



THE COMMONWEALTH OF MASSACHUSETTS  
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT  
DEPARTMENT OF UNEMPLOYMENT ASSISTANCE

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**M E M O R A N D U M**

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Steven T. James, House Clerk

**FROM:** Richard A. Jeffers

**DATE:** October 22, 2019

**SUBJECT: OCTOBER 2019 UNEMPLOYMENT INSURANCE TRUST FUND REPORT**

The attached October Unemployment Insurance Trust Fund Report provides information on the trust fund status through the end of September 2019 and revised projections for the private contributory account for 2019 through 2023. The projections are based on the September 2019 Moody's Analytics Data Services forecasts, claims and payments through third quarter and 2019 employer experience rates.

The report highlights include:

The September 2019 preliminary private contributory account balance was \$1.625 billion, \$27 million higher than the latest projection of \$1.598 billion, first released in the August 2019 Outlook Report, as benefits payments were lower than expected. Effective on or after October 6, 2019, the maximum weekly benefit amount for new claims is \$823.

The 2019 outlook for benefit payments is \$1.262 billion; employer contributions on tax rate schedule E and a \$15,000 taxable wage base, set by statute, are estimated at \$1.708 billion and the year-end private contributory account balance is expected to be \$1.577 billion.

Under the current economic assumptions the projections indicate that no borrowing from the federal unemployment account will be required through the 2023 outlook period.

cc: Distribution List

# Unemployment Insurance Trust Fund Report

Outlook Report October 2019

## HIGHLIGHTS

This Outlook Report provides the status of the Unemployment Insurance Trust Fund and updated projections for the 2019 through 2023 outlook period.

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

New economic assumptions from Moody's Analytics Data Services used in these projections show the annual average unemployment rates remained unchanged as compared to the assumptions used in the August 2019 Outlook Report. For 2019, the average annual unemployment rate remained at 3.0 percent, followed by a 3.3 percent annual rate in 2020. Total labor force increases in 2019 to 2023 posting a small average annual increase of 5,451. The annual wage and salary growth rates are higher in 2019, 2022 and 2023 and lower in 2020 and 2021.

The outlook presented is for the regular UI program based on 2019 employer experience rates and benefit payments and employer contributions through third quarter 2019.

The revised 2019 year-end projections indicate employer contributions, based on rate schedule E, as set by statute, and a \$15,000 taxable wage base, will be \$1.708 billion, \$22 million less the previous estimate of \$1.730 billion. Estimated benefit payments of \$1.262 billion are \$31 million lower than the previous estimate of \$1.293 billion first released in the August 2019 Outlook Report. The projected private contributory account year-end balance of \$1.577 billion is \$14 million more than the previous estimate of \$1.563 billion and \$476 million more than last year's ending balance of \$1.101 billion.

The table on page 8 provides June 30, 2019 information on the UI Trust Fund balances, balances as a percent of wages and AHCM for all of the states.

Employer contributions for 2020 payrolls on schedule E, projected to trigger, and a \$15,000 taxable wage base are expected to be \$1.662 billion, \$87 million lower than the previous estimate of \$1.749 billion. Benefit payments are projected to be \$1.417 billion, a decrease of \$103

million from the prior estimate of \$1.520 billion. A year-end balance of \$1.846 billion is \$28 million higher than the previous estimate of \$1.818 billion.

For 2021, rate schedule D is projected to trigger for employer payrolls and with a \$15,000 taxable wage base generate \$1.470 billion in employer contributions, a decrease of \$37 million from the last projection. Projected benefit payments of \$1.588 billion are \$138 million less than the previous estimate of \$1.726 billion. The year-end private account balance is expected to be \$1.754 billion, \$130 million higher than the projection of \$1.624 billion first released in August.

Tax rate schedule D is now projected to trigger for 2022 employer contributions. With a \$15,000 taxable wage base employer contributions are projected to be \$1.445, \$287 million lower than the previous estimate on a higher tax rate schedule F. Benefit payments are estimated at \$1.708 billion, a \$181 million decrease from the previous estimate. Year-end 2022 private contributory account balance is now projected at \$1.514 billion, a \$24 million increase from the last estimate of \$1.491 billion.

