

**Unemployment Compensation and
Trade Adjustment Assistance for Workers—
CBO’s Baseline as of March 6, 2020**

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. In some circumstances, the federal government has funded supplemental benefits through an extended-benefits program, through temporary emergency benefits, or both.

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.

These budget projections reflect legislation, administrative actions, and regulatory changes through March 6, 2020. They are based on the economic forecast that CBO completed on January 7, 2020, and do not account for changes to the nation’s economic outlook and fiscal situation arising from the recent and rapidly evolving public health emergency related to the novel coronavirus.

Unemployment Compensation and Trade Adjustment Assistance—CBO's Baseline as of March 6, 2020

March 19, 2020

Outlays in Millions of Dollars, by Fiscal Year

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Unemployment Compensation											
Regular Benefits	27,925	29,845	34,155	41,290	45,640	47,080	49,735	51,375	53,035	55,090	56,610
Extended Benefits	0	10	30	45	45	45	45	45	45	45	45
Total Benefits	27,925	29,855	34,185	41,335	45,685	47,125	49,780	51,420	53,080	55,135	56,655
Trade Adjustment Assistance (Includes cash and training benefits)	402	440	433	419	384	384	404	413	418	423	428

Memorandum:

Detail for Regular Unemployment Compensation

First Payments (Millions of people)	5.1	5.2	5.7	6.6	7.1	7.0	7.2	7.1	7.1	7.2	7.1
Average Weekly Benefit (Dollars)	366	379	392	407	421	435	450	464	478	493	508
Average Duration (Weeks)	15.1	15.1	15.2	15.3	15.4	15.4	15.5	15.5	15.6	15.6	15.6
Labor Force (Millions of people)	164.7	165.6	166.2	166.8	167.3	167.7	168.0	168.3	168.8	169.4	169.9
Unemployment Rate (Percent)	3.5	3.5	3.8	4.1	4.3	4.5	4.6	4.6	4.5	4.5	4.5

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