



## 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.

Legislation in 2021 and 2022 temporarily expanded unemployment compensation (Pandemic Unemployment Assistance) to people who did not qualify for regular benefits and provided additional weeks of benefits (Pandemic Emergency Unemployment Compensation) to people who had exhausted 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

	By Fiscal Year, Millions of Dollars											2023-	2023-
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2027	2032
<b>BUDGET INFORMATION</b>													
<b>Budget Authority</b>	36,743	27,511	31,400	33,922	36,907	40,003	43,608	46,439	48,195	49,829	51,225	<b>169,743</b>	<b>409,039</b>
<b>Estimated Outlays</b>	36,806	27,520	31,393	33,901	36,898	39,995	43,601	46,431	48,187	49,822	51,217	<b>169,707</b>	<b>408,965</b>
<b>Unemployment Compensation Programs</b>													
Regular Benefits													
Budget Authority	27,150	27,225	30,955	33,405	36,230	39,365	42,965	45,790	47,540	49,170	50,550	<b>167,180</b>	<b>403,195</b>
Estimated Outlays	27,150	27,225	30,955	33,405	36,230	39,365	42,965	45,790	47,540	49,170	50,550	<b>167,180</b>	<b>403,195</b>
Extended Benefits													
Budget Authority	705	100	225	290	445	400	400	400	400	400	400	<b>1,460</b>	<b>3,460</b>
Estimated Outlays	705	100	225	290	445	400	400	400	400	400	400	<b>1,460</b>	<b>3,460</b>
Federal Pandemic Unemployment Compensation													
Budget Authority	5,370	0	0	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
Estimated Outlays	5,370	0	0	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
Pandemic Emergency Unemployment Compensation													
Budget Authority	1,400	0	0	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
Estimated Outlays	1,400	0	0	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
Pandemic Unemployment Assistance													
Budget Authority	1,950	0	0	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
Estimated Outlays	1,950	0	0	0	0	0	0	0	0	0	0	<b>0</b>	<b>0</b>
Trade Adjustment Assistance <sup>a</sup>													
Budget Authority	168	186	220	227	232	238	243	249	255	259	275	<b>1,103</b>	<b>2,384</b>
Estimated Outlays	231	195	213	206	223	230	236	241	247	252	267	<b>1,067</b>	<b>2,310</b>
<b>DETAIL FOR REGULAR UNEMPLOYMENT BENEFITS</b>													
First Payments (Millions of people)	4.6	4.6	5.1	5.4	5.6	5.9	6.3	6.5	6.5	6.5	6.5	n.a.	n.a.
Average Weekly Benefit (Dollars)	352	366	384	399	413	427	441	454	469	483	498	n.a.	n.a.
Average Duration (Weeks)	16.8	16.2	15.8	15.6	15.6	15.6	15.6	15.6	15.6	15.6	15.6	n.a.	n.a.
Labor Force (Millions of people)	163.2	165.0	165.9	166.5	167.2	167.9	168.5	169.2	169.8	170.4	171.0	n.a.	n.a.
Unemployment Rate (Percent)	3.9	3.6	3.6	3.8	4.0	4.2	4.4	4.5	4.6	4.5	4.5	n.a.	n.a.

See next page for notes.

## Unemployment Compensation

n.a. = not applicable.

Legislation in 2020 and 2021 temporarily expanded unemployment compensation (Pandemic Unemployment Assistance) to people who did not qualify for regular benefits and provided additional weeks of benefits (Pandemic Emergency Unemployment Compensation) to people who had exhausted 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.

- 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.