



Unemployment Insurance Trust Fund Report

Outlook Report October 2016

HIGHLIGHTS

This Outlook Report provides the current status and updated projections of the Unemployment Insurance Trust Fund for the 2016 through 2020 outlook period.

As required by MGL Chapter 151A, Section 14F, DUA publishes quarterly outlooks for the Trust Fund based on forecasts for total unemployment rate, annual wage and salary growth rate, and annual labor force. DUA, also, provides monthly reports updating the current status of the Trust Fund.

New economic assumptions from Moody's economy.com used in this revised outlook show the same average total annual unemployment rates for the outlook period for 2016, 2019 and 2020 and slightly higher for 2017 and 2018 in comparison to the previous forecasts used in the August Outlook Report. For 2016 to 2019, the average annual unemployment rate remained flat at 4.3 percent. Total labor force is lower in 2016 and 2017 but showed growth in 2018 to 2020. The annual wage and salary growth rates are lower in 2016 to 2018 but higher in 2019 and 2020.

The outlook presented is for the regular UI program based on 2016 employer experience rates, as well as benefit payments and employer contributions through the end of the third quarter 2016 for the private contributory account.

Estimates for the private contributory account are based on current law experience rate table and a \$15,000 taxable wage base. The private contributory employer contributions for 2016 and 2017 payrolls are on rate schedule C.

The revised 2016 year-end projections indicate employer contributions, based on rate schedule C and a \$15,000 taxable wage base, will be \$1.313 billion or \$9 million less than the previous estimate of \$1.322 billion. Slightly lower than previously estimated taxable payroll generated the small revision in employer contributions. Estimated benefit payments of \$1.337 billion are in-line with the previous estimate of \$1.329 billion released in the August 2016 Outlook Report. The private contributory account year-end balance is estimated to be \$822 million, \$18 million less than the previous estimate of \$840 million.

The table on page 9 provides June 30, 2016 information on the UI Trust Fund balances, balances as a percent of wages and AHCM for all of the states.

Employer contributions for 2017 payrolls on schedule C and a \$15,000 taxable wage base are expected to be \$1.234 billion. Benefit payments are projected to be \$1.430 billion, an increase of \$23 million from the prior estimate caused by a slight increase in the annual average unemployment rate. A year-end balance of \$643 million is \$38 million less than the previous estimate of \$681 million.

For 2018 benefit payments are expected to be \$1.511 billion \$18 million higher the previous estimate of \$1.493 billion. Projected employer contributions of \$1.807 billion are in-line with the previous estimate \$1.797 billion. The year-end private account balance is expected to be \$958 million or \$48 million less than the estimate first released in August. The difference was due to an increased benefit payments plus a carryover from the lower year-end balance in 2017.

Revised projections for 2019 and 2020 showed small increases in employer contributions and decreases in benefit payments.

Based on the current economic assumptions, the private contributory account will continue to be solvent and no borrowing from the federal unemployment account is anticipated through 2020. The 2020 year-end balance is expected to be \$1.152 billion.

ECONOMIC ASSUMPTIONS

DUA utilizes independent economic forecasts as the basis for its estimates of income and expenditure for the Massachusetts Unemployment Insurance program. Moody's Economy.com September 2016 forecasts were used in the benefit financing simulations for this report. The current assumptions, along with assumptions used to produce the simulation estimates published in the May and August 2016 Outlook Trust Fund Reports are provided in Table 1.

The September 2016 Moody's Economy.com Annual Wage and Salary Growth Rate forecasts for 2016 to 2018 were revised down while the rates for 2019 and 2020 were revised higher. The 2016 wage and salary growth rate was revised downwards from 5.3 percent to 5.1 percent and the 2017 lowered by one-tenth of a percentage point and 2018 rate revised down from 6.4 percent to 6.0 percent. The

rates for 2019 and 2020 were both revised up by four-tenths of a percentage point.

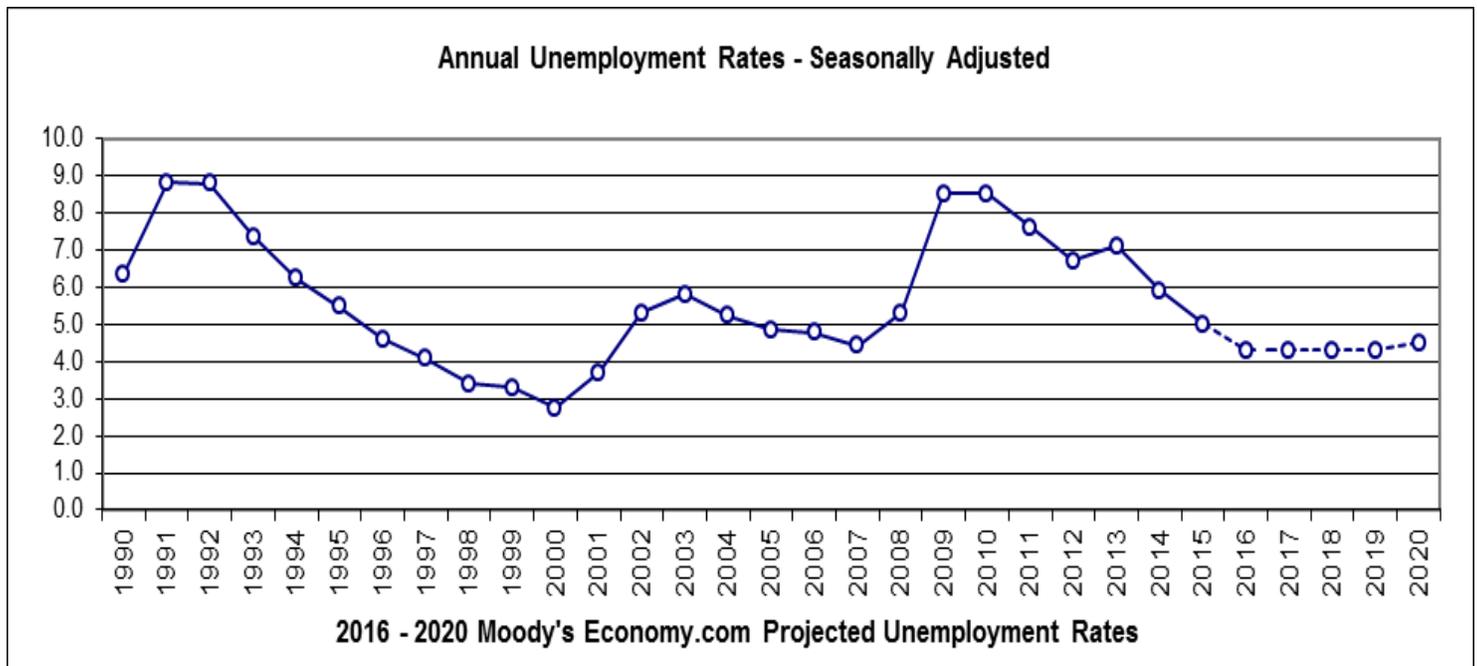
The projected annual average total unemployment rates for 2016, 2019 and 2020 remain unchanged as forecasted in the July Moody's Economy.com. The average unemployment rates for 2017 and 2018, on the other hand, both showed a slight increase of one-tenth of a percentage point.

