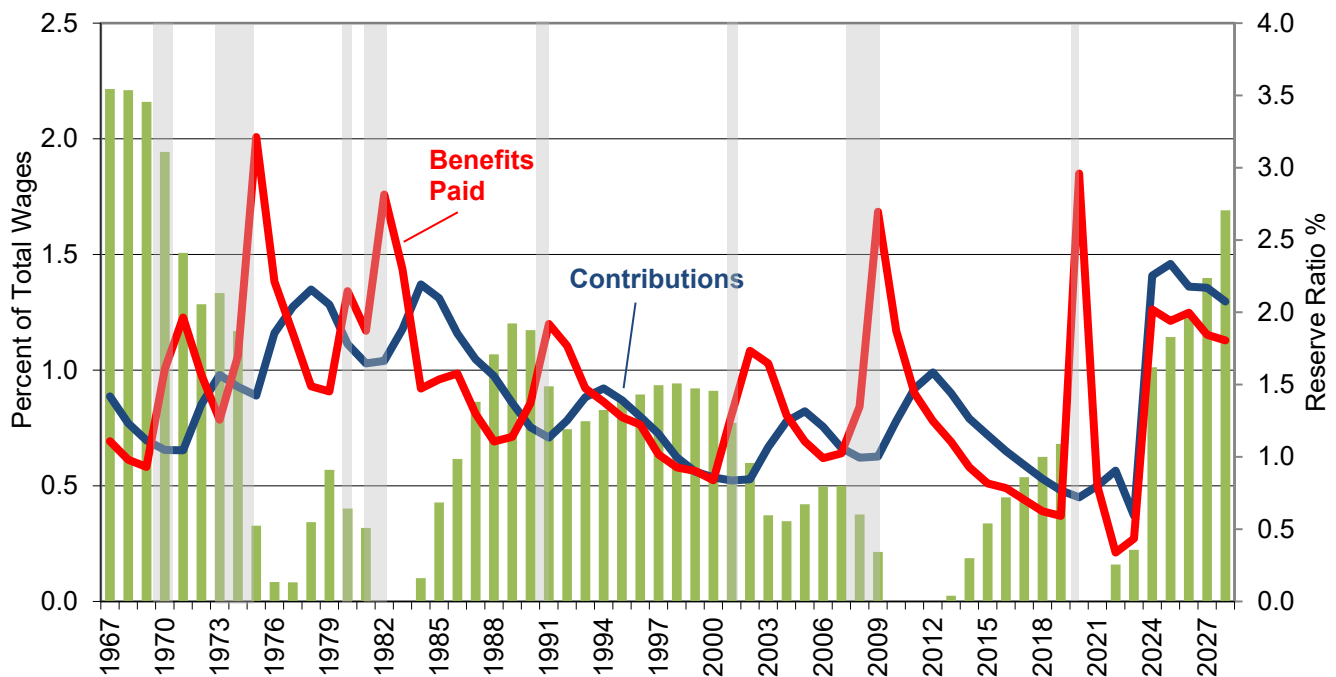


Unemployment Insurance Program Outlook President's Budget 2027

UI Contributions, Benefits Paid and Reserves
(% of Total Wages)



Division of Fiscal and Actuarial Services
Office of Unemployment Insurance
Employment and Training Administration
U.S. Department of Labor

KEY DATA -- FY 2026/FY 2027

		FY 26	FY 27
Total Unemployment Rate (Civilian)		4.0 /	3.7 %
Insured Unemployment Rate		1.3 /	1.2 %
OUTGO			
◆ Benefits Paid (All Programs)*	\$	41.5 /	40.0 billion
Number of First Payments (State UI+UCFE+UCX)		5.8 /	5.6 million
Average Duration of Benefits (All Programs)		15.2 /	14.6 weeks
Average Weekly Benefit Amount (All Programs)	\$	468.8 /	485.3
◆ Administrative Costs	\$	4.4 /	4.2 billion
INCOME			
◆ Payroll Taxes			
FUTA	\$	7.3 /	7.5 billion
State	\$	44.6 /	46.7 billion
◆ Interest on State Loans	\$	0.67 /	0.67 billion
Interest Rate (Calendar Year)	\$	3.1227% /	3.49 billion
NET TRUST FUND BALANCES (END OF FISCAL YEAR)			
◆ State Trust Fund Accounts (Excluding Loans)	\$	64.9 /	77.0 billion
◆ Employment Security Administration Account (ESAA)	\$	3.6 /	3.6 billion
◆ Extended Benefit Account (EUCA) (Excluding General Fund Advances)	\$	-4.9 /	-1.3 billion
◆ Loan Account (FUA) (Excluding General Fund Advances)	\$	13.9 /	14.3 billion

* Excludes remaining outlays and/or returns under CARES Act Section 2105 - Federal reimbursement for the first compensable week for regu

TABLE OF CONTENTS

	Page
KEY DATA	2
OVERVIEW	4
ECONOMIC ASSUMPTIONS	5
CHART -- TUR-IUR COMPARISON	6
SUMMARY OF UI ESTIMATES	7
COMPARISON OF PROJECTIONS	8
CHART -- COMPARISON OF OUTLAY ESTIMATES	9
HISTORICAL UI PROGRAM DATA	10
CHART -- HISTORICAL AND PROJECTED OUTLAYS	11
STATUS OF STATE ACCOUNTS	12
CHART -- OUTLAYS VS. REVENUES	13
STATUS OF ESAA	14
STATUS OF EUCA	15
STATUS OF FUA	16
DEFINITIONS	17

OVERVIEW

Twice each year, when the Office of Management and Budget issues economic assumptions for the federal budget, the Division of Fiscal and Actuarial Services (DFAS) of the Office of Unemployment Insurance (OUI) uses those assumptions to develop financial projections for the Unemployment Insurance (UI) system. Using the economic assumptions, the paths of key program variables are projected for the following five years.

