

Updates - November 29, 2021

UI Trust Fund Study Commission

Adjusted rates with new \$45K TWB

- Rates were adjusted to show (1) nominal level and (2) to equal a collection equal to 1% of total covered payroll
- These rates in Example 1 range from 0.36% to 5.49% and collect roughly the same amount of revenue as was collected in 2019
 - This equals a 62% tax rate reduction on a Taxable Wage Base of \$45,000
- To capture more revenue, Example 2 shows a range of rates from 0.42% to 6.47% with roughly \$2.0B in revenue
 - This equals a 55% rate reduction on a Taxable Wage Base of \$45,000
- These rates would be lower than any allowed under even Schedule A

Adjusted rates with new \$55K TWB

- Rates were adjusted to show (1) nominal level and (2) to equal a collection equal to 1% of total covered payroll
- These rates in Example 1 range from 0.29% to 4.48% and collect roughly the same amount of revenue as was collected in 2019
 - This equals a 69% tax rate reduction on a Taxable Wage Base of \$55,000
- To capture more revenue, Example 2 shows a range of rates from 0.36% to 5.49% with roughly \$2.0B in revenue
 - This equals a 62% rate reduction on a Taxable Wage Base of \$55,000
- These rates would be lower than any allowed under even Schedule A

Differential industry impacts

- Evan Horowitz presenting

Principles - Vote

- Principles – Does the commission agree with the principles distributed before this meeting?
 - Yes, these are acceptable (as amended, if needed)
 - No, these are not acceptable
1. The Trust Fund should achieve an Average High Cost Multiple of 1.0.
 2. Changes in UI should increase equity for small businesses or at least not decrease equity.

Next Step Proposal – Vote

- The chairs will submit a progress report to the House and Senate clerks by December 15.
- The chairs will work with staff to draft a skeleton report that includes chair recommendations. These will be released to commission members for consideration 2 weeks prior to a January meeting where they will be discussed and voted on.

Vote:

- Yes, the commission agrees to have chairs and staff compile the skeleton report and recommendations