The annual labor force projections for 2016 and 2017 showed small downward revisions while in 2018 to 2020 labor force showed an average increase of 13,174. The labor force is projected to be 3,729,045 in 2020.

Table 1: Moody's Economy.com Forecasts, Three Most Recent Reports

	Wage & Salary Growth (%)			Total Unemployment Rate (%)			Labor Force		
	16-Apr	16-Jul	16-Sep	16-Apr	16-Jul	16-Sep	16-Apr	16-Jul	16-Sep
2016	3.7	5.3	5.1	4.5	4.3	4.3	3,595,682	3,604,598	3,603,494
2017	4.8	4.7	4.6	4.4	4.2	4.3	3,637,129	3,649,434	3,648,146
2018	6.3	6.4	6.0	4.4	4.2	4.3	3,665,524	3,676,784	3,684,926
2019	5.3	5.6	6.0	4.5	4.3	4.3	3,688,189	3,697,521	3,712,920
2020	3.6	3.7	4.1	4.8	4.5	4.5	3,705,995	3,713,064	3,729,045

Source: Moody's Economy.com



UNEMPLOYMENT INSURANCE TRUST FUND BALANCE

As of September 30, 2016, the Massachusetts Unemployment Insurance Trust Fund ending balance was \$1.034 billion. The private contributory account balance was at \$925 million and the governmental contributory account balance was \$109 million. The private contributory account balance was \$15 million less than the projection released in August due primarily to less than expected employer contributions in the third quarter caused by slightly lower than projected taxable payrolls in the second quarter.

The private contributory account is projected to have a balance of \$822 million at the end 2016, a year end reserve of \$643 million in 2017 and a projected balance of \$958 million by the end of 2018.

The 2016 year-end private contributory account balance of \$822 million is \$18 million less than the previous estimate of \$840 million first published in the August 2016 Outlook Report.

The year-end 2017 account balance is expected to be \$643 million, \$38 million less than the previous estimate of \$681 million. The decrease was the result of a projected increase in benefit payments due to a slight increase in the annual average unemployment rate generating more insured unemployment and total weeks compensated.

The December 31, 2018 account balance is estimated at \$958 million, a decrease of \$48 million from the previous estimate of \$1.006 billion. As in the previous year, the difference was due to an increase in benefit payments caused by an increase in the annual average unemployment rate coupled with the lower 2017 year-end balance.

