



Unemployment Compensation and Trade Adjustment Assistance for Workers

The unemployment insurance system is a joint federal and state program that provides temporary weekly benefits (consisting of regular benefits and, in economic downturns, extended and emergency benefits) to qualified workers who are unemployed through no fault of their own. Funding for the program is drawn from payroll taxes imposed on employers both by state governments and by the federal government. The states administer the system, set regular benefit amounts (based in part on recipients' past earnings), and distribute payments. The federal government sets broad guidelines for the system, pays a portion of administrative costs incurred by state governments, and makes repayable advances to states that lack the money to pay benefits promptly.

Recent legislation temporarily expanded unemployment compensation (Pandemic Unemployment Assistance) to people who do not qualify for regular benefits and provided additional weeks of benefits (Pandemic Emergency Unemployment Compensation) to people who exhaust their regular benefits. The legislation also temporarily increased the benefit amount for people receiving unemployment compensation (Federal Pandemic Unemployment Compensation). All of those benefits are federally funded.

The Trade Adjustment Assistance Program, operated by the Department of Labor, provides job training, extended unemployment compensation, and wage insurance benefits to workers who have lost their jobs or seen their wages or hours reduced as a result of international trade. The current authorization expires in June 2022.

Unemployment Compensation

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-2026	2022-2031
BUDGET INFORMATION													
Millions of dollars, by fiscal year													
Budget Authority	377,891	43,191	29,262	31,371	33,941	36,385	37,630	39,081	41,257	43,614	45,431	174,150	381,163
Estimated Outlays	377,836	43,311	29,320	31,369	33,902	36,359	37,613	39,071	41,247	43,599	45,414	174,261	381,205
Unemployment Compensation Programs													
Regular Benefits													
Budget Authority	59,880	33,955	28,970	30,945	33,440	35,870	37,105	38,550	40,720	43,065	44,860	163,180	367,480
Estimated Outlays	59,880	33,955	28,970	30,945	33,440	35,870	37,105	38,550	40,720	43,065	44,860	163,180	367,480
Extended Benefits													
Budget Authority	8,800	1,720	125	230	275	275	275	275	275	275	275	2,625	4,000
Estimated Outlays	8,800	1,720	125	230	275	275	275	275	275	275	275	2,625	4,000
Federal Pandemic Unemployment Compensation													
Budget Authority	162,830	4,330	0	0	0	0	0	0	0	0	0	4,330	4,330
Estimated Outlays	162,830	4,330	0	0	0	0	0	0	0	0	0	4,330	4,330
Pandemic Emergency Unemployment Compensation													
Budget Authority	69,140	1,050	0	0	0	0	0	0	0	0	0	1,050	1,050
Estimated Outlays	69,140	1,050	0	0	0	0	0	0	0	0	0	1,050	1,050
Pandemic Unemployment Assistance													
Budget Authority	76,920	1,970	0	0	0	0	0	0	0	0	0	1,970	1,970
Estimated Outlays	76,920	1,970	0	0	0	0	0	0	0	0	0	1,970	1,970
Trade Adjustment Assistance ^a													
Budget Authority	321	166	167	196	226	240	250	256	262	274	296	995	2,333
Estimated Outlays	266	286	225	194	187	214	233	246	252	259	279	1,106	2,375
DETAIL FOR REGULAR UNEMPLOYMENT BENEFITS													
By fiscal year													
First Payments (Millions of people)	10.0	6.0	5.2	5.5	5.9	6.1	6.1	6.1	6.3	6.4	6.5	n.a.	n.a.
Average Weekly Benefit (Dollars)	316	331	342	354	366	379	391	404	416	430	443	n.a.	n.a.
Duration (Weeks)	19.0	17.0	16.3	15.8	15.6	15.6	15.6	15.6	15.6	15.6	15.6	n.a.	n.a.
Labor Force (Millions of people)	161.3	164.2	166.6	167.2	167.4	167.6	168.0	168.5	169.0	169.5	169.9	n.a.	n.a.
Unemployment Rate (Percent)	6.0	4.1	3.7	3.9	4.2	4.3	4.3	4.3	4.4	4.5	4.5	n.a.	n.a.

See next page for notes.

Unemployment Compensation

n.a. = not applicable.

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- a. Consistent with section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985, CBO assumes that Trade Adjustment Assistance outlays continue in the baseline after the current authorization expires in June 2022. Those amounts include cash and training benefits.