

FY 2027

CONGRESSIONAL BUDGET JUSTIFICATION

SPECIAL BENEFITS FOR DISABLED COAL MINERS

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SPECIAL BENEFITS FOR DISABLED COAL MINERS

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SPECIAL BENEFITS FOR DISABLED COAL MINERS

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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 through Public Law 107-275, \$22,085,000, 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 2028, \$5,450,000, to remain available until expended.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

AMOUNTS AVAILABLE FOR OBLIGATION

(Dollars in Thousands)

	FY 2025 Enacted		FY 2026 Enacted		FY 2027 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
Budget Authority Before Committee	13	\$24,367	12	\$24,585	12	\$22,085
Unobligated Balances Brought Forward		9,051	0	4,712		3,460
First Quarter Advance Appropriation, Prior Year		7,000		6,000		5,900
Sequestration		-295		-284		
Total Budgetary Resources	13	\$40,123	12	\$35,013	12	\$31,445

SPECIAL BENEFITS FOR DISABLED COAL MINERS

SUMMARY OF CHANGES¹

(Dollars in Thousands)

	FY 2026 Enacted	FY 2027 Request	Net Change
Budget Authority			
General Funds	\$30,585	\$27,985	-\$2,600
Total	<u>\$30,585</u>	<u>\$27,985</u>	<u>-\$2,600</u>
Full Time Equivalents			
General Funds	12	12	0
Total	<u>12</u>	<u>12</u>	<u>0</u>

Explanation of Change

	FY 2026 Enacted		Trust Funds		Federal Funds		FY 2027 Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
Total personnel compensation	12	\$1,469	0	\$0	0	\$0	0	\$0
Personnel benefits	0	\$549	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$4	0	\$0	0	\$0	0	\$0
Communications, utilities, and misc.	0	\$1	0	\$0	0	\$0	0	\$0
Other goods and svcs. from Fed. sources	0	\$2,552	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$25,600	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$410	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	<u>+12</u>	<u>+\$30,585</u>	<u>0</u>	<u>\$0</u>	<u>0</u>	<u>\$0</u>	<u>0</u>	<u>\$0</u>

¹ This appropriation is subject to a sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. Administration amounts included in General Funds are pre-sequestration levels.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	+12	+\$30,585	0	\$0	0	\$0	0	\$0
Decreases:								
A. Built-Ins:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Decrease	0	\$0	0	\$0	0	\$0	0	\$0
Total Changes for Econ. Assumptions			0	\$0	0	-\$2,600	0	-\$2,600
Total Change	+12	+\$30,585	0	\$0	0	-\$2,600	0	-\$2,600

SPECIAL BENEFITS FOR DISABLED COAL MINERS

BUDGET AUTHORITY BY OBJECT CLASS²

(Dollars in Thousands)

	FY 2025 Enacted	FY 2026 Enacted	FY 2027 Request	Diff. FY 2027 Request / FY 2026 Enacted
11.1 Full-time permanent	1,466	1,427	1,427	0
11.5 Other personnel compensation	26	42	42	0
12.1 Personnel Benefits	585	549	549	0
21.0 Travel and transportation of persons	0	4	4	0
23.3 Communications, utilities, and misc.	0	1	1	0
25.3 Other goods and svcs. from Fed. sources	2,014	2,552	2,552	0
25.3 WCF (Non-Add)	417	410	410	0
25.7 Operation and maint. of equipment	659	0	0	0
42.0 Insurance claims and indemnities	26,200	25,600	23,000	-2,600
Total	31,367	30,585	27,985	-2,600

² This appropriation is subject to a sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. Administration amounts included in General Funds are pre-sequestration levels.

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	Appropriations ³	FTE
2017			
Base Appropriation	\$77,319	\$76,952	16
2018			
Base Appropriation	\$69,319	\$68,968	16
2019			
Base Appropriation	\$24,319	\$23,989	16
2020			
Base Appropriation	\$34,970	\$34,667	13
2021			
Base Appropriation	\$54,970	\$54,687	13
2022			
Base Appropriation	\$43,970	\$43,687	13
2023			
Base Appropriation	\$46,281	\$46,744	13
2024			
Base Appropriation	\$29,890	\$29,890	13
2025			
Base Appropriation	\$30,367	\$30,367	13
2026			
Base Appropriation	\$30,485	\$30,485	12
2027			
Base Appropriation	\$27,535	\$0	12

³ This appropriation is subject to a sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. Administration amounts included in General Funds are pre-sequestration levels.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

OVERVIEW

The Black Lung Benefits Act (BLBA) 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 BLBA was split between the Social Security Administration (SSA) and the Department of Labor (DOL). Claims filed on or before December 31, 1973, were covered by Part B of the Act and most were administered by SSA (Part B claims filed between July 1 and December 31, 1973, were administered by DOL); claims filed after December 31, 1973, were covered by Part C of the Act and were administered by DOL. Congress transferred responsibility for all Part B claims 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.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

BUDGET AUTHORITY BEFORE THE COMMITTEE

(Dollars in Thousands)

	FY 2025 Enacted	FY 2026 Enacted	FY 2027 Request	Diff. FY 2027 Request / FY 2026 Enacted
Benefit Payments	26,200	25,600	23,000	-2,600
Administration ⁴	5,167	4,985	4,985	0
Total Budget Authority for FY	31,367	30,585	27,985	-2,600
Less Advance, Prior FY	-7,000	-6,000	-5,900	100
Current Request for FY	24,367	24,585	22,085	-2,500
Advance, 1st Qtr Next FY	6,000	5,900	5,450	-450
Activity Appropriation	30,367	30,485	27,535	-2,950
FTE	13	12	12	0

NOTE: FY 2025 reflects actual FTE.