Highlights of the analysis for the Fiscal Year (FY) 2027 President's Budget are detailed below:

- The total unemployment rate (TUR) is assumed to average 4.0% in FY 2026 and decrease to 3.7% in FY 2027.
- The insured unemployment rate (IUR) is projected to average 1.29% in FY 2026 and 1.19% in FY 2027.
- State UI regular benefit outlays are estimated to be \$40.9 billion in FY 2026 and \$39.7 billion in FY 2027 under the FY 2027 President's Budget assumptions.
- State revenues and interest income for state trust fund accounts are projected to exceed state benefit outlays by \$6.2 billion in FY 2026 and \$10 billion in FY 2027.
- State trust fund account balances net of Federal Unemployment Account (FUA) Title XII loans are projected to continue to increase during the projection period. The net state trust fund account balance is projected to end FY 2026 at \$64.9 billion and is projected to reach \$132.4 billion by the end of FY 2031.
- At the end of FY 2025, 2 states had outstanding Title XII FUA loans, one of which is projected to be repaid in FY 2026. State Title XII loan balances (EOY) are projected to decline from \$20.98 billion at the end of FY 2025 to \$9.6 billion by the end of FY 2031.
- At the beginning of Calendar Year (CY) 2026, 18 of 53 states and territories had trust fund reserves large enough to meet the recommended minimum adequate solvency level of maintaining a reserve balance that would pay for one full year of benefits under an average recessionary level (Advisory Council of Unemployment Compensation, 1996). This remains down from the start of 2020 prior to the pandemic when 31 states met the minimum solvency standard.
- Advances from the general fund ended FY 2025 at \$15 billion to FUA and \$6 billion to the Emergency Unemployment Compensation Account (EUCA). FUA is projected to repay its remaining general fund advance balance in FY 2030 while EUCA is projected to repay its general fund advance balance in FY 2027 before repaying the remaining inter-account advance balance from FUA which dates back to the 2007 recession. As of the start of FY 2026, the outstanding inter-account advance balance owed by EUCA to FUA totaled \$2.5 billion.

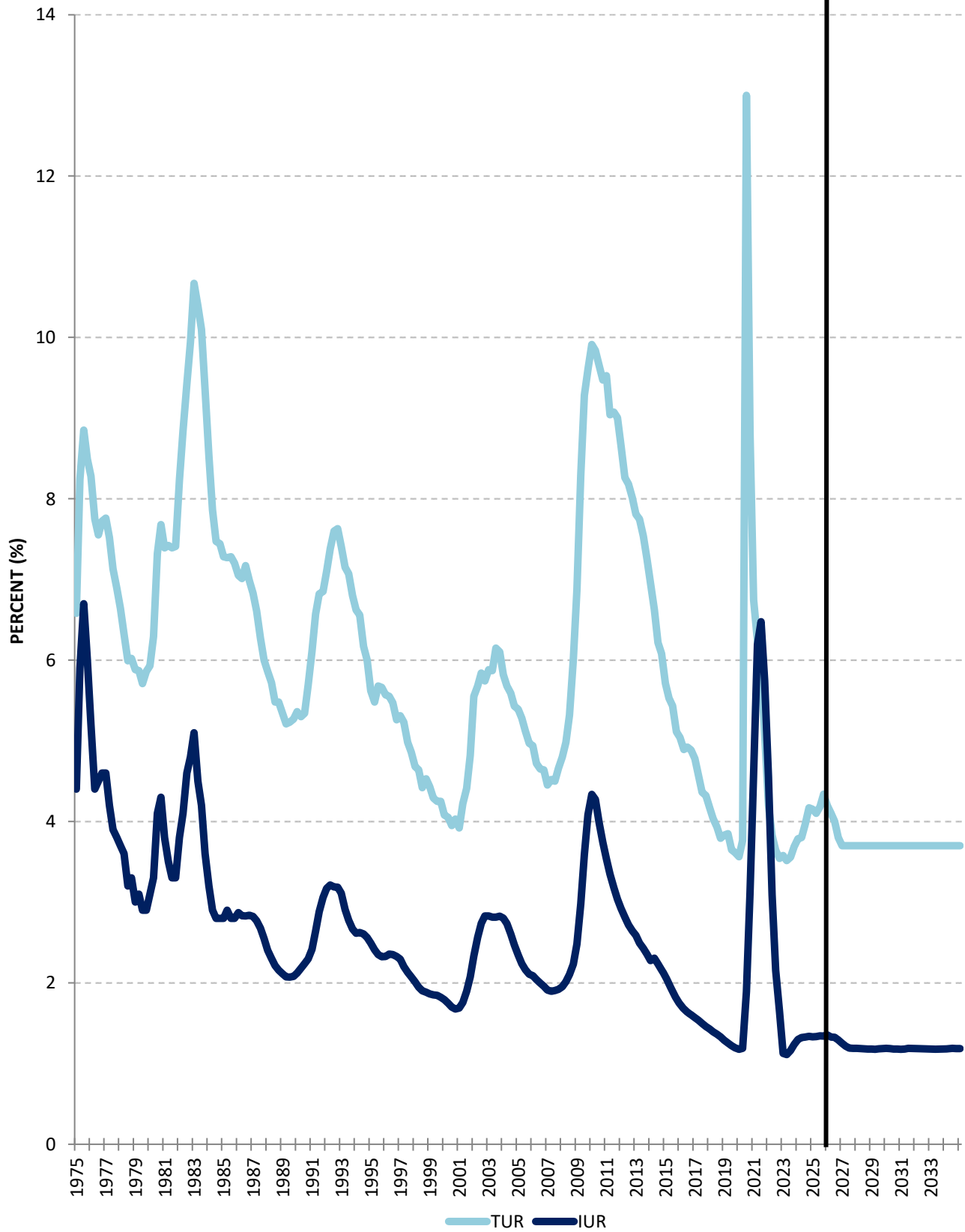
Questions and/or comments regarding this document are welcome, please contact the Office of Unemployment Insurance at:

