200,000	50,000
FTE	0	0	0	0	0

NOTE: Reflects FY 2009 actual non-repayable advances to FECA.

Introduction

This general fund appropriation makes available funding for interest-bearing, repayable advances (loans) to two accounts in the Unemployment Trust Fund (UTF): the Extended Unemployment Compensation Account (EUCA), which pays the Federal share of extended unemployment benefits, and the Federal Unemployment Account (FUA), which makes loans to states to pay unemployment benefits. In addition, this appropriation may make interest-bearing, repayable advances to the Black Lung Disability Trust Fund (BLDTF) whenever its balances prove insufficient to make payments from that account. These repayable advances are shown as borrowing authority within the UTF or the BLDTF, and they do not appear as budget authority or outlays in the Advances account. This appropriation also makes available funding as needed for non-repayable advances to the Federal Employees Compensation Account (FECA) in the UTF to pay the costs of compensation for former Federal employees and ex-servicemen, and to the Federal Unemployment Benefits and Allowances Account to pay the costs of benefits and services under the Trade Adjustment Assistance for Workers (TAA) program.

FY 2011

The Department estimates that \$200,000,000 will be needed for non-repayable advances in FY 2011. These advances are for the FECA account to pay for the unemployment benefits costs of temporary decennial Census workers.

In addition, an estimated \$25,100,000,000 will be needed for repayable advances to the Unemployment Trust Fund and to the Black Lung Disability Trust Fund. Of this amount, \$23,400,000,000 will be needed for FUA for loans to States; \$1,700,000,000 will be needed for EUCA to pay the Federal share of extended benefits. The projected borrowing for Black Lung is \$58,000,000.

This request assumes continuation of the amendment in FY 2010 Advances appropriations language seeking “such sums as may be necessary” authority for advances to the accounts described above. These estimates are for 2011 only but the Advances appropriation is available for obligation for two fiscal years.

FY 2010

The Advances appropriations language provides for “such sums as may be necessary” authority for advances to the accounts described above. The Department estimates that

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\$41,900,000,000 will be needed for FUA, \$8,600,000,000 will be needed for EUCA, and \$150,000,000 will be needed for FECA in FY 2010. The BLDTF is expected to need about \$21,000,000 of repayable advances in FY 2010. These estimates are for 2010 only but the Advances appropriation is available for obligation for two fiscal years.

FY 2009

The appropriation under the FY 2009 Omnibus made \$422,000,000 available for advances to the BLDTF, to the UTF, and to the FUBA account. A later bill (P.L. 111-46) amended the appropriations language to provide “such sums as may be necessary” for these advances.

Repayable advances of \$7,950,000,000 were made to FUA and non-repayable advances of \$50,000,000 were made to FECA. The BLDTF did not need advances in FY 2009 because its debt was restructured as part of the Energy Improvement and Extension Act of 2008.

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CHANGES IN FY 2011

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Built-Ins Subtotal

\$50,000

Estimate

FTE

Base

200,000

0