Introduction

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.

Over the last several years, requests for the SBDCM benefits appropriation have been adjusted to increase use of unobligated balances to pay for program obligations. These adjustments 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 the fiscal year. The FY 2027 Budget Request continues to provide the necessary funding to ensure that beneficiaries and eligible dependents will continue to receive all promised benefits.

The following exhibits reflect recent efforts to manage end-of-year balances.

Fiscal Year	Budgetary Resources	Obligations	Balance available End- of-Year
	(\$ in '000s)	(\$ in '000s)	(\$ in '000s)
2021	\$67,450	\$54,877	\$12,573
2022	\$59,443	\$47,866	\$11,547
2023	\$58,681	\$43,112	\$15,569

⁴ This appropriation is subject to a sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. All administration amounts are pre-sequestration levels.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

2024	\$48,709	\$39,657	\$9,051
2025	\$40,123	\$35,414	\$4,712
2026	\$35,013	\$31,553	\$3,460
2027	\$31,161	\$28,997	\$2,164

Fiscal Year	Beneficiaries	Benefit Payments (\$ in '000s)
2021	5,912	\$50,596
2022	4,986	\$43,541
2023	4,247	\$38,583
2024	3,668	\$34,934
2025	3,095	\$30,900
2026	2,715	\$26,852
2027	2,387	\$24,296

Note: Figures for 2021-2025 are end-of-fiscal year totals. Figures for 2026-2027 are end-of-fiscal year estimates based on OWCP's projections.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> ⁵ (Dollars in Thousands)	<u>FTE</u>
2022	\$46,687	13
2023	\$46,744	13
2024	\$33,140	13
2025	\$31,367	13
2026	\$30,585	12

FY 2027

The FY 2027 budget authority request level for SBDCM is \$27,985,000, including \$4,985,000 and 12 FTE for program administration. Of the \$23,000,000 for benefits, \$5,900,000 is an advance appropriation that was provided in FY 2026 Enacted. In addition, an advance appropriation of \$5,450,000 is requested for the first quarter of FY 2028 to ensure continuity of benefit payments during the transition between fiscal year appropriations. The amount requested for FY 2027 will be sufficient to cover expected benefits expenditures while reducing the unobligated balance carryover.

This appropriation is subject to a sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 for administrative costs. All administrative amounts displayed in the budget are pre-sequestration levels.

⁵ This appropriation is subject to a sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. All administration amounts included in Funding are pre-sequestration levels.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

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 resources and FTE levels are necessary to support OWCP's core mission of timely and accurate processing of benefits for claimants and their families, while supporting program integrity efforts and minimizing improper payments.

FY 2026

In FY 2026, the Black Lung program will efficiently and effectively administer benefits to Part B beneficiaries while maximizing payment accuracy. The program will monitor dependent eligibility, utilize artificial intelligence technology to quickly and accurately review entitlement eligibility forms, process changes to entitlement eligibility promptly, and utilize the U.S. Department of the Treasury's Do Not Pay reports to minimize improper payments.

FY 2025

During FY 2025, the program leveraged artificial intelligence to streamline its review of the annual benefit maintenance forms for beneficiaries. Further, the program engaged in modernization efforts to transition to digital payments to the maximum extent permitted by law and continued its aim to defend against financial fraud and minimize improper payments through its use of the U.S. Department of the Treasury's Do Not Pay reports.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

Workload and Performance Narrative

WORKLOAD AND PERFORMANCE SUMMARY				
	FY 2025 Enacted		FY 2026 Enacted	FY 2027 Request
	Target	Result	Target	Target
Special Benefits for Disabled Coal Miners				
SBDCM WL Number of Part B Beneficiaries Requiring Benefit Maintenance				
1	3,122[e]	3,095	2,715[e]	2,387

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

SPECIAL BENEFITS FOR DISABLED COAL MINERS

Workload and Performance Narrative

In FY 2027, OWCP expects to begin the fiscal year servicing an estimated 2,715 Part B beneficiaries and eligible dependents and will end the fiscal year servicing an estimated 2,387 Part B beneficiaries and eligible dependents. Activities associated with beneficiary maintenance 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 survivors 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. These activities support the program's core mission of processing benefits for claimants.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

CHANGES IN FY 2027

(Dollars in Thousands)

Activity Changes

Built-Ins		
Built-Ins Subtotal	\$0	
Base	\$30,585	12
Net Program Subtotal	\$0	0
Changes for Economic Assumptions	-\$2,600	0
Total Activity Appropriation	\$27,985	12

	Amount	FTE
Base	\$30,585	12
Program Increases	\$0	0
Program Decreases	\$0	0