UI-Reports@uis.doleta.gov

ECONOMIC ASSUMPTIONS
FY 2027 President's Budget

Fiscal Year	Civilian TUR (%)	IUR (%)	Change in GDP Price Index (%)	Real GDP Growth (%)
2025	4.2	1.3	2.6	2.1
2026	4.0	1.3	2.9	2.7
2027	3.7	1.2	2.1	3.2
2028	3.7	1.2	2.0	3.1
2029	3.7	1.2	2.0	3.1
2030	3.7	1.2	2.0	3.1
2031	3.7	1.2	2.0	3.0

U.S. UNEMPLOYMENT RATES



UI PROGRAM ESTIMATES
FY 2027 President's Budget
(Billions of Dollars)

FISCAL YEAR	2026	2027	2028	2029	2030	2031
Civilian TUR (%)	4.0	3.7	3.7	3.7	3.7	3.7
IUR(%)	1.3	1.2	1.2	1.2	1.2	1.2
Coverage (millions)	155.5	156.7	157.3	158.1	158.9	159.7
AWBA (Regular)	465	483	501	519	536	553
Benefit Outlays (All Programs) (1)	41.49	40.04	41.71	43.54	45.04	47.23
<u>STATE UI</u>						
First Payments (millions)	5.8	5.6	5.7	5.8	5.8	5.8
Regular Benefit Exhaustions (millions)	2.0	1.9	1.9	1.9	1.9	2.0
Regular Benefits Paid	40.91	39.67	41.37	43.21	44.66	46.65
EB (State Share)	0.00	0.00	0.00	0.00	0.00	0.00
State Collections	44.59	46.65	48.69	49.66	51.30	52.60
Interest Earned	2.55	3.02	3.50	3.92	4.33	4.75
<u>FEDERAL ACCOUNTS</u>						
FUTA Collections (2)	7.30	7.46	7.56	7.78	7.99	8.18
-To EUCA	1.46	1.49	1.51	1.56	1.60	1.64
-To ESAA	5.84	5.97	6.05	6.23	6.39	6.54
Outlays						
-Federal EB Share	0.00	0.00	0.00	0.00	0.00	0.00
-CARES - PUA	0.12	0.05	0.02	0.01	0.00	0.00
-CARES - PEUC	0.03	0.01	0.00	0.00	0.00	0.00
-CARES - 1st Payments	0.00	0.00	0.00	0.00	0.00	0.00
-Administrative Costs	4.40	4.24	4.31	4.38	4.46	4.53
FECA Outlays	0.30	0.29	0.31	0.32	0.36	0.57
-UCFE	0.20	0.18	0.19	0.19	0.24	0.44
-UCX	0.11	0.11	0.12	0.12	0.13	0.13
Trade Benefits	0.01	0.01	0.01	0.01	0.01	0.01
FPUC	0.12	0.02	0.00	0.00	0.00	0.00
MEUC	0.00	0.00	0.00	0.00	0.00	0.00

(1) Includes estimated ongoing outlays under expired CARES Act programs and provisions.

(2) Excluding Reduced Credits

Note: Administrative costs for years beyond 2024 are based on growth factors applied to all programs in the Federal budget.

COMPARISON OF PROJECTIONS
(Billions of Dollars)

