

FY 2008

PERFORMANCE BUDGET

EMPLOYMENT AND TRAINING ADMINISTRATION

Advances to the Unemployment Trust Fund

**EMPLOYMENT AND TRAINING ADMINISTRATION
Advances to the Unemployment Trust Fund (AUTF)**

PERFORMANCE BUDGET

TABLE OF CONTENTS

Appropriation Language	1
Explanation of Language Change	2
Analysis of Appropriation Language	3
Amounts Available for Obligation.....	4
Summary of Changes	5
Summary of Budget Authority and FTE by Activity.....	6
Significant Items	7
Appropriation History	8
Budget Activity: Advances to the UI Trust Fund.....	9

ADVANCES TO THE UNEMPLOYMENT TRUST FUND (AUTF)

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.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 2008, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

Note. – A regular 2007 appropriation for this account had not been enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 109-289, Division B, as amended). The amounts included for 2007 in this budget reflect the levels provided by the continuing resolution.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND (AUTF)

EXPLANATION OF LANGUAGE CHANGE

No change except funding level.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND (AUTF)

ANALYSIS OF APPROPRIATION LANGUAGE

Not applicable.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

AMOUNTS AVAILABLE for OBLIGATIONS

(Dollars in Thousands)

	FY 2006 Enacted		FY 2007 C.R.		FY 2008 Agency Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation (Amount shown in Appropriation Language)		\$465,000		\$465,000		\$437,000
Other Supplementals and Rescissions						
Appropriation, Revised	0	\$465,000	0	\$465,000	0	\$437,000
Comparative Transfer From:						
A.1) Subtotal Appropriation (adjusted)	0	\$465,000	0	\$465,000	0	\$437,000
A.2) Subtotal <i>[positive entry]</i>	0	\$0	0	\$0	0	\$0
B. Gross Budget Authority [sum of A.1 and A.2]	0	\$465,000	0	\$465,000	0	\$437,000
B.1) Subtotal <i>[negative entry]</i>	0	\$0	0	\$0	0	\$0
C. Budget Authority [sum of B. and B.1]	0	\$465,000	0	\$465,000	0	\$437,000
Before Committee	0	\$465,000	0	\$465,000	0	\$437,000
Legislative Proposal						\$2,315,000
Carryover		0				
C.1) Subtotal <i>[positive entry]</i>	0	\$0	0	\$0	0	\$0
D. Total Budgetary Resources	0	\$465,000	0	\$465,000	0	\$2,752,000
Other Unobligated Balances		\$71,000		\$91,000		
Unobligated Balance Expiring		-\$96,000				
E. Total, Estimated Obligations	0	\$440,000	0	\$556,000	0	\$2,752,000

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2007 C.R.	FY 2008 Agency Request	Net Change
Budget Authority			
General Funds	465,000	2,752,000	2,287,000
Trust Funds			0
Total	465,000	2,752,000	2,287,000

Explanation of Changes	FY 2007 Base		FY 2008 Change						
			Trust Funds		General Funds		Total		
			FTE	Amount	FTE	Amount	FTE	Amount	FTE
Increases									
B. Program:									
Increase for one-time Black Lung Legislative proposal for Black Lung refinancing		465,000				2,315,000		0	2,315,000
Program Subtotal			0	0	0	2,315,000	0	0	2,315,000
Decreases									
A. Built-In									
To provide a decrease in the amount necessary for repayable advances to the Black Lung Disability Trust Fund		465,000				-28,000		-28,000	-28,000
Total Decrease			0	0	0	-28,000	0	0	-28,000
Total Change			0	0	0	2,287,000	0	0	2,287,000

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

Summary Budget Authority and FTE by Activity ¹
(Dollars in Thousands)

	FY 2006		FY 2007		FY 2008			
	Enacted		C.R.		Current Law		Legislative Proposal	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Advances to the Unemployment Trust Fund [Non Add]		465,000		465,000		437,000		2,752,000

¹FY 2006 reflects enacted, not actual, levels.

FY 2007 level is the assumed current rate under the terms of P.L. 109-289, as amended.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

EMPLOYMENT AND TRAINING ADMINISTRATION

SIGNIFICANT ITEMS IN FY 2007

HOUSE AND SENATE APPROPRIATIONS COMMITTEES' REPORTS

Not applicable.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

EMPLOYMENT AND TRAINING ADMINISTRATION

**APPROPRIATION HISTORY
ADVANCES TO THE UNEMPLOYMENT TRUST FUND
(\$ in thousands)**

	Budget Estimates to <u>Congress</u>	House <u>Allowance</u>	Senate <u>Allowance</u>	<u>Appropriation</u>	
1998.....	392,000	392,000	392,000	392,000	
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				<u>8/</u>
2008.....	437,000				

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.

8/ Reflects the continuing resolution of the FY 2006 level pursuant to P.L. 109-289, as amended.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

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.

The FY 2008 request will provide 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.

ADVANCES TO THE UNEMPLOYMENT TRUST FUND

Workload Summary

Not Applicable.

CHANGES IN 2008
(\$ in thousands)

Activity Changes		
Built-in		
To provide for:		
A decrease in the amount necessary for repayable advances to the Black Lung Disability Trust Fund	-28,000	
Total Built-in		
Legislative Proposal		
Net Program	\$2,287,000	
Direct FTE		
	Estimate	FTE
Base	\$465,000	
Program Increase	\$2,287,000	