For 2023 rate schedule E is projected to trigger for employer payrolls. Employer contributions are projected at \$1.622 billion with benefit payments estimated at \$1.724 billion and a year-end balance of \$1.434 billion.

Based on the current economic assumptions and statutory provisions, no borrowing from the federal unemployment account is anticipated through 2023.

**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 Analytics Data Services September 2019 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 2019 Outlook Trust Fund Reports are provided in Table 1.

The September 2019 Moody's Analytics Data Services Annual Wage and Salary Growth Rate forecasts for 2019, 2022 and 2023 were all revised up by two-tenths of a percentage point while the rates for 2020 and 2021 were revised lower, as compared to the forecasts released in July. The rates for 2020 and 2021 were both revised down by four-tenths and two-tenths of a percentage point, respectively.

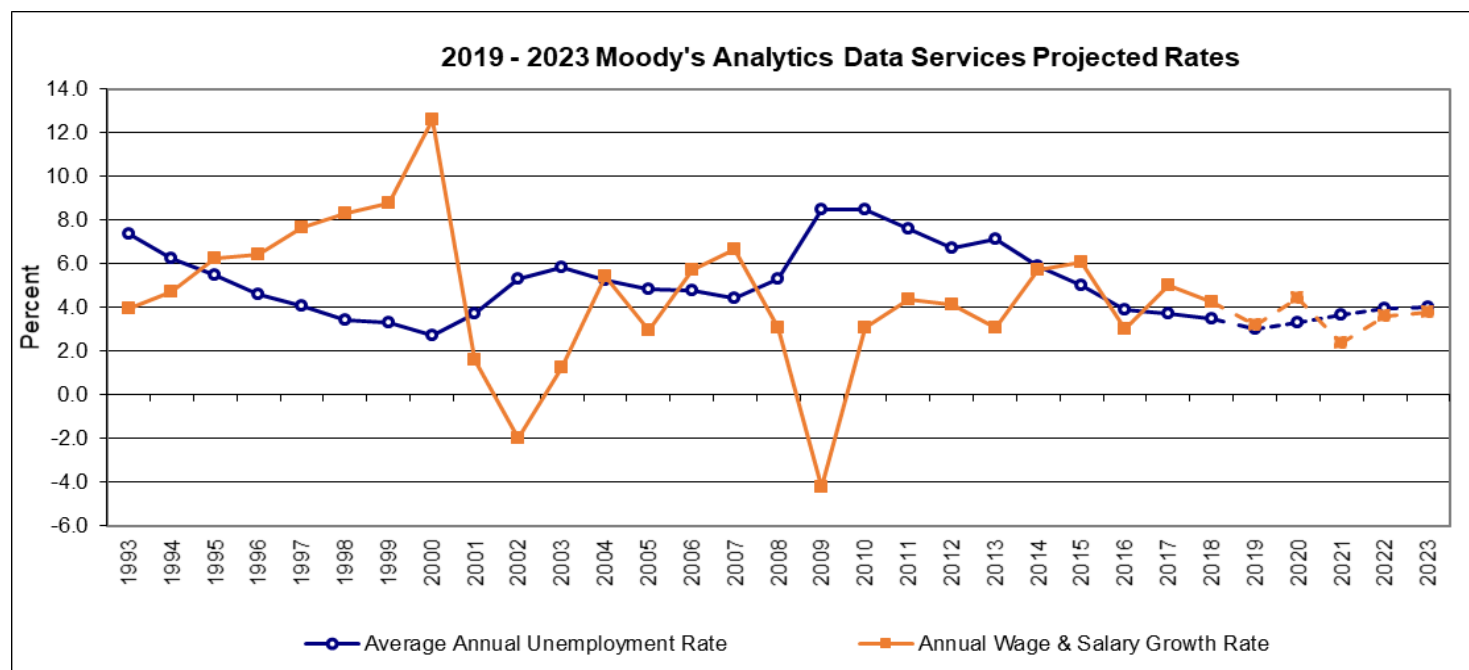
The projected annual average total unemployment rates for 2019 to 2023 remain unchanged as compared to the July Moody's Analytics Data Services forecasts.