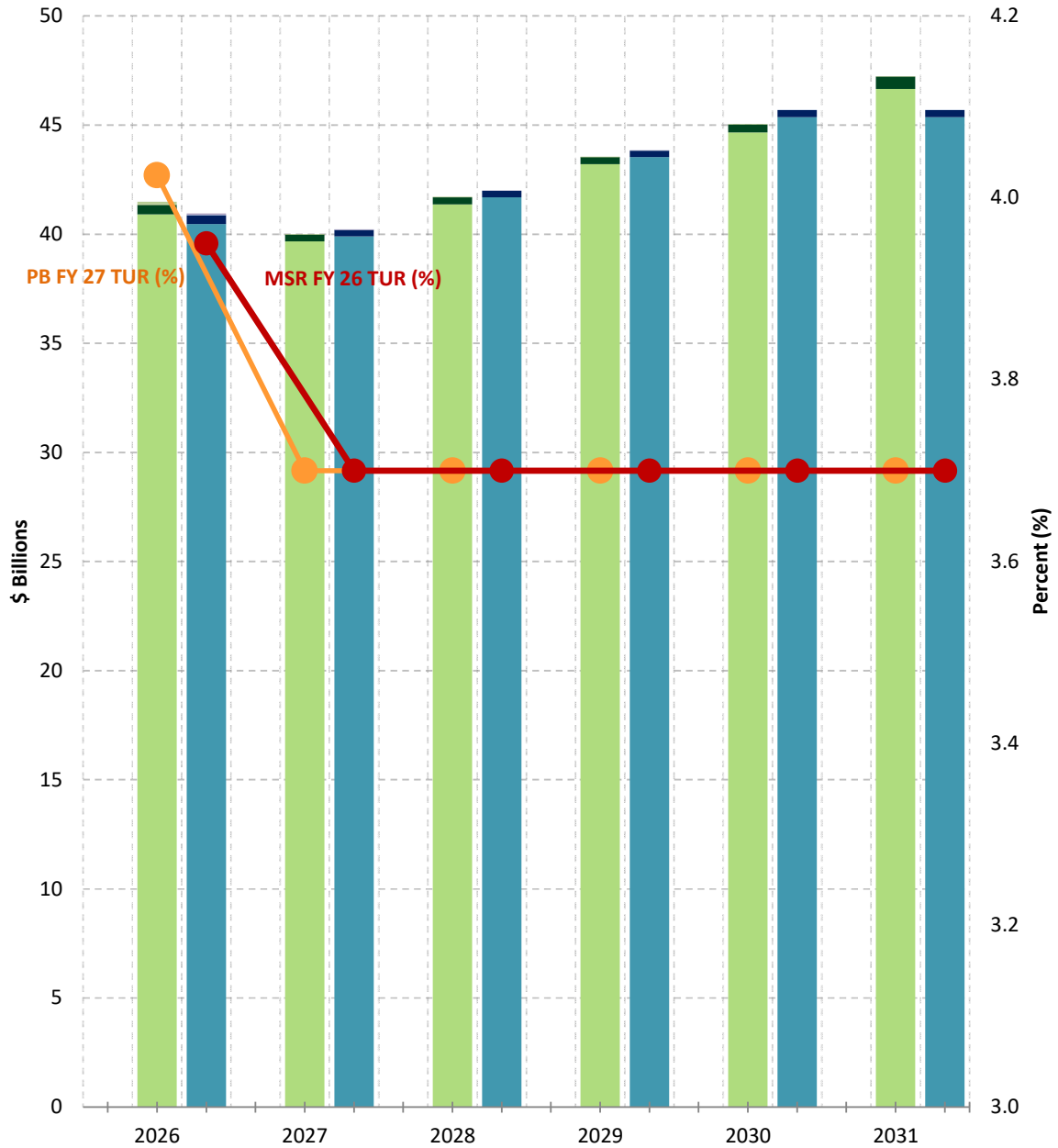
	FY 2027 President's Budget		FY 2026 Midsession Review	
	FY 2026	FY 2027	FY 2026	FY 2027
Civilian TUR (%)	4.0	3.7	4.0	3.7
IUR (%)	1.3	1.2	1.3	1.2
AWBA	464.93	483.39	467.62	484.96
Benefits				
-Regular	40.91	39.67	40.46	39.90
-EB	0.00	0.00	0.00	0.00
Revenues				
-State	44.59	46.65	45.67	47.54
-FUTA (1)	7.30	7.46	7.36	7.46
State Loans				
-Loans	3.33	3.30	4.03	3.51
-Repayments (2)	2.69	2.38	3.15	2.90
-Interest	0.67	0.67	0.71	0.68
-Balance	19.77	18.57	19.98	18.42
Balances				
-State Accounts (3)	76.99	90.30	79.08	92.26
-EUCA (3)	-1.28	2.33	-0.82	2.76
-FUA (3)	14.34	14.76	13.88	14.31

(1) Excluding reduced credits

(2) Including reduced credits

(3) Net balances excluding loans/advances

UI Program Estimates



President's Budget (PB) FY 2027:

- PB FY 27 Regular State UI
- PB FY 27 FUBA+FECA+FPUC+MEUC
- PB FY 27 EB + PEUC
- PB FY 27 PUA

Midsession Budget (MSR) FY 2026:

- MSR FY 26 Regular State UI
- MSR FY 26 FUBA+FECA+FPUC+MEUC
- MSR FY 26 EB + PEUC
- MSR FY 26 PUA

Total Unemployment Rate (%):

