

# Actuarial Evaluation 2016

Financial Operations of the  
Pennsylvania Unemployment Compensation Program



Commonwealth of Pennsylvania  
Tom Wolf, Governor

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## **Introduction**

The 2016 Actuarial Evaluation of the Financial Operations of the Pennsylvania Unemployment Compensation (UC) Program is issued pursuant to Section 204.1 of the Pennsylvania UC law as amended July 1985. The projections contained in this report are based on the January 2017 IHS Baseline Forecast of economic activity.

The report analyzes Pennsylvania's UC Trust Fund activity in 2016 and provides a forecast for 2017 through 2019. For each period, the report examines benefit costs, employer and employee contributions, and the net impact on the UC Trust Fund. The forecast incorporates the UC solvency mechanism provided for by the 1988 UC law amendments and an impact analysis of the mechanism on the UC Trust Fund cash flow. Highlights of the analyses and an overview of the economic forecasts and methodologies used to estimate UC activity are provided in the report.

Tables and figures contained within this report provide detailed information and data based in part on the January 2017 IHS Baseline Forecast.

Appendix A is a statistical appendix containing tables pertinent to Pennsylvania's UC program. Definitions of terms used on the tables in the statistical appendix appear on the page preceding each table.

Appendix B is a table of UC recipient demographics.

Appendix C contains tables comparing Pennsylvania's UC program to the programs of other states.

## Contents

	<u>Page</u>
Executive Summary	1
Section 1: 2016 in Review	2
Figure 1.1: January 2016 Forecast Compared to Actual Data	6
Figure 1.2: IHS Forecast Comparison – January 2016 and January 2017	7
Section 2: Outlook for 2017-2019	8
Figure 2.1: U.S. Total Unemployment Rate	8
Figure 2.2: U.S. Gross Domestic Product (percent change)	9
Figure 2.3: PA Total Unemployment Rate	9
Figure 2.4: PA Nonagricultural Employment	10
Figure 2.5: PA Average Annual Wage (percent change)	10
Figure 2.6: PA UC Total Wages	11
Figure 2.7: PA UC Taxable Wages	12
Figure 2.8: PA Insured Unemployment Rate (IUR)	13
Figure 2.9: PA UC Employer and Employee Contributions	14
Figure 2.10: PA UC Net Benefits Paid	15
Figure 2.11: PA UC Net Benefits Paid versus Employer and Employee Contributions	16
Section 3: UC Trust Fund Solvency Trigger Mechanism	17
Figure 3.1: UC Trust Fund Solvency Percentage	18
Figure 3.2: UC Trust Fund Balance Months of Benefits in Reserve	19
Figure 3.3: UC Trust Fund 2016-2019 Cash Flow	20
Section 4: Status of UC Programs and Initiatives	21
Office of Unemployment Compensation Tax Services (OUCTS)	21
Office of Unemployment Compensation Benefits Policy (OUCBP)	22
Office of Unemployment Compensation Service Centers (OUCSC)	23
Appendix A: Statistical Appendix	25
Appendix B: Recipient Demographics	51
Appendix C: State Comparisons	52

## Executive Summary

Pennsylvania's annual average total unemployment rate increased from 5.3 percent in 2015 to 5.4 percent in 2016. Annual average resident employment increased from 6.09 million in 2015 to 6.12 million in 2016.

In 2016, a maximum of 26 weeks of regular UC benefits were available to qualified claimants. No extended benefits (EB) or federal emergency benefits (EUC) were available in 2016.

The status of the UC program in Pennsylvania for 2016 is summarized below. Program details and projections for 2017 through 2019 are included later in this report.

### **Benefit costs**

- Annual benefit costs increased from \$2.15 billion in 2015 to \$2.17 billion in 2016.
- The number of individuals who received UC benefits decreased from 495,478 in 2015 to 471,410 in 2016.
- The average duration of benefits increased from 16.1 weeks in 2015 to 16.4 weeks in 2016.
- The average weekly benefit amount increased from \$376.30 in 2015 to \$391.57 in 2016. The minimum weekly benefit amount for 2016 was \$70 and the maximum benefit amount was \$573.
- Due to the passage of Act 144 of 2016, all weekly benefit amounts will be decreased by 2 percent beginning in 2017. This will reduce the minimum weekly benefit amount to \$68 and the maximum weekly benefit amount to \$561.