The annual labor force projections for 2019 to 2023 all showed increases with an average growth of 5,451. The smallest increase of 3,581 in 2019 and the largest in 2020 at 7,249. The labor force is projected to be 3,924,159 in 2023.

**Table 1: Moody's Analytics Data Services Forecasts, Three Most Recent Reports**

	Wage & Salary Growth (%)			Total Unemployment Rate (%)			Labor Force		
	19-Apr	19-Jul	19-Sep	19-Apr	19-Jul	19-Sep	19-Apr	19-Jul	19-Sep
2019	5.0	3.0	3.2	3.0	3.0	3.0	3,857,045	3,847,023	3,850,604
2020	5.1	4.8	4.4	3.2	3.3	3.3	3,869,128	3,862,652	3,869,901
2021	2.5	2.6	2.4	4.0	3.7	3.7	3,881,416	3,874,718	3,881,134
2022	3.4	3.4	3.6	4.3	4.0	4.0	3,906,191	3,899,021	3,904,519
2023	3.5	3.6	3.8	4.6	4.0	4.0	3,924,370	3,919,649	3,924,159

Source: Moody's Economy.com



## UNEMPLOYMENT INSURANCE TRUST FUND BALANCE

As of September 30, 2019, the Massachusetts Unemployment Insurance Trust Fund ending balance was \$1.758 billion. The private contributory account balance was at \$1.625 billion and the governmental contributory account balance was \$133 million. The private contributory account balance was \$27 million more than the projection released in August due primarily to less than expected benefit payments in the third quarter especially in the month of September.

The private contributory account is now projected to have a balance of \$1.577 billion at the end 2019, a year end reserve of \$1.846 billion in 2020 and a projected balance of \$1.754 billion by the end of 2021.

The 2019 year-end private contributory account balance of \$1.577 billion is \$14 million higher than the previous estimate of \$1.563 billion first published in the August 2019 Outlook Report.

The year-end 2020 account balance is expected to be \$1.846 billion, a \$28 million increase from the previous estimate of \$1.818 billion. The increase was due to a decrease in benefit payments caused by projected decrease in insured unemployment and a higher 2019 year-end balance.

The December 31, 2021 account balance is estimated at \$1.754 billion, a \$130 million increase from the previous

projection of \$1.624 billion. The revision was due to a projected decrease in benefit payments caused by a lower average weekly benefit amount.