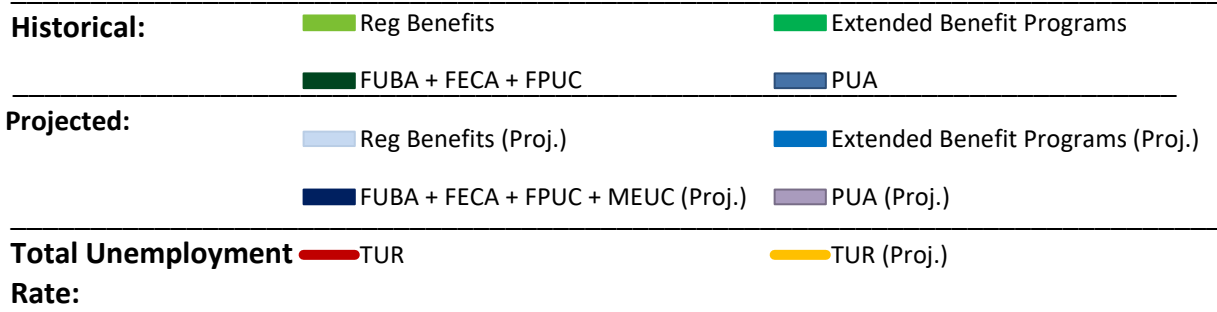
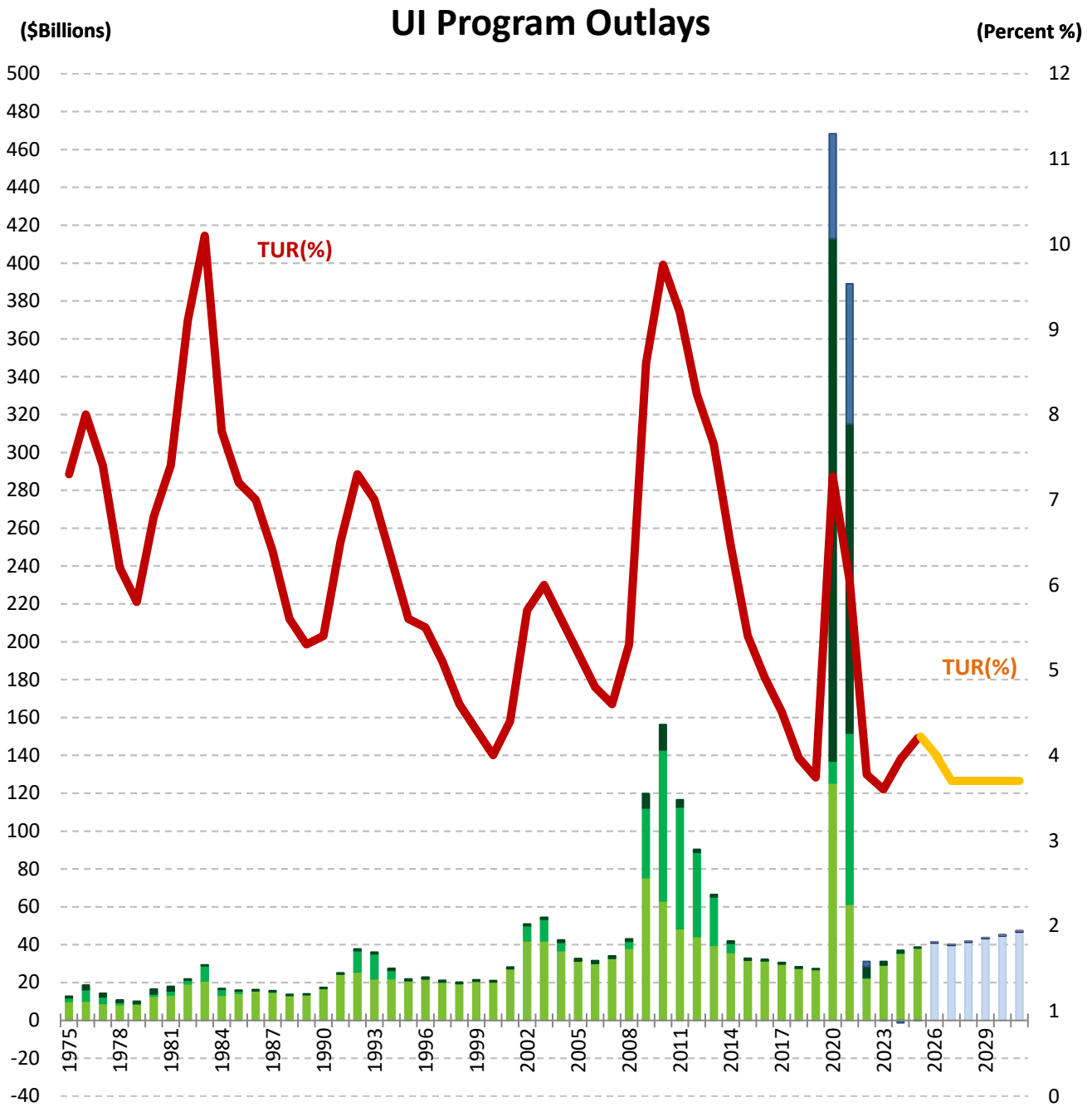
- PB FY 27 TUR (%)
- MSR FY 26 TUR (%)

HISTORICAL UI PROGRAM STATISTICS
(Billions of Dollars)