### **Employer and Employee Contributions**

- Total employer plus employee contributions increased slightly from \$2.5 billion in 2015 to \$2.6 billion in 2016.
- The average tax rate for employers was 5.9 percent for the first nine months of 2016, compared to 6.1 percent for 2015. Due to a six-month lag in reporting of taxable wages, the average tax rate for all of 2016 is not yet available.
- The interest tax rate for 2016 was 1.1 percent. Revenue from the interest tax was used for repayment of UC bonds.
- The employee tax rate for 2016 was 0.07 percent and will continue at the same rate for 2017.

### **UC Trust Fund**

- The UC Trust Fund balance increased by \$446 million in 2016, from a beginning balance of \$967 million to the year-end balance of \$1.4 billion. The Trust Fund balance is expected to continue to increase in 2017.
- No federal loans were needed in 2016, and none are expected for 2017.
- The outstanding balance remaining on UC bonds (issued in October 2012 to generate \$3.24 billion in bond proceeds to cover outstanding UC debt) decreased from \$1.87 billion at the beginning of 2016 to \$1.47 billion at the end of the year. The bond balance is projected to decrease to just over \$1 billion at the end of 2017.
- The Trust Fund solvency percentage – i.e., the Trust Fund balance minus the outstanding bond balance – as of June 30, 2016 was 0 percent, and is projected to increase to 43 percent on June 30, 2017. Solvency measures are expected to be in effect for 2017 through 2019, and will continue until the solvency percentage reaches 250 percent.

## **Section 1: 2016 in Review**

### **Population, Labor Force, and Unemployment Rate**

In 2016, Pennsylvania's annual average total unemployment rate (TUR) was 5.4 percent, up from 5.3 percent in 2015. Employment in Pennsylvania increased from 6.09 million in 2015 to 6.12 million in 2016. Unemployment also increased, from 341,000 in 2015 to 352,000 in 2016. The civilian labor force increased from 6.43 million in 2015 to 6.47 million in 2016.

*Table A-12 shows population and labor force data for calendar years 1997 through 2016, as well as a monthly breakdown for 2016 and definitions for each field in the table.*

### **Covered Employment and Wages**

As of Dec. 31, 2016, there were 300,099 active employers in Pennsylvania, of which 293,439 were contributory employers and 6,660 were reimbursable employers. This is a decrease of 2,898 from the 302,997 active employers at the end of 2015. For the first nine months of 2016, the average monthly covered employment was 5.6 million, a small increase from 2015. Total wages for the first nine months of 2016 were \$217.5 billion and taxable wages were \$43.6 billion.

*Table A-9 shows covered employment and wages for calendar years 1997 through 2016. Employment and wage information for 2016 reflects data from January through September only, due to a six-month lag in reporting.*

### **Claims Data**

Initial UC claims decreased from 1.1 million in 2015 to 981,000 in 2016. Weeks claimed decreased from 7.4 million in 2015 to 7.1 million in 2016. The annual average insured unemployment rate (IUR), which reflects the ratio of regular UC claims to covered employment, fell from 2.6 percent in 2015 to 2.4 percent for 2016. (The 2016 IUR is based on claims for the full year and the average monthly covered employment for the first nine months of the year.)

*Table A-2 contains claims data and IUR values for 1997 through 2016.*

### **Payment Data**

Regular UC benefit costs increased from \$2.15 billion in 2015 to \$2.17 billion in 2016. The number of weeks paid decreased from 6.3 million in 2015 to 6 million in 2015. The average weekly benefit amount increased from \$376.30 in 2015 to \$391.57 in 2016.

The number of individuals who received regular UC benefits decreased from 495,478 in 2015 to 471,410 in 2016. The number of first payments decreased from 391,726 in 2015 to 367,839 in 2016.

Claimants who received first payments in 2016 had an estimated average duration of 16.4 weeks of benefits, an increase from the 2015 average duration of 16.1 weeks.

Non-monetary determinations decreased from 327,906 in 2015 to 310,964 in 2016.

*Table A-3 contains payment data for 1997 through 2016. Table A-4 is a breakdown by county of UC benefit recipients for 2016. Table A-5 is a breakdown by industry sector of UC benefit recipients for 2016. Table A-6 shows nonmonetary determinations for 1997 through 2016.*

### **Weekly Benefit Rates and Earning Requirