

FY 2009

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, *as amended*, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, *as amended*; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, and to the “Federal unemployment benefits and allowances” account, to remain available until September 30, [2009,] [\$437,000,000]2010, \$422,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, [2008]2009, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary. (Departmental of Labor Appropriation Act 2008)

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

EXPLANATION OF LANGUAGE CHANGE

No change except funding level and years.

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 2007						
Comparable		FY 2008 Estimate		FY 2009 Request		
FTE	Amount	FTE	Amount	FTE	Amount	
A. Appropriation (Amount shown in Appropriation Language)						
	0	465,000	0	437,000	0	422,000
Other Supplementals and Rescissions	0	0	0	0	0	0
Appropriation, Revised	0	465,000	0	437,000	0	422,000
Comparative Transfer From:	0	0	0	0	0	0
A.1) Subtotal Appropriation	0	465,000	0	437,000	0	422,000
(adjusted)	0	0	0	0	0	0
A.2) Subtotal [positive entry]	0	0	0	0	0	0
B. Gross Budget Authority [sum of A.1 and A.2]						
	0	465,000	0	437,000	0	422,000
B.1) Subtotal [negative entry]	0	0	0	0	0	0
C. Budget Authority [sum of B. and B.1]						
	0	465,000	0	437,000	0	422,000
Before Committee	0	465,000	0	437,000	0	422,000
Legislative Proposal - Prepayment						
Premium	0	0	0	0	0	2,710,000
Advance Funds Not Required if						
Legislation Passes	0	0	0	0	0	-422,000
C.1) Subtotal [postive entry]	0	0	0	0	0	2,288,000
D. Total Budgetary Resources						
	0	465,000	0	437,000	0	2,710,000
Other Unobligated Balances	0	91,000	0	0	0	0
Unobligated Balance Expiring	0	0	0	0	0	0
E. Total, Estimated Obligations						
	0	556,000	0	437,000	0	2,710,000

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

SUMMARY OF CHANGES			
(Dollars in Thousands)			
	FY 2008 Estimate	FY 2009 Request	Net Change
Budget Authority			
General Funds	437,000	2,710,000	+2,273,000
Trust Funds	0	0	0
Total	437,000	2,710,000	+2,273,000
Full Time Equivalents			
General Funds	0	0	0
Trust Funds	0	0	0
Total	0	0	0

SUMMARY BUDGET AUTHORITY and FTE by ACTIVITY

(Dollars in Thousands)

	FY 2009							
	FY 2007 Comparable		FY 2008 Estimate		Current Law		Legislative Proposal	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Advances to the Unemployment Trust Fund	0	465,000	0	437,000	0	422,000	0	2,710,000
General Funds	0	465,000	0	437,000	0	422,000	0	2,710,000
Total	0	465,000	0	437,000	0	422,000	0	2,710,000
General Funds	0	465,000	0	437,000	0	422,000	0	2,710,000

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

BUDGET AUTHORITY by OBJECT CLASS				
(Dollars in Thousands)				
	FY 2007 Comparable	FY 2008 Estimate	FY 2009 Request	FY 09 Request/FY 08 Estimate
Full-Time Equivalent				
Grants, subsidies, and 41.0 contributions	465,000	437,000	2,710,000	2273000
Total	465,000	437,000	2,710,000	2,273,000

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

EMPLOYMENT AND TRAINING ADMINISTRATION

SIGNIFICANT ITEMS IN APPROPRIATION COMMITTEES' REPORTS

Not Applicable.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

APPROPRIATION HISTORY (Dollars in Thousands)

	<u>Budget Estimates to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>	
1999.....	357,000	357,000	357,000	402,750	<u>1/</u>
2000.....	356,000	356,000	356,000	490,000	<u>2/</u>
2001.....	435,000	435,000	435,000	505,000	<u>3/</u>
2002.....	467,000	467,000	467,000	471,000	<u>4/</u>
2003.....	463,000	463,000	463,000	470,000	<u>5/</u>
2004.....	467,000	467,000	467,000	577,000	<u>6/</u>
2005.....	517,000	517,000	517,000	517,000	<u>7/</u>
2006.....	465,000	465,000	465,000	465,000	
2007.....	465,000	465,000	465,000	465,000	
2008.....	437,000	437,000	437,000	437,000	
2009.....	422,000				

1/ Includes \$45,750,000 advanced to the Black Lung Disability Trust Fund by using the "such sums as may be necessary" language included in the appropriation.

2/ Includes \$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.

3/ 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.

4/ 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.

5/ 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.

6/ 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.

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

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

Budget Authority Before the Committee (Dollars in Thousands)							
					FY 2009		
	FY 2007 Comparable	FY 2008 Enacted	FY 2008 Estimate	Diff. FY 07 Comp/ FY 08 Est	Current Law	Legislative Proposal	Diff. FY 08 Est /FY 09 Req
Activity Appropriation	465,000	437,000	437,000	-	422,000	2,710,000	2,273,000
FTE	0	0	0	0	0	0	0

Introduction

This appropriation provides general fund advances to several trust and general fund accounts for the purposes authorized under various Federal and state unemployment compensation laws whenever the balances in such accounts prove insufficient or whenever reimbursement of an account for expended funds is provided for by law. The accounts are the Extended Unemployment Compensation Account, the Federal Employees Compensation Account and the Federal Unemployment Account, all of which are in the Unemployment Trust Fund; the Black Lung Disability Trust Fund; and the Federal Unemployment Benefits and Allowances general fund appropriation account.

FY 2009

The FY 2009 request of \$422 million will provide repayable advances to the Black Lung Disability Trust Fund (BLDTF). No advances are estimated to be required for the Federal Employees Compensation Account, the Federal Unemployment Account of the Unemployment Trust Fund, the Extended Unemployment Compensation Account, or the Federal Unemployment Benefits and Allowances general fund appropriation. However, if the need should arise due to unanticipated changes in the economic situation, advances will be made to the accounts to the extent funds are available.

The revenues of the Black Lung Disability Trust Fund, which are derived primarily from coal excise taxes, are insufficient to repay the \$10 billion debt BLDTF owes to the Treasury or to service the interest on that debt. The Administration proposes to remedy this problem by restructuring the BLDTF's debt. As part of this proposal, the Administration will propose legislation that will provide a one-time appropriation to the Advances account for a pre-payment premium that will compensate the Treasury general fund for lost interest. If this legislation is enacted, the BLDTF will not need to borrow the \$422 million requested in this account for FY 2009.

Workload Summary

Not Applicable.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

CHANGES IN FY 2009 (Dollars in Thousands)

Activity Changes			
Built-In			
To Provide For:			
Built Ins Subtotal			0
	Estimate	FTE	
Base	437,000		0