FISCAL YEAR	2019	2020	2021	2022	2023	2024	2025
Civilian TUR (%)	3.7	7.3	6.0	3.8	3.6	4.0	4.2
IUR (%)	1.2	6.1	3.1	1.2	1.1	1.3	4.4
Coverage (millions)	144.8	139.4	139.8	147.0	145.9	152.4	154.1
AWBA (Regular)	356	308	315	374	424	443	454
Benefit Outlays (All Programs)	27.36	195.12	217.84	26.19	29.69	34.77	37.91
<u>STATE UI</u>							
First Payments (millions)	5.1	29.7	8.9	4.3	5.0	5.3	5.5
Regular Benefit Exhaustions (millions)	1.8	7.0	8.9	4.3	5.0	2.1	1.9
Regular Benefits Paid	26.87	125.26	61.32	22.17	29.24	35.33	38.20
EB (State Share)	0.00	0.00	0.00	0.00	0.02	0.02	-0.02
State Collections (1)	34.63	36.86	50.36	59.30	41.53	39.80	45.39
<u>FEDERAL ACCOUNTS</u>							
FUTA Collections	6.36	6.16	6.14	6.90	7.29	6.85	6.87
-To EUCA	1.23	1.23	1.23	1.38	1.54	1.40	1.41
-To ESAA	5.13	4.93	4.91	5.51	5.75	5.46	5.46
Outlays							
-Federal EB Share	0.00	1.13	0.00	0.44	-0.02	0.02	0.00
-CARES - PUA (2)	0.00	55.43	74.10	2.78	-0.09	-1.35	-0.16
-CARES - PEUC (2)	0.00	10.52	79.30	0.11	0.03	0.33	0.01
-CARES - 1st Payments (2)	0.00	4.27	2.54	0.71	0.19	0.20	-0.46
-Administrative Costs	4.04	5.88	7.94	5.09	4.73	5.32	4.61
-EUC08	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FUBA/FECA Outlays	0.66	0.69	0.58	0.43	0.32	0.26	0.33
-UCFE-UCX	0.36	0.48	0.51	0.30	0.25	0.25	0.31
-Trade	0.30	0.21	0.06	0.12	0.07	0.01	0.01
Federal Pandemic Unemployment Compensation (2)	0.00	275.46	162.75	5.21	1.51	1.62	0.14
Mixed Earner Unemployment Compensation (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.02

(1) Contributions displayed for FY 2021 and FY 2022 include some funding from alternative sources utilized by some states

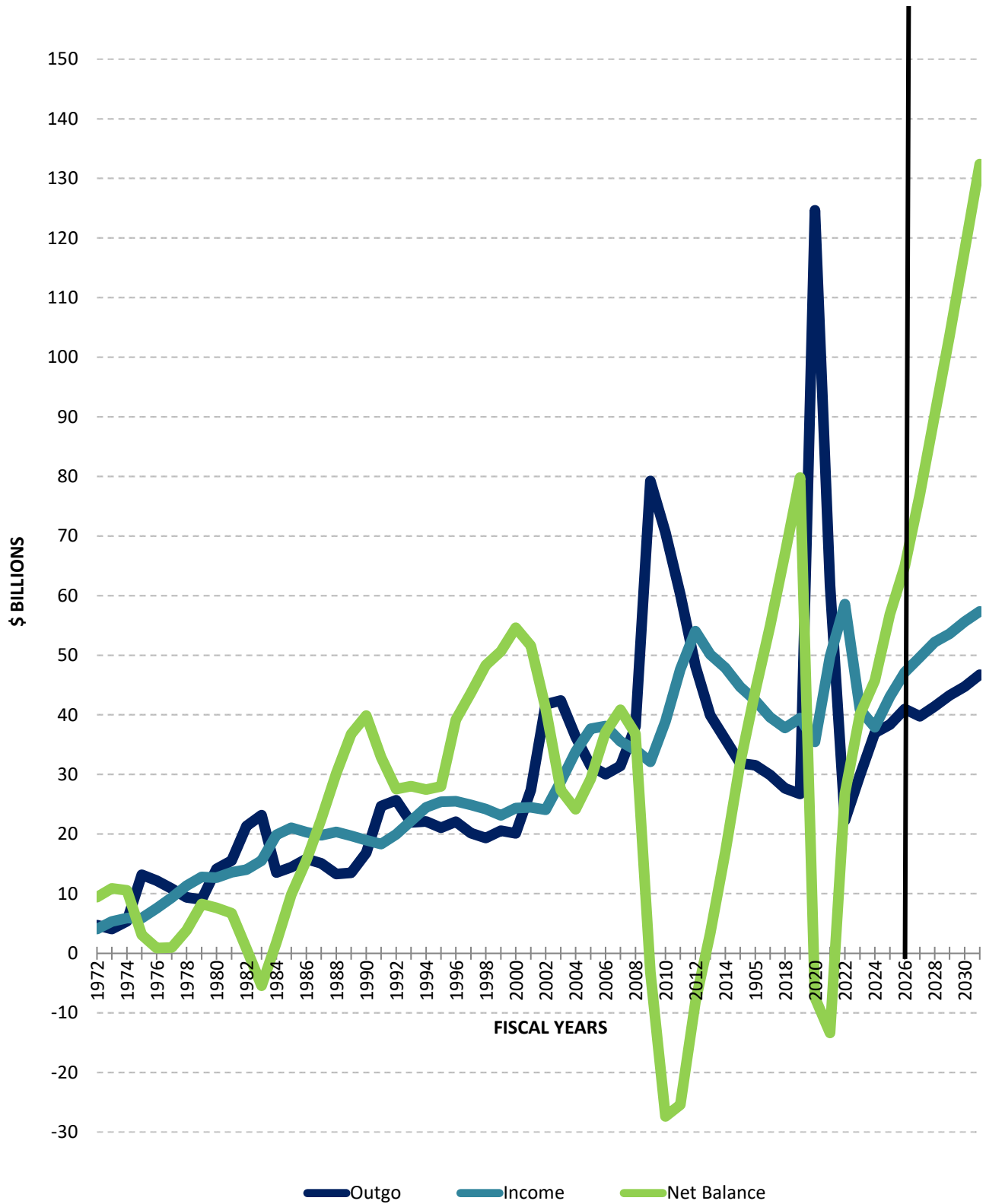
(2) Programs enacted by the CARES Act (March 2020) or subsequent legislation extending/expanding Covid-19 related UI provisions.