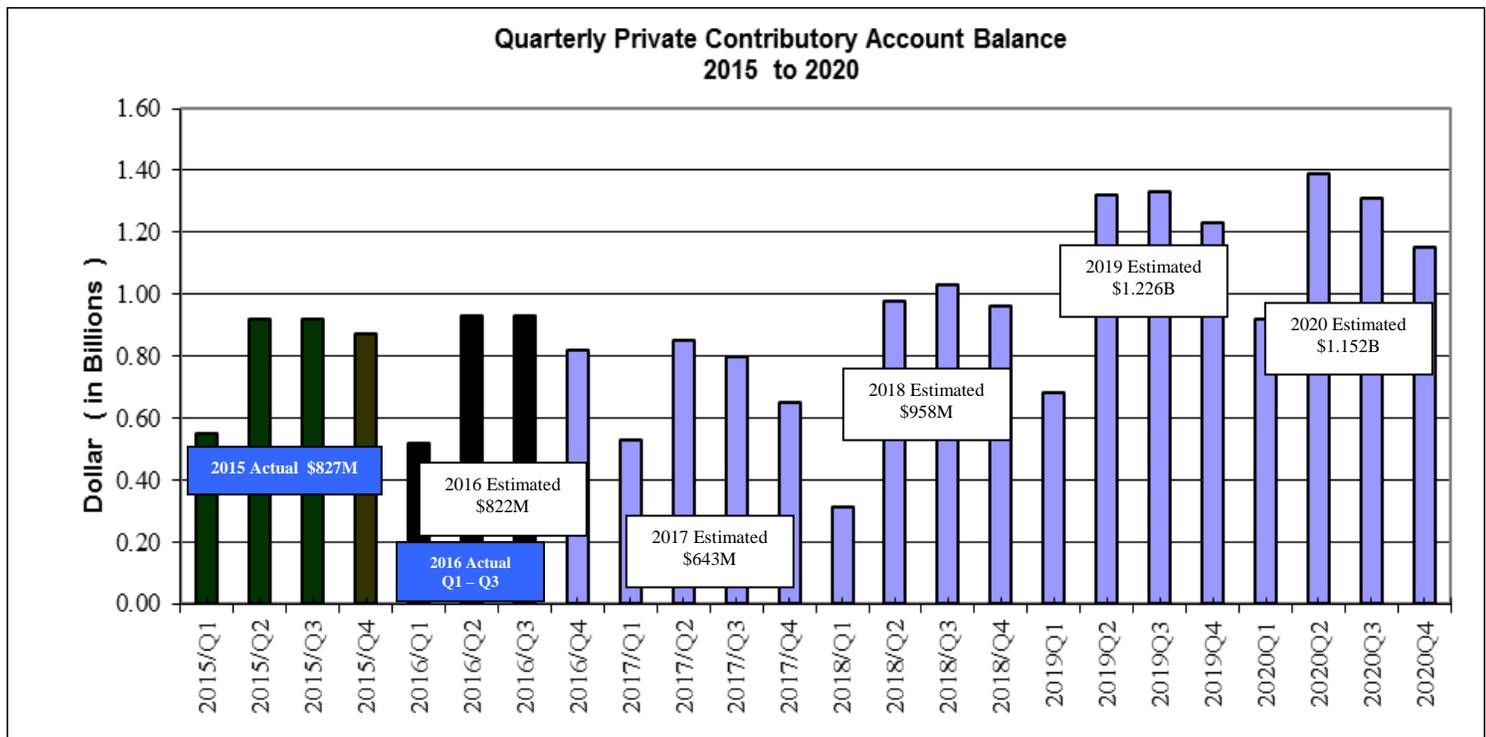
Rate schedule F is projected to trigger for 2019 payrolls. By the end of the year, the private contributory account balance is expected to be \$1.226 billion, in-line with the previous estimate of \$1.236 billion.

Rate schedule F is again projected to trigger for 2020 payrolls. The year-end balance is expected to be \$1.152 billion, a \$20 million increase from the estimate released in August.

It is anticipated that no borrowing from the federal unemployment account will be required in the outlook period.

The chart below shows the actual 2014 through 2015 third quarter and projected quarterly private UI account balances through 2019.

Table 5 on page 9 shows the Solvency of States Trust Fund Balances as of June 30, 2016.



BENEFIT OUTLAYS

The updated simulation for the outlook period resulted in slightly higher benefit payments in 2016 to 2018 but lower in 2019 and 2020.

Through the third quarter, benefit payments in 2016 totaled \$1.030 billion, a 1.7 percent decrease from the same time period in 2015's payments of \$1.048 billion. Year-to-date benefit payments were \$6 million or 0.6 percent higher than the projection of \$1.024 billion, first released in the August 2016 Outlook Report. Continued weeks claimed through September 2016 were 6.6 percent lower than last year's January to September total. The average weekly benefit amount of \$467.18 in the third quarter of 2016 was \$31.84 more than for the same quarter in 2015. The average duration of a claim was 17.6 weeks.

Benefit payments for 2016 are now estimated to be \$1.337 billion in-line with the previous estimate of \$1.329 billion released in the August and September 2016 Outlook Reports. The maximum weekly benefit amount for new claims effective on or after October 2, 2016 is \$742.

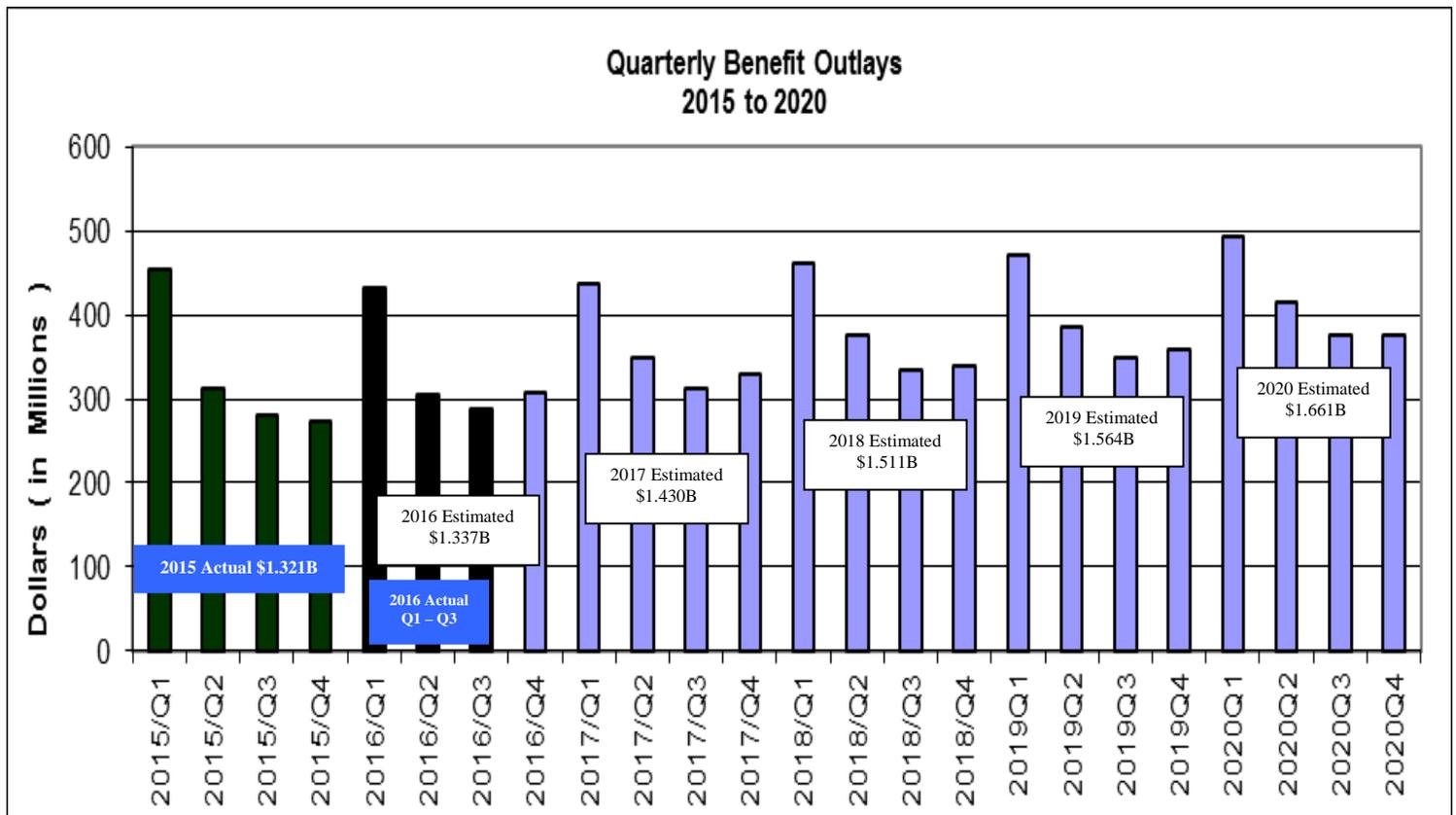
For 2017, benefit payments are estimated to be \$1.430 billion, an increase of \$23 million from the previous estimate of \$1.407 billion. The difference was caused by a projected slight increase of one-tenth of a percentage point in the annual average unemployment rate. As a result, the