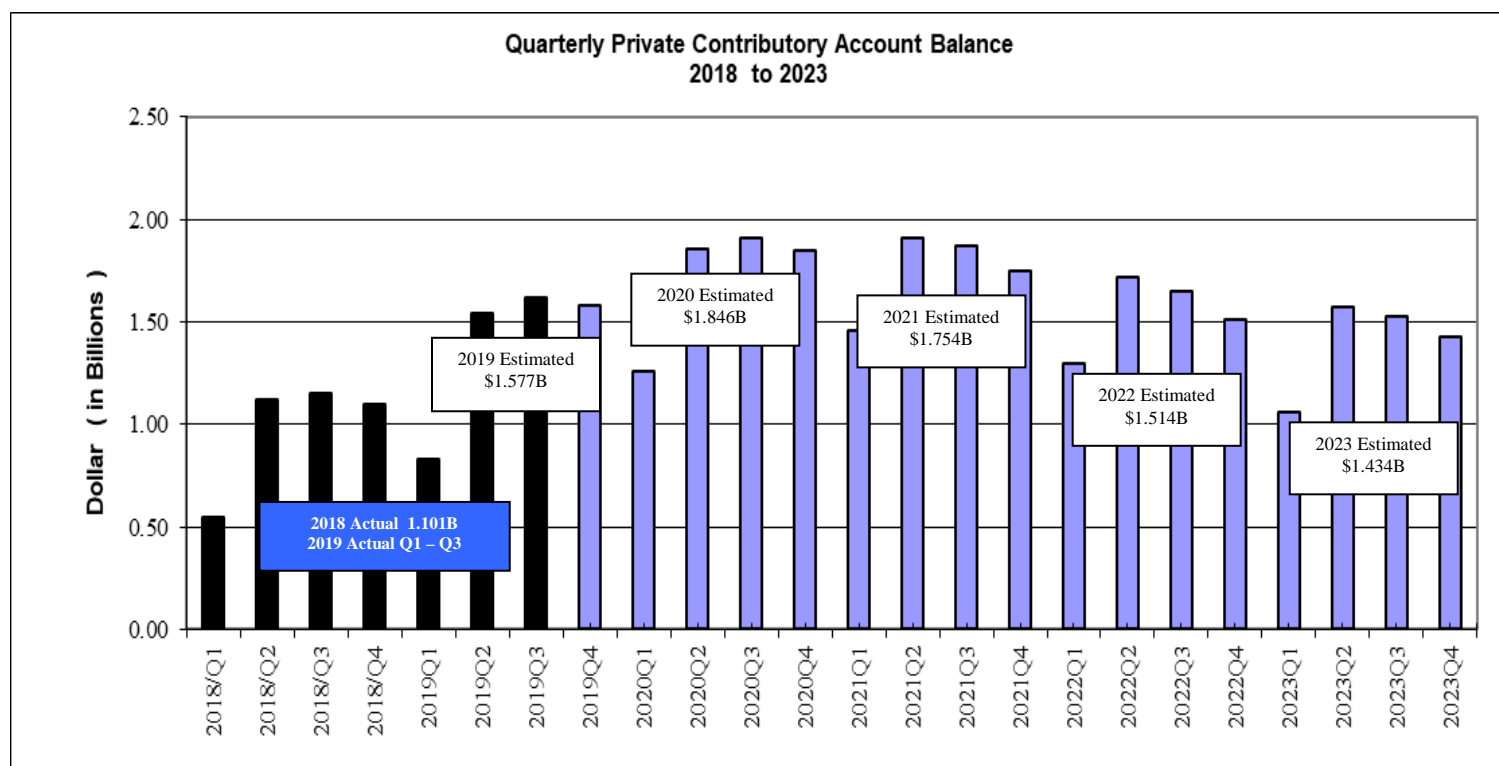
The year-end 2022 private account balance is estimated to be \$1.514 billion, an increase of \$23 million from the previously released estimate of \$1.491 billion. Reduced employer contributions due to a lower tax rate schedule were offset by a projected decrease in benefit payments and the previous year higher ending balance.

The 2023 year-end private account balance is expected to be \$1.434 billion, a \$78 million increase from the estimate released in August. The difference was primarily caused by a reduction in benefit payments due to a projected decrease in the average weekly benefit amount.

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

The chart below shows actual 2018 through third quarter 2019 and projected quarterly private UI account balances through 2023.

Table 5 on page 8 shows the Solvency of States Trust Fund Balances as of June 30, 2019.



## BENEFIT OUTLAYS

The updated simulation for the outlook period resulted in downward revisions in benefit payments. In addition, the maximum duration of new UI claims filed on and after March 31, 2019 was reduced from up to 30 weeks to 26 weeks due to periods of low unemployment in the state.

Benefit payments through third quarter 2019 totaled \$979.8 million, a \$58 million decrease from the 2018 benefit payments for the same time span and \$28 million less than the projection first released in August. The difference was due to lower than projected insured unemployment coupled with a smaller average weekly benefit amount in the third quarter. Year-to-date initial claims and weeks compensated were 3.0 percent and 7.6 percent less than last year's totals, respectively.