STATUS OF STATE ACCOUNTS
FY 2027 President's Budget
(Billions of Dollars)

FISCAL YEAR	2025	2026	2027	2028	2029	2030	2031
<u>Income</u>	-	50.47	52.96	55.62	57.14	59.30	61.14
Collections	-	44.59	46.65	48.69	49.66	51.30	52.60
Interest Earnings	-	2.55	3.02	3.50	3.92	4.33	4.75
Loans	-	3.33	3.30	3.44	3.57	3.67	3.79
Excess Reduced Credits	-	0.01	0.00	0.00	0.00	0.00	0.00
Reed Act/UI Modernization Transfers	-	0.00	0.00	0.00	0.00	0.00	0.00
1st Week Reimbursements	-	0.00	0.00	0.00	0.00	0.00	0.00
<u>Outgo</u>	-	43.65	42.10	43.91	45.84	47.45	49.56
Benefits	-	40.91	39.67	41.37	43.21	44.66	46.65
Loan Repayments	-	2.69	2.38	2.49	2.59	2.74	2.86
Administration	-	0.06	0.05	0.05	0.05	0.05	0.05
Balance (End of Year)	77.87	84.69	95.55	107.27	118.57	130.42	142.00
Outstanding Loans	20.98	19.77	18.57	16.96	14.97	12.50	9.60
Net Balance (Excluding Loans)	56.89	64.92	76.99	90.30	103.60	117.92	132.40

AGGREGATE STATE TRUST FUND STATUS



STATUS OF ADMINISTRATION ACCOUNT (ESAA)
FY 2027 President's Budget
(Billions of Dollars)

FISCAL YEAR	2025	2026	2027	2028	2029	2030	2031
<u>Income</u>	-	6.02	6.14	6.22	6.40	6.56	6.71
FUTA Income	-	5.84	5.97	6.05	6.22	6.39	6.54
General Revenues	-	0.00	0.00	0.00	0.00	0.00	0.00
Interest Earnings	-	0.19	0.17	0.17	0.18	0.18	0.18
Transfers from FUA/EUCA	-	0.00	0.00	0.00	0.00	0.00	0.00
<u>Outgo</u>	-	4.40	4.24	4.31	4.38	4.46	4.53
State Administration	-	4.13	3.96	4.03	4.09	4.16	4.23
- UI	-	3.25	3.56	3.66	3.72	3.78	3.84
- ES,FLC, BLS, VETS	-	0.88	0.40	0.37	0.37	0.38	0.39
Federal Administration	-	0.27	0.28	0.29	0.29	0.30	0.30
Transfers to FUA/EUCA	-	0.00	0.00	0.00	0.00	0.00	0.00
Preliminary Balance (End of Year)	4.26	5.84	5.65	5.58	5.51	5.44	5.39
FUA/EUCA Overflow	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance	4.26	5.84	5.65	5.58	5.51	5.44	5.39
Owed to FUA EUCA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Owed from FUA EUCA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ESAA Payable (2)	2.48	2.24	2.01	1.81	1.63	1.47	1.32
Net Balance	1.78	3.61	3.63	3.76	3.88	3.98	4.07
-Ceiling (1)	1.73	1.51	1.65	1.68	1.70	1.73	1.76
-Excess	0.05	2.10	1.99	2.09	2.18	2.24	2.31
To EUCA	1.59	0.05	2.10	1.99	2.09	2.18	2.24
To FUA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
To States (Reed Act)	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(1) Statutory ceiling is 40% of the current year's appropriations.

(2) ESAA Payable is the amount of unliquidated obligations for administration and is deducted from the net balance.

Note: Administrative costs for years beyond 2024 are based on growth factors applied to all programs in the Federal budget.