number of insured unemployment and total weeks compensated is expected to increase.

In 2018, benefit payments are projected to be \$1.511 billion, \$18 million more than the previous estimate. As in 2017, a projected small increase in the annual average unemployment rate generated more insured unemployment and weeks compensated.

For 2019, benefit payments are projected to be \$1.564 billion or \$20 million less than the previous estimate of \$1.584 billion. The revision was caused by projected decreases in insured unemployment and total weeks compensated.

For 2020, benefit payments are now projected to be \$1.661 billion, \$14 million lower than the previous estimate of \$1.675 billion. As in the preceding year insured unemployment and total weeks compensated are projected to be slightly less than previously estimated in the August Outlook Report.



EMPLOYER CONTRIBUTIONS

Updated projections for employer contributions for 2016 to 2020 show small differences from the previous projections first released in the August 2016 Outlook Report. The adjustments are primarily due to slight revisions in taxable payrolls and the average contribution rates.

Employer contributions through third quarter 2016 totaled \$1.115 billion, a decrease of \$3 million or 0.3 percent from the same time span in 2015 contributions. Employer contributions through September were \$8 million or 0.7 percent lower than the projection of \$1.123 billion.

For 2016, employer contributions, on tax rate schedule C and \$15,000 taxable wage base, of \$1.313 billion are in-line with the previous estimate of \$1.322 billion

Employer contributions in 2017, also, on schedule C and \$15,000 taxable wage base are estimated at \$1.234 billion and in-line with the previous estimate of \$1.230 billion

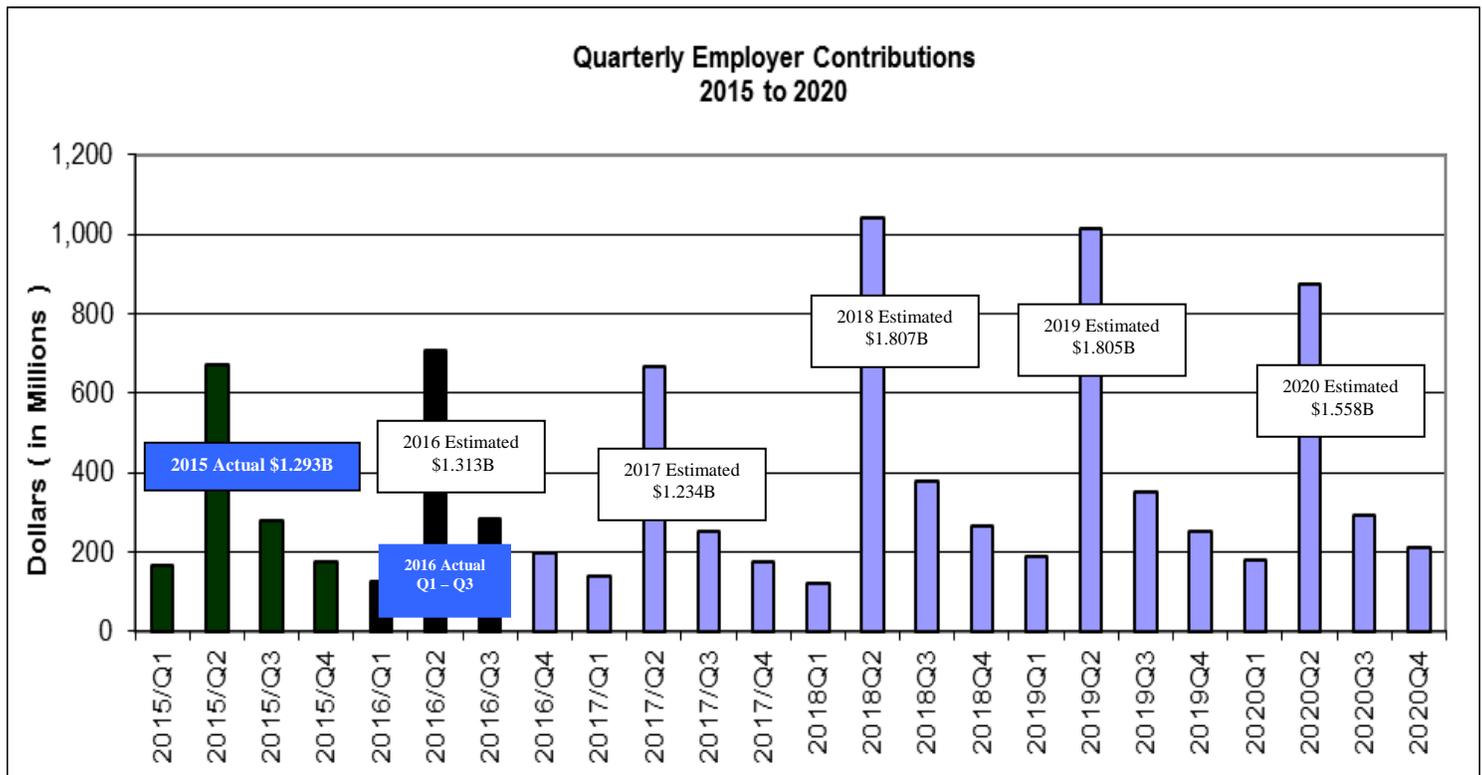
For 2018, tax rate schedule F is projected to trigger for employer contributions. With a \$15,000 taxable wage base, contributions are projected at \$1.807 billion, \$10 million higher than the previous estimate of \$1.797 billion. The difference was due to a slight increase in the average contribution rate.

