



Proposals Affecting

Unemployment Compensation and Training and Employment Programs

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.

The Department of Labor operates various programs focused on workforce training and employment services and on income support for workers. The Trade Adjustment Assistance program 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 program's most recent authorization expired at the end of June 2022.



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	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2025- 2029	2025- 2034
Millions of dollars, by fiscal year												
Increases in Direct Spending (Outlays)												
Improve Unemployment Insurance Program Integrity	2	10	18	26	29	31	33	34	35	36	85	254
Extend Trade Adjustment Assistance	56	145	257	305	320	330	338	345	353	359	1,083	2,808
Create a Career Training Fund	89	585	884	1,000	1,078	1,091	1,091	1,091	1,091	0	3,636	8,000
Increases in Revenues												
Improve Unemployment Insurance Program Integrity	0	0	1	4	8	14	18	21	24	26	13	116
Memorandum:												
Net Increase in the Deficit From Improvements in Unemployment Insurance Program Integrity	2	10	17	22	21	17	15	13	11	10	72	138

CBO's estimates are relative to the June 2024 baseline.