**STATUS OF EXTENDED BENEFIT ACCOUNT (EUCA)
FY 2027 President's Budget
(Billions of Dollars)**

FISCAL YEAR	2025	2026	2027	2028	2029	2030	2031
<u>Income</u>	-	1.61	3.74	3.63	3.82	4.09	4.34
FUTA Income	-	1.46	1.49	1.51	1.56	1.60	1.64
Interest Earnings	-	0.10	0.15	0.13	0.18	0.31	0.46
General Revenue for CARES	-	0.00	0.00	0.00	0.00	0.00	0.00
Overflow from ESAA	-	0.05	2.10	1.99	2.09	2.18	2.24
Transfers from FUA/ESAA	-	0.00	0.00	0.00	0.00	0.00	0.00
General Fund Advances	-	0.00	0.00	0.00	0.00	0.00	0.00
<u>Outgo</u>	-	2.32	4.13	2.52	0.01	0.00	0.00
EB Outlays -- Fed Share	-	0.00	0.00	0.00	0.00	0.00	0.00
CARES Outlays - PUA	-	0.12	0.05	0.02	0.01	0.00	0.00
CARES Outlays - PEUC	-	0.03	0.01	0.00	0.00	0.00	0.00
Transfers to FUA/ESAA	-	0.00	0.00	2.49	0.00	0.00	0.00
Repayment to General Fund	-	2.00	4.00	0.00	0.00	0.00	0.00
Interest on General Fund Advances	-	0.17	0.07	0.00	0.00	0.00	0.00
Balance							
(End of Year)	2.31	1.61	1.22	2.33	6.14	10.23	14.57
Owed to General Fund	6.00	4.00	0.00	0.00	0.00	0.00	0.00
Owed to FUA/ESAA	2.49	2.49	2.49	0.00	0.00	0.00	0.00
Owed from FUA/ESAA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Balance	-6.18	-4.88	-1.28	2.33	6.14	10.23	14.57
-Ceiling (1)	46.73	48.84	51.25	54.08	57.01	60.20	63.53
-Excess	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(1) Statutory ceiling is 0.5% of covered wages

**STATUS OF LOAN ACCOUNT (FUA)
FY 2027 President's Budget
(Billions of Dollars)**

FISCAL YEAR	2025	2026	2027	2028	2029	2030	2031
<u>Income</u>	-	5.38	5.21	8.20	6.15	6.67	7.20
Interest Earnings	-	0.17	0.04	0.05	0.04	0.05	0.13
State Repayments	-	2.69	2.38	2.49	2.59	2.74	2.86
Reduced Credits	-	1.84	2.12	2.55	2.98	3.41	3.83
General Revenue for CARES	-	0.00	0.00	0.00	0.00	0.00	0.00
State Interest Payments	-	0.67	0.67	0.62	0.56	0.48	0.38
Overflow from ESAA	-	0.00	0.00	0.00	0.00	0.00	0.00
Transfers from EUCA/ESAA	-	0.00	0.00	2.49	0.00	0.00	0.00
General Fund Advances	-	0.00	0.00	0.00	0.00	0.00	0.00
<u>Outgo</u>	-	13.99	5.11	8.68	5.95	4.39	3.79
State Loans	-	3.33	3.30	3.44	3.57	3.67	3.79
CARES Outlays - 1st Payments	-	4.70	0.00	0.00	0.00	0.00	0.00
Transfers to EUCA/ESAA	-	0.00	0.00	0.00	0.00	0.00	0.00
Repayment to General Fund	-	5.50	1.50	5.00	2.30	0.70	0.00
Interest on General Fund Advances	-	0.46	0.31	0.24	0.08	0.02	0.00
Balance							
(End of Year)	5.09	1.17	1.28	0.80	1.00	3.28	6.70
Owed to General Fund	15.00	9.50	8.00	3.00	0.70	0.00	0.00
Owed from States	20.98	19.77	18.57	16.96	14.97	12.50	9.60
Owed to ESAA/EUCA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Owed from ESAA/EUCA	2.49	2.49	2.49	0.00	0.00	0.00	0.00
Net Balance	13.55	13.94	14.34	14.76	15.27	15.78	16.29
-Ceiling (1)	46.73	48.84	51.25	54.08	57.01	60.20	63.53
-Excess to ESAA	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(1) Statutory ceiling is 0.5% of covered wages.

DEFINITIONS

EB	Extended Benefits -- Permanent triggered program
ES	Employment Service
ESAA	Employment Security Administration Account Provides grants to states for UI and ES
EUC08	Emergency Unemployment Compensation, 2008 Temporary extended benefit program enacted July 2008
EUCA	Extended Unemployment Compensation Account Pays Federal share of EB and EUC08
FAC	Federal Additional Compensation Temporary \$25 supplement to all UI payments
FECA	Federal Employees Compensation Account Pays benefits to UCFE and UCX claimants
FPUC	Federal Pandemic Unemployment Compensation A \$600 supplement to all UI payments through July 31, 2020; A \$300 supplement to all UI payments from March 11, 2021 through Sept. 6, 2021
FUA	Federal Unemployment Account Makes repayable advances to state trust funds
FUBA	Federal Unemployment Benefits and Allowances Benefit payments to Trade Act claimants
FUTA	Federal Unemployment Tax Act
FY	Fiscal Year
GDP	Gross Domestic Product
IUR	Insured Unemployment Rate
MEUC	Mixed Earners Unemployment Compensation Temporary \$100 supplement to individuals receiving at least \$5,000 of self-employment income
OUTYEARS	Years beyond the budget year
PEUC	Pandemic Emergency Unemployment Compensation Temporarily extends benefit program during COVID-19.
PUA	Pandemic Unemployment Assistance Temporarily expands unemployment insurance eligibility
TEUC	Temporary Extended Unemployment Compensation Temporary extended benefit program, March 2002 – January 2005

TUR	Total Unemployment Rate
UCFE	Unemployment Compensation for former Federal Employees
UCX	Unemployment Compensation for ex-Servicemen
UI	Unemployment Insurance
UTF	Unemployment Trust Fund