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TO: Senator Michael Rodrigues, Chair, Senate Committee on Ways and Means
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Representative Stephen Hay, Vice Chair, Joint Committee on Labor and Workforce Development
Michael D. Hurley, Senate Clerk
Steven T. James, House Clerk

FROM: Richard A. Jeffers

DATE: February 10, 2021

SUBJECT: JANUARY 2020 UNEMPLOYMENT INSURANCE TRUST FUND REPORT

The attached January 2021 Unemployment Insurance Trust Fund Report provides information on the trust fund status through the end of 2020. Projections on benefit payments and employer contributions for the private contributory account for 2021 through 2024 remain as first published in the October Outlook Reports. Year-end trust fund balances, however, were revised based on the actual 2020 year-end balance.

The report highlights include:

The preliminary 2020 year-end private contributory account balance was -\$2.368 billion, just \$27 million higher than the projection of -\$2.395 billion. Preliminary 2020 employer contributions totaled \$1.577 billion were \$66 million higher than the projection of \$1.511 billion and benefit payments totaling \$5.927 billion were \$540 million less than projected.

Tax rate schedule G triggered for 2021 employer contributions and the taxable wage base remained at \$15,000.

The 2021 outlook for benefit payments is \$4.821 billion; employer contributions are estimated at \$2.451 billion and the year-end private contributory account balance is now expected to be -\$4.738 billion.

Under the current economic assumptions the projections indicate that interest bearing loans from the federal unemployment account will be required through the 2024 outlook period.

Revised trust fund projections for 2021 to 2024 along with 2025 projections will be released in the February 2021 Outlook Report.

cc: Distribution List