



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

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MEMORANDUM

TO: Senator Michael Rodrigues, Chair, Senate Committee on Ways and Means
Representative Aaron Michlewitz, House Committee on Ways and Means
Senator Patricia D. Jehlen, Chair, Joint Committee on Labor and Workforce Development
Representative Paul Brodeur, Chair, Joint Committee on Labor and Workforce Development
Michael D. Hurley, Senate Clerk
Steven T. James, House Clerk

FROM: Richard A. Jeffers

DATE: February 20, 2019

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

The attached February Unemployment Insurance Trust Fund Report provides information on the trust fund status through the end January 2019, revised projections for the private contributory account for 2019 to 2022 and new projections for 2023. The projections are based on the January 2019 Moody's Analytics Data Services forecasts as well as 2018 claims and payment activities and employer experience rates.

The report highlights include:

The January 2019 preliminary private contributory account balance was \$1.073 billion, \$2.0 million less than projected as benefit payments were larger than expected.

Employer contribution projections for 2019 are based on a \$15,000 taxable wage base and as set by statute on rate schedule E.

The revised 2019 outlook for benefit payments is \$1.354 billion; employer contributions are estimated at \$1.782 billion and the year-end private contributory account balance is expected to be \$1.561 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