



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 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: July 10, 2020

SUBJECT: **JUNE 2020 UNEMPLOYMENT INSURANCE TRUST FUND REPORT**

The attached June 2020 Unemployment Insurance Trust Fund Report provides information on the trust fund status through the end of May. Projections for the private contributory account for 2020 through 2024 remain as published in the May 2020 Outlook Report.

The report highlights include:

The May 2020 year-end private contributory account balance was \$586 million, \$103 million more than projected caused by higher than expected benefit payments and lower employer contributions. Through May, employer contributions of \$1.090 billion were \$41 million less than projected and benefit payments of \$2.323 billion were \$63 million more.

Tax rate schedule E triggered for 2020 employer contributions and the taxable wage base remained at \$15,000.

The 2020 outlook for benefit payments is \$6.392 billion; employer contributions are estimated at \$1.585 billion and an insolvent year-end private contributory account balance expected to be -\$3.194 billion. Massachusetts needed to borrow from the federal unemployment account around the end of June. The loans will be interest-free through December 2020.

cc: Distribution List