

FY 2012

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Advances to the Unemployment Trust Fund

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

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ADVANCES TO THE UNEMPLOYMENT TRUST FUND

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, 2013.

Note. — A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 111–242, as amended). The amounts included for 2011 reflect the annualized level provided by the continuing resolution.

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 2010 Enacted		FY 2011 Full Year C.R.		FY 2012 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$105,000	0	\$200,000	0	\$0
Other Supplementals and Rescissions	0	\$0	0	\$0	0	\$0
Balance Carried Forward	0	\$0	0	\$0	0	\$0
Appropriation, Revised	0	\$105,000	0	\$200,000	0	\$0
Comparative Transfer To:	0	\$0	0	\$0	0	\$0
Comparative Transfer From:	0	\$0	0	\$0	0	\$0
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$105,000</i>	<i>0</i>	<i>\$200,000</i>	<i>0</i>	<i>\$0</i>
<i>Subtotal</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	0	\$105,000	0	\$200,000	0	\$0
Offsetting Collections From:						
Prior Year Balance	0	\$0	0	\$0	0	\$0
<i>Subtotal</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
C. Budget Authority Before Committee	0	\$105,000	0	\$200,000	0	\$0
Before Committee	0	\$105,000	0	\$200,000	0	\$0
Prior Year Balance	0	\$0	0	\$0	0	\$0
<i>Subtotal</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
D. Total Budgetary Resources	0	\$105,000	0	\$200,000	0	\$0
Other Unobligated Balances	0	\$5,000	0	\$0	0	\$0
Unobligated Balance Expiring	0	\$0	0	\$0	0	\$0
E. Total, Estimated Obligations	0	\$110,000	0	\$200,000	0	\$0

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2011 Full Year C.R.	FY 2012 Request	Net Change
Budget Authority			
General Funds	\$200,000	\$0	-\$200,000
Trust Funds	\$0	\$0	\$0
Total	\$200,000	\$0	-\$200,000
Full Time Equivalents			
General Funds	0	0	0
Trust Funds	0	0	0
Total	0	0	0

Explanation of Change	FY 2011 Base		Trust Funds		FY 2012 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Grants, subsidies, and contributions	0	\$200,000	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	0	+\$200,000	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
Total Increase	0	+\$200,000	0	\$0	0	\$0	0	\$0
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
FECA Funds for Census Workers Decrease	0	\$200,000	0	\$0	0	-\$200,000	0	-\$200,000
Programs Subtotal	0	\$0	0	\$0	0	-\$200,000	0	-\$200,000
Total Decrease	0	\$0	0	\$0	0	-\$200,000	0	-\$200,000
Total Change	0	+\$200,000	0	\$0	0	-\$200,000	0	-\$200,000

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY (Dollars in Thousands)						
	FY 2010 Enacted		FY 2011 Full Year C.R.		FY 2012 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
Advances to the Unemployment Trust Fund (Non-add)	0	105,000	0	200,000	0	0
General Funds	0	105,000	0	200,000	0	0
Total	0	105,000	0	200,000	0	0
General Funds	0	105,000	0	200,000	0	0

Note: FY 2010 reflects actual non-repayable advances to the Federal Employees Compensation Account (FECA) in the Unemployment Trust Fund.

No non-repayable advances are projected for FY 2012.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2010 Enacted	FY 2011 Full Year C.R.	FY 2012 Request	Change FY 12 Req. / FY 10 Enacted
41.0	Grants, subsidies, and contributions	110,000	200,000	0	-110,000
	Total	110,000	200,000	0	-110,000

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2002...1/	\$467,000	\$467,000	\$467,000	\$471,000	0
2003...2/	463,000	463,000	463,000	470,000	0
2004...3/	467,000	467,000	467,000	577,000	0
2005...4/	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...5/ 6/	422,000	0	422,000	422,000	0
2010	105,000	0	0	105,000	0
2011...7/	200,000	0	0	0	0
2012	0	0	0	0	0

1/ 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.

2/ 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.

3/ 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.

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

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

6/ P.L. 111-46 amended the appropriations language to provide "such sums as may be necessary" for advances. Actual non-repayable advances to the Federal Employees Compensation Account totaled \$50,000,000. Additional repayable advances were also provided to other accounts in the Unemployment Trust Fund.

7/ A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2010 Enacted	FY 2011 Full Year C.R.	FY 2012 Request	Diff. FY 12 Req. / FY 10 Enacted
Budget Authority	105,000	200,000	0	-105,000

Introduction

The general fund appropriation for Advances to the Unemployment Trust Fund (Advances) 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-servicepersons, and to the Federal Unemployment Benefits and Allowances Account (FUBA) to pay the costs of benefits and services under the Trade Adjustment Assistance for Workers (TAA) program.

Advances were needed for the FUA, EUCA, and FECA accounts in fiscal year 2010. The FY 2011 level and the FY 2012 request assume continuation of the FY 2010 Advances appropriations language providing “such sums as may be necessary” authority. Detail on the non-repayable advances to FECA is shown in the budget authority and outlay detail provided above; detail on the repayable advances is shown separately in the UTF and BLDTF accounts.

To address the potential need for significant, and somewhat unpredictable, advances to various accounts, Congress amended the previous appropriations language for the Advances account to appropriate such sums as needed for advances to all of the potential recipient accounts.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2007	\$465,000	0
2008	\$437,000	0
2009	\$422,000	0
2010	\$105,000	0
2011	\$0	0

NOTE: A full-year 2011 appropriation for this account was not enacted at the time the budget was prepared.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

FY 2012

The Department estimates that \$17,300,000,000 will be needed for FUA and \$2,100,000,000 will be needed for EUCA. This request assumes continuation of the FY 2010 Advances appropriations language providing “such sums as may be necessary” authority for advances to the accounts described above.

FY 2011

Figures shown for FY 2011 reflect the projected non-repayable advances allowed under the annualized full-year Continuing Resolution level under the appropriated entitlement anomaly language. A full-year appropriation has not been enacted at the time the budget was produced.

FY 2010

The Advances appropriations language provided for “such sums as may be necessary” authority for advances to the accounts described above. During FY 2010, repayable advances of \$26,000,000,000 and \$3,100,000,000 were made to FUA and EUCA respectively, while non-repayable advances of \$110,000,000 were made to FECA (\$5,000,000 of the advance to FECA came from carryover funds under the initial FY 2009 appropriations language).

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

CHANGES IN FY 2012

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Grants, subsidies, and contributions \$0

Built-Ins Subtotal \$0

Net Program -\$200,000

Direct FTE 0

Estimate **FTE**

Base \$200,000 0

Program Decrease -\$200,000 0