For 2019, schedule F is again projected to trigger for employer contributions and with a \$15,000 taxable wage base generated an estimated \$1.805 billion in contributions. This is an increase of \$19 million from the earlier published estimate caused by an increase in taxable payrolls

Rate schedule E is projected to trigger for employer payrolls in 2020. Employer contributions, at a taxable wage base of \$15,000, are projected at \$1.558 billion, \$16 million higher than the previous estimate of \$1.542 due to an increase in taxable payrolls

Implementation of three year averaging of wages for determining employer experience rates may result in lower contributions than the simulation estimates.

Table 2, on page 7, contains the current experience rate table.



TRUST FUND SOLVENCY

Federal regulations require States to meet several standards for interest free federal advances taken during the first five months of a calendar year and repaid in the fall. The first measure requires that in at least one of the five years prior to the calendar year the advances are taken, the trust fund reserves must be equal to an average high cost multiple solvency measure. The measure is phased in over five years from a multiple of .50 for 2014, .60 in 2015 up to 1.0 for advances in 2019. For 2016 the AHCM must be met based on 2015 performance.

The Average High Cost Multiple (AHCM) is computed based on the average benefit cost rate for the three highest years in the last twenty or the last three recessions whichever is higher.

Benefit costs are measured as a percent of the total UI wages, the total liability of the UI system, is the second measure. Using this measure indexes the benefit costs to total wages. The measure is designed to encourage

States to build sufficient reserves to finance an economic downturn similar to ones in the past. For Massachusetts the measures are done for the overall trust fund and include both private and governmental contributory accounts. The ratio of the average tax rate and the benefit costs rate over the previous five years must be at least 75 percent.

The chart below arrays the new federal regulations, the actual and projected year-end all contributory account AHCMs, the ratios of average tax rate and total wages (federal standard at 80 percent of previous year) and the average tax rate and the benefit cost rate over the preceding five years (federal standard at 75 percent).

If federal advances are necessary in 2016 through 2020, Massachusetts will not meet the federal standard for AHCM and therefore be subject to federal interest for all loans.

