



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: August 22, 2019

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

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

The report highlights include:

The forecast are based on annual unemployments that are three-tenths of a percentage point less than previous estimates for 2021 through 2023.

The July 2019 preliminary private contributory account balance was \$1.737 billion, \$13 million less than projected as employer contributions were lower 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 \$1.293 billion; employer contributions are estimated at \$1.730 billion and the year-end private contributory account balance is expected to be \$1.563 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