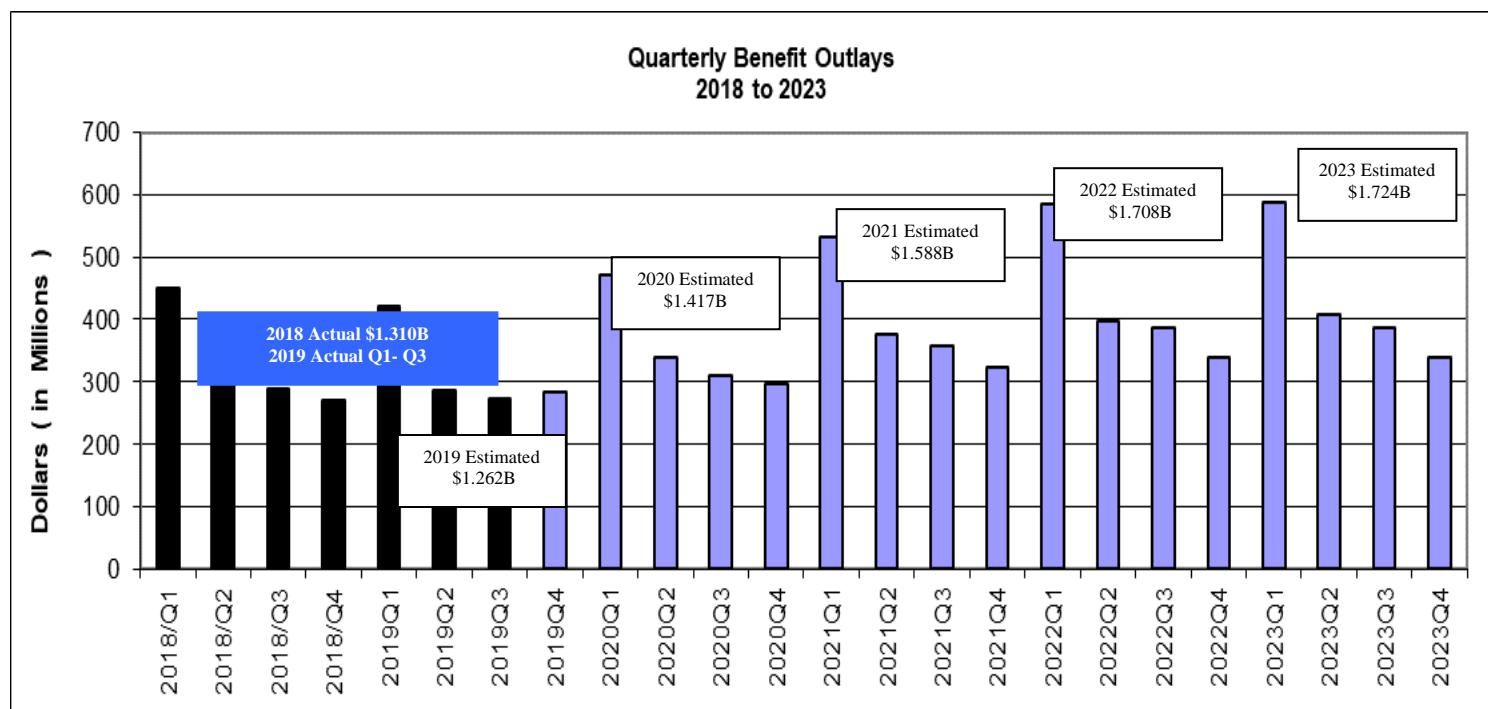
As a result, benefit payments for 2019 are now estimated lower at \$1.262 billion, \$31 million less than the previous estimate of \$1.293 billion released in the August and September 2019 Outlook Reports. The maximum weekly benefit amount for new claims effective on or after October 6, 2019 is \$823.

For 2020, benefit payments are estimated to be \$1.417 billion, \$103 million less than the previous estimate of \$1.520 billion. The decrease was caused by a projected decrease in total weeks compensated.

In 2021, benefit payments are projected to be \$1.588 billion, a decrease of \$138 million from the previous estimate of \$1.726 billion. The revision was the result of a less weeks compensated and a reduced average weekly benefit amount.