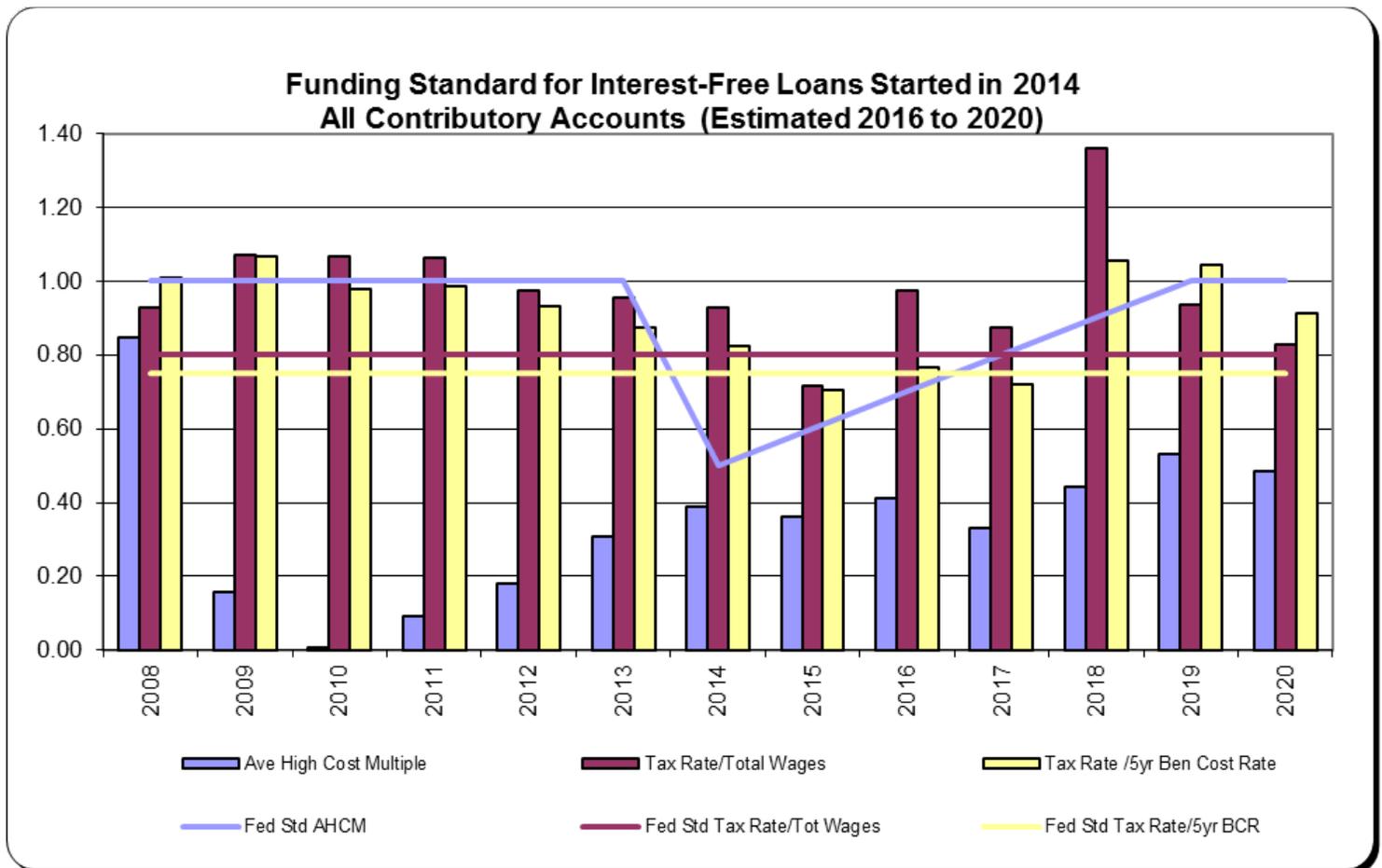


Table 2: EXPERIENCE RATE TABLE

	Unemployment Compensation Fund Reserve Percentage							
	A	B	C	D	E	F	G	
	1.65% and over	1.5% or more less than 1.65%	1.2% or more less than 1.5%	0.9% or more less than 1.2%	0.6% or more less than 0.9%	0.3% or more less than 0.6%	less than 0.3%	
Employer Account Reserve Percentages								
Negative Percentage								
23 or more	8.62	9.79	11.13	12.65	14.37	16.33	18.55	
21.0 but less than 23.0	8.25	9.37	10.65	12.11	13.76	15.63	17.76	
19.0 but less than 21.0	7.88	8.96	10.18	11.57	13.15	14.94	16.97	
17.0 but less than 19.0	7.52	8.54	9.71	11.03	12.53	14.24	16.18	
15.0 but less than 17.0	7.15	8.13	9.24	10.49	11.93	13.55	15.39	
13.0 but less than 15.0	6.78	7.71	8.76	9.95	11.31	12.85	14.60	
11.0 but less than 13.0	6.42	7.29	8.29	9.42	10.70	12.16	13.81	
9.0 but less than 11.0	6.05	6.87	7.81	8.88	10.09	11.46	13.02	
7.0 but less than 9.0	5.68	6.46	7.34	8.34	9.48	10.77	12.23	
5.0 but less than 7.0	5.32	6.04	6.86	7.80	8.86	10.07	11.44	
3.0 but less than 5.0	4.95	5.63	6.39	7.27	8.26	9.38	10.66	
1.0 but less than 3.0	4.58	5.21	5.92	6.72	7.64	8.68	9.86	
0.0 but less than 1.0	4.22	4.79	5.45	6.19	7.03	7.99	9.08	
Positive Percentage								
0.0 but less than 0.5	3.14	3.57	4.06	4.61	5.24	5.96	6.77	
0.5 but less than 1.0	3.06	3.48	3.96	4.50	5.11	5.81	6.60	
1.0 but less than 1.5	2.98	3.39	3.85	4.38	4.98	5.65	6.43	
1.5 but less than 2.0	2.90	3.30	3.75	4.26	4.84	5.50	6.25	
2.0 but less than 2.5	2.82	3.21	3.65	4.14	4.71	5.35	6.08	
2.5 but less than 3.0	2.75	3.12	3.54	4.02	4.57	5.20	5.90	
3.0 but less than 3.5	2.67	3.03	3.44	3.91	4.44	5.05	5.74	
3.5 but less than 4.0	2.58	2.93	3.33	3.79	4.30	4.89	5.56	
4.0 but less than 4.5	2.50	2.84	3.23	3.67	4.17	4.74	5.38	
4.5 but less than 5.0	2.42	2.75	3.13	3.55	4.04	4.59	5.21	
5.0 but less than 5.5	2.34	2.66	3.02	3.43	3.90	4.43	5.04	
5.5 but less than 6.0	2.25	2.56	2.91	3.31	3.76	4.28	4.86	
6.0 but less than 6.5	2.17	2.47	2.81	3.20	3.63	4.13	4.69	
6.5 but less than 7.0	2.09	2.38	2.71	3.08	3.50	3.97	4.51	
7.0 but less than 7.5	2.02	2.30	2.61	2.96	3.37	3.82	4.35	
7.5 but less than 8.0	1.94	2.20	2.50	2.84	3.23	3.67	4.17	
8.0 but less than 8.5	1.85	2.10	2.39	2.72	3.09	3.51	3.99	
8.5 but less than 9.0	1.78	2.02	2.29	2.61	2.96	3.37	3.82	
9.0 but less than 9.5	1.70	1.93	2.19	2.49	2.82	3.21	3.65	
9.5 but less than 10.0	1.61	1.83	2.08	2.36	2.69	3.05	3.47	
10.0 but less than 10.5	1.53	1.74	1.98	2.25	2.56	2.91	3.30	
10.5 but less than 11.0	1.45	1.65	1.87	2.13	2.42	2.75	3.12	
11.0 but less than 11.5	1.37	1.56	1.77	2.01	2.29	2.60	2.96	
11.5 but less than 12.0	1.29	1.47	1.67	1.89	2.15	2.45	2.78	
12.0 but less than 12.5	1.21	1.37	1.56	1.77	2.01	2.29	2.60	
12.5 but less than 13.0	1.13	1.28	1.46	1.66	1.89	2.14	2.43	
13.0 but less than 13.5	1.05	1.19	1.35	1.54	1.75	1.99	2.26	
13.5 but less than 14.0	0.97	1.10	1.25	1.42	1.61	1.83	2.08	
14.0 but less than 15.0	0.81	0.92	1.04	1.18	1.34	1.53	1.73	
15.0 but less than 16.0	0.73	0.83	0.94	1.07	1.21	1.38	1.57	
16.0 but less than 17.0	0.64	0.73	0.83	0.95	1.08	1.22	1.39	
17.0 or more	0.56	0.64	0.73	0.83	0.94	1.07	1.21	

