

**Unemployment Compensation and  
Trade Adjustment Assistance for Workers—  
CBO’s Estimate of the President’s Fiscal Year 2019 Budget**

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, administered jointly by the Department of Labor and cooperating state agencies, 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.

**Proposals for Unemployment Compensation and Trade Adjustment Assistance—CBO's Estimate of the President's Fiscal Year 2019 Budget**

Millions of Dollars, by Fiscal Year

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2019-2023	2019-2028
<b>Increases or Decreases (-) in Direct Spending Outlays</b>												
Require States to Provide Parental Leave	350	850	1,655	1,945	2,715	3,275	3,510	3,835	4,165	4,390	7,515	26,690
Offset Disability Insurance for UI Receipt (UI Effects) <sup>a</sup>	0	-10	-40	-50	-50	-55	-60	-65	-70	-70	-150	-470
Improve UI Integrity	0	0	7	15	14	17	17	19	19	14	36	123
Provide Mandatory Funding for Reemployment Services and Eligibility Assessments	0	306	366	432	458	483	503	521	534	541	1,562	4,142
Reform the Trade Adjustment Assistance Program	-3	-23	-89	-174	-147	-89	59	69	68	67	-436	-261
<b>Increases or Decreases (-) in Revenues</b>												
Establish a Solvency Standard for UI	0	0	0	0	1,114	-148	-208	-194	-230	-274	1,114	60
Require States to Provide Parental Leave	0	0	0	73	350	776	1,285	1,751	2,155	2,470	423	8,859
Offset Disability Insurance for UI Receipt (UI effects) <sup>a</sup>	0	0	-1	-5	-14	-24	-32	-38	-43	-47	-19	-204
Improve UI Integrity	0	0	0	*	3	6	8	11	12	14	3	54

Components may not sum to totals because of rounding. Estimates do not include nonscoreable effects that stem from increased spending for reemployment and eligibility assessments and program integrity activities.

UI = unemployment insurance; \* = between zero and \$500 million.

a. The proposal to offset Disability Insurance for periods of concurrent UI receipt would have budgetary effects in other programs. The effects shown are for UI only.