For 2022, benefit payments are projected to be \$1.708 billion, \$181 million less than the previous estimate of \$1.889 billion. The reduction in benefit payments was primarily caused by a decrease in the average weekly benefit amount.

In 2023, benefit payments are expected to be \$1.724 billion, a \$209 million decrease from the previous estimate of \$1.933 billion. As in the previous year, the difference was the result of a lesser average weekly benefit amount.



## EMPLOYER CONTRIBUTIONS

Updated projections for employer contributions for 2019 to 2023 were lowered from the previous projections first released in the August 2019 Outlook Report. The adjustments are primarily due to revisions in taxable payrolls.

Employer contributions through third quarter 2019 totaled \$1.480 billion, an increase of \$166 million from the same time span in 2018 on a lower tax rate schedule but just \$5 million less than projected. Taxable payrolls in the second quarter of 2019 were lower than expected.

As a result, 2019 employer contributions, on tax rate schedule E, as set by statute, and \$15,000 taxable wage base, are now estimated lower at \$1.708 billion, \$22 million less than the previous estimate of \$1.730 billion.

For 2020, tax rate schedule E is projected to trigger for employer contributions and with a \$15,000 taxable wage base generate \$1.662 billion in contributions, an \$87 million decrease from the previous estimate of \$1.749 billion. The decrease was due to a decrease in taxable payrolls.

Tax rate schedule D is projected to trigger for 2021 employer payrolls. With a \$15,000 taxable wage base, contributions are projected at \$1.470 billion, just slightly lower than the previous estimate of \$1.507 billion.

For 2022, tax rate schedule D is again projected to trigger for employer contributions and with a \$15,000 taxable wage base generate an estimated \$1.445 billion in contributions. This is a decrease of \$287 million from the earlier published estimate of \$1.732 billion on a higher tax rate schedule.

Tax rate schedule E is projected to trigger for employer payrolls in 2023. Employer contributions, at a taxable wage base of \$15,000, are projected at \$1.622 billion, \$156 million lower than the previous estimate of \$1.778 billion. This revision was caused by a projected decrease in taxable payrolls.

Table 2, on page 7, contains the experience rate table that took effect in 2015.