The current law simulation estimates for 2016 through 2020 are displayed in Tables 3 and 4, below.

Table 3: Unemployment Trust Fund Projections for the Private Contributory Account, 2016 - 2020

(All \$ in Millions except Average Cost/Employee)

	2015	2016	2017	2018	2019	2020
Balance, January 1	\$836	\$827	\$822	\$643	\$958	\$1,226
Income	\$1,293	\$1,313	\$1,234	\$1,807	\$1,805	\$1,558
Trust Fund Interest	\$19	\$19	\$17	\$19	\$27	\$29
Benefit Outlays	\$1,321	\$1,337	\$1,430	\$1,511	\$1,564	\$1,661
Federal Loan Interests						
Balance, December 31	\$827	\$822	\$643	\$958	\$1,226	\$1,152
Schedule*	"C"	"C"	"C"	"F"	"F"	"E"
Average Cost/Employee	\$491	\$493	\$461	\$669	\$663	\$570

* 2015 to 2017 rate schedules set by Legislation, 2015 to 2020 on \$15,000 taxable wage base and 2018 and 2019 rate schedules based on current statutory triggers.

Source: Massachusetts Department of Unemployment Assistance benefit financing simulation

Figures may not add up due to rounding.

Table 4: Benefit Financing Simulation Output

	2015	2016	2017	2018	2019	2020
Total Covered Payroll (\$Billions)	\$172.2	\$178.2	\$191.7	\$205.3	\$219.2	\$229.0
Contributory Payroll (\$Billions)	\$41.2	\$42.7	\$43.2	\$44.1	\$44.9	\$45.3
Contributory Wage Proportion	23.9%	24.0%	22.5%	21.5%	20.5%	19.8%
Nominal Contribution Rate	3.1%	3.1%	2.8%	4.3%	4.0%	3.4%
Contributions as % of Total Payroll	0.75%	0.74%	0.64%	0.88%	0.82%	0.68%
Benefits as a % of Total Payroll	0.77%	0.75%	0.75%	0.74%	0.71%	0.73%
Trust Fund Balance as % of Total Payroll	0.48%	0.46%	0.34%	0.47%	0.56%	0.50%
Solvency Assessment	1.00%	0.81%	0.93%	0.97%	0.96%	1.00%
AHCM	0.28	0.27	0.20	0.27	0.33	0.29
Covered Employment (Thousands)	3,377	3,411	3,426	3,459	3,485	3,496
Total Unemployment Rate	5.0%	4.3%	4.3%	4.3%	4.3%	4.5%
Insured Unemployment Rate	2.1%	2.2%	2.3%	2.4%	2.4%	2.5%

Source: Economic assumptions are based on Moody's Economy.com forecasts and Massachusetts benefit financing simulation.

Figures may not add up due to rounding.

Table 5: SOLVENCY OF STATE TRUST FUNDS

June 30, 2016 TRUST FUND BALANCES
(Descending Order by AHCM - Calculated by Dept of Unemployment Assistance)

State	Trust Fund Balance (\$000) (not including loans)	As Percent of extrapolated wages most recent 12 months	AHCM
Wyoming	\$308,439	3.16	2.42
Oklahoma	\$1,088,825	1.88	2.01
Mississippi	\$633,089	2.01	1.79
Oregon	\$3,099,539	4.75	1.76
Utah	\$972,460	2.06	1.76
Nebraska	\$415,345	1.35	1.69
South Dakota	\$102,603	0.85	1.54
Alaska	\$433,220	3.31	1.51
Montana	\$296,624	2.08	1.48
Washington	\$4,003,581	2.95	1.31
Louisiana	\$936,676	1.32	1.30
Idaho	\$459,956	2.32	1.27
Vermont	\$272,369	2.98	1.27
Iowa	\$923,418	1.77	1.24
Hawaii	\$504,251	2.48	1.19
New Hampshire	\$294,624	1.15	1.11
Maine	\$370,733	2.13	1.08
Minnesota	\$1,599,838	1.41	1.06
Florida	\$3,192,905	1.06	0.88
Tennessee	\$1,003,250	0.93	0.83
North Dakota	\$63,686	0.37	0.79
Kansas	\$530,132	0.99	0.77
Maryland	\$1,111,387	1.06	0.76
Alabama	\$529,107	0.82	0.75
New Mexico	\$334,180	1.34	0.70
Arkansas	\$485,792	1.29	0.69
Virginia	\$978,294	0.62	0.67
Georgia	\$1,306,467	0.77	0.57
North Carolina	\$1,973,751	1.29	0.57
Wisconsin	\$986,677	1.02	0.43
South Carolina	\$461,638	0.72	0.37
Delaware	\$103,054	0.57	0.35
Missouri	\$585,826	0.61	0.35
New Jersey	\$1,633,588	0.84	0.33
Massachusetts*	\$1,040,656	0.57	0.27
Rhode Island	\$201,703	1.17	0.25
West Virginia	\$52,725	0.26	0.25
Arizona	\$322,017	0.32	0.11
New York	\$1,290,517	0.28	0.04
Connecticut	\$382,161	0.45	0.02
Indiana	\$40,892	0.04	0.02
Kentucky	\$183,134	0.30	0.01
California	(\$3,100,467)	(0.39)	NA
Colorado	\$689,006	0.62	NA
Illinois	\$1,633,661	0.62	NA
Michigan	\$3,086,036	1.88	NA
Nevada	\$578,769	1.21	NA
Ohio	\$262,691	0.14	NA
Pennsylvania	\$1,515,395	0.67	NA
Texas	\$1,357,401	0.26	NA
United States**	\$42,359,278	0.73	NA

* Massachusetts overall trust fund balance.

** United States include Puerto Rico and Virgin Islands

NA: Not Applicable -- States had outstanding debt (as of 1/1/2014), which may include bond debt exceeding their fund balances.

SOURCE: U.S. Department of Labor, Employment and Training Administration, UIS Division of Actuarial Services

APPENDIX

UNEMPLOYMENT INSURANCE DEFINITIONS

AVERAGE HIGH COST RATE:

The average of the three highest calendar benefit cost rates in the last 20 years (or a period including three recessions, if longer). The benefit cost rates private UI contributory employers benefits paid (including the state's share of extended benefits when applicable) as a percent of their total wages.

AVERAGE HIGH COST MULTIPLE (AHCM):

The ratio of the year-end trust fund balance as a percent of total wages divided by the Average High Cost Rate.

BENEFITS PAID:

The unemployment insurance benefits paid to individuals funded through the state program. This includes all weeks compensated including partial payments.

CIVILIAN LABOR FORCE:

The estimated average number of Massachusetts residents who are either employed or unemployed in the week of the 12th for the three months of the quarter.

COVERED EMPLOYMENT:

The number of employees covered by Unemployment Insurance reported to the state by employers. The numbers represent the count of all employees for the payroll period that includes the 12th of the month.

HIGH-COST MULTIPLE (HCM):

The ratio of the Trust Fund balance as a percent of total wages divided by the High Cost Rate. The High Cost Rate is the highest historical ratio of benefits paid to total wages for a 12-month period.

INITIAL CLAIMS:

Any notice of unemployment filed by an individual (1) to request a new determination of entitlement to and eligibility for unemployment compensation or (2) to begin a second or subsequent period of eligibility within a benefit year or period of eligibility following an additional separation from employment.

INSURED UNEMPLOYED:

The average number of weeks claimed for the three months of the quarter.

INSURED UNEMPLOYMENT RATE (IUR):

The rate computed by dividing Insured Unemployed for the current quarter by the average Covered Employment for the first four of the last six completed quarters.

OUTSTANDING LOAN BALANCES:

Balance, as of the end of the quarter, of advances acquired by the state under Title XII of the Social Security Act which allows states to use repayable advances from the federal UI account.

SOLVENCY ASSESSMENT:

The annual factor assessed to employer taxable payrolls to cover the net balance of charges and credits not directly assigned to individual employers.

TAXABLE WAGES:

Wages paid to covered employees that are subject to State Unemployment Insurance taxes. For Massachusetts, the first \$14,000 in wages per employee is covered by UI, beginning in 2015 the wage base increases to the first \$15,000 per employee.

TAXABLE WAGE BASE:

For each State, the maximum amount of wages paid to an employee by an employer during a year in which their employment is subject to UI taxes. Wages above this amount are not subject to UI tax.

TOTAL UNEMPLOYED:

The estimated average number of residents, 16 years of age or older, who do not have a job but are available for work

and actively seeking work in the week of the 12th for the three months of the quarter. This includes individuals on layoff and waiting to report to a new job within 30 days.

TOTAL UNEMPLOYMENT RATE (TUR):

The rate computed by dividing Total Unemployed by the Civilian Labor Force.

TOTAL WAGES:

All wages or remuneration paid to workers on all payrolls covered by Unemployment Insurance.

TRUST FUND BALANCE (TF):

The balance in the individual state account in the Unemployment Trust Fund. Outlook estimates are for the private contributory account within the Trust Fund.

TRUST FUND AS % OF TAXABLE WAGES:

Year-end Trust Fund Balance as a percent of estimated taxable wages for the most recent 12 months; also referred to as the Reserve Ratio. Estimated wages are based on the latest growth rate in the 12 month moving average (MA).

UNEMPLOYMENT TRUST FUND (UTF):

A fund established in the Treasury of United States which contains all monies deposited by state agencies to the credit of their unemployment fund accounts.

WEEKS CLAIMED:

The number of weeks claimed for UI benefits, including weeks for which a waiting period or fixed disqualification period is being served. Interstate claims are counted in the state of residence.

WEEKS COMPENSATED:

The number of weeks claimed for which UI benefits are paid. Weeks compensated for partial unemployment are included. Interstate claims are counted in the paying state.