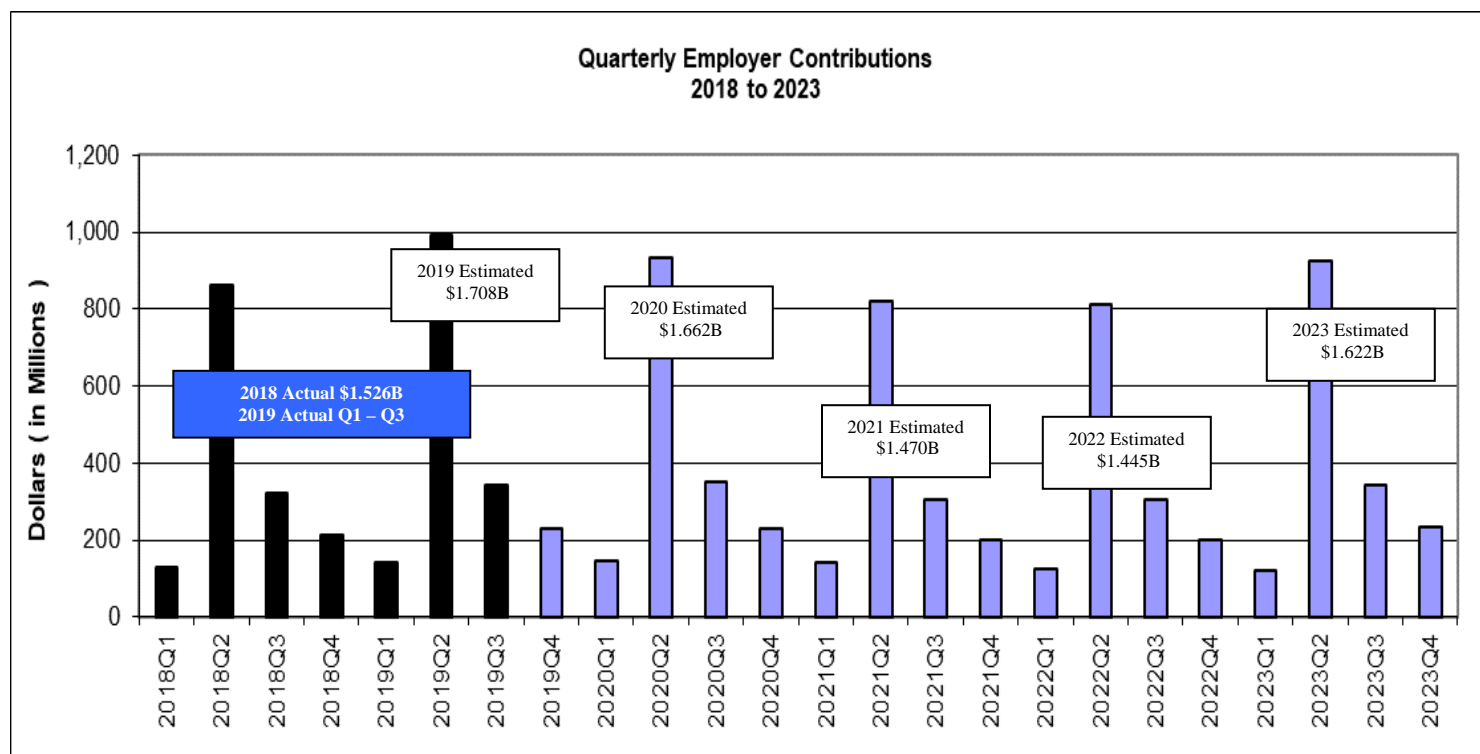




Table 2: EXPERIENCE RATE TABLE

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%	
<b>Employer Account Reserve Percentages</b>								
<b>Negative Percentage</b>								
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	
<b>Positive Percentage</b>								
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 2019 through 2023 are displayed in Tables 3 and 4, below.

**Table 3: Unemployment Trust Fund Projections for the Private Contributory Account, 2019 - 2023**

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

	2018	2019	2020	2021	2022	2023
<b>Balance, January 1</b>	\$861	\$1,101	\$1,577	\$1,846	\$1,754	\$1,514
<b>Income</b>	\$1,526	\$1,708	\$1,662	\$1,470	\$1,445	\$1,622
Trust Fund Interest	\$24	\$30	\$25	\$27	\$24	\$21
<b>Benefit Outlays</b>	\$1,310	\$1,262	\$1,417	\$1,588	\$1,708	\$1,724
Federal Loan Interests						
<b>Balance, December 31</b>	\$1,101	\$1,577	\$1,846	\$1,754	\$1,514	\$1,434
Schedule*	"D"	"E"	"E"	"D"	"D"	"E"
Average Cost/Employee	\$553	\$604	\$584	\$513	\$522	\$591

\* 2018 and 2019 rate schedules set by Legislation, 2020 to 2023 rate schedule projected based on current statutory triggers, calculated with the previous three years average total wages. Taxable Wage Base of \$15,000.

Figures may not add up due to rounding.

**Table 4: UNIS-X Simulation Output**

	2018	2019	2020	2021	2022	2023
Total Covered Payroll (\$Billions)	\$198.0	\$207.3	\$210.2	\$214.5	\$220.1	\$228.2
Contributory Payroll (\$Billions)	\$44.5	\$46.3	\$47.7	\$48.4	\$49.5	\$50.4
Contributory Wage Proportion	22.5%	22.3%	22.7%	22.6%	22.5%	22.1%
Nominal Contribution Rate	3.5%	3.7%	3.7%	3.4%	3.4%	3.7%
Contributions as % of Total Payroll	0.77%	0.82%	0.79%	0.69%	0.66%	0.71%
Benefits as a % of Total Payroll	0.66%	0.61%	0.67%	0.74%	0.78%	0.76%
Trust Fund Balance as % of Total Payroll	0.56%	0.76%	0.88%	0.82%	0.69%	0.63%
Solvency Assessment	0.76%	0.69%	0.76%	0.76%	0.83%	0.88%
AHCM	0.33	0.39	0.45	0.42	0.36	0.33
Covered Employment (Thousands)	3,536	3,618	3,645	3,667	3,689	3,711
Total Unemployment Rate	3.5%	3.0%	3.3%	3.7%	4.0%	4.0%
Insured Unemployment Rate	1.9%	1.7%	1.8%	1.9%	1.9%	1.9%

Source: Economic assumptions are based on Moody's Analytics Data Services forecasts and Massachusetts UNIS-X simulation.

Figures may not add up due to rounding.



Table 5: SOLVENCY OF STATE TRUST FUNDS

June 30, 2019 TRUST FUND BALANCES (Descending Order by Trust Fund Balance - Calculated by Dept of Unemployment Assistance)			
State	Trust Fund Balance (\$000)	As Percent of extrapolated wages most recent 12 months	AHCM
Oregon	\$4,764,931	6.17	2.34
Washington	\$4,682,579	2.69	1.20
Michigan	\$4,626,454	2.50	1.06
Florida	\$4,085,792	1.15	1.08
North Carolina	\$3,820,858	2.15	1.29
California	\$3,717,242	0.39	0.13
Pennsylvania	\$3,480,244	1.41	0.54
New York	\$2,894,761	0.56	0.37
New Jersey	\$2,782,621	1.29	0.65
Georgia	\$2,495,330	1.27	1.11
Texas	\$2,379,456	0.40	0.35
Illinois	\$2,118,168	0.74	0.45
Wisconsin	\$1,877,749	1.74	0.88
Nevada	\$1,717,814	2.94	1.26
<b>Massachusetts*</b>	<b>\$1,673,618</b>	<b>0.80</b>	<b>0.41</b>
Minnesota	\$1,565,306	1.23	0.94
Virginia	\$1,470,804	0.84	1.10
Maryland	\$1,317,546	1.12	0.83
Tennessee	\$1,278,676	1.04	0.98
Ohio	\$1,269,371	0.60	0.29
Iowa	\$1,172,705	2.06	1.45
Utah	\$1,142,348	1.99	1.75
Oklahoma	\$1,139,701	1.79	1.73
Colorado	\$1,137,239	0.88	0.66
Arizona	\$1,097,376	0.93	0.74
Louisiana	\$1,069,379	1.46	1.23
South Carolina	\$1,050,622	1.41	0.92
Missouri	\$1,044,757	0.98	0.79
Kansas	\$951,613	1.66	1.26
Indiana	\$856,369	0.74	0.41
Arkansas	\$829,291	1.99	1.22
Connecticut	\$737,430	0.84	0.39
Alabama	\$720,599	0.99	0.98
Mississippi	\$710,183	2.09	1.89
Idaho	\$670,267	2.79	1.48
Kentucky	\$645,915	0.95	0.52
Hawaii	\$575,554	2.50	1.22
Vermont	\$493,923	5.01	2.36
Rhode Island	\$492,861	2.61	0.80
Maine	\$488,157	2.50	1.26
Alaska	\$476,779	3.78	1.64
New Mexico	\$467,907	1.72	1.18
Nebraska	\$456,777	1.35	1.73
Wyoming	\$357,730	3.69	2.24
Montana	\$348,298	2.19	1.50
New Hampshire	\$313,157	1.09	1.07
West Virginia	\$206,573	0.91	0.44
North Dakota	\$198,386	1.20	1.08
Delaware	\$174,965	0.90	0.69
South Dakota	\$128,121	0.96	1.85
<b>United States**</b>	<b>\$75,405,429</b>	<b>1.14</b>	<b>NA</b>

\* Massachusetts overall trust fund balance.

\*\* United States include Puerto Rico and Virgin Islands

NA: Not Applicable

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 12<sup>th</sup> 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 \$15,000 in wages per employee is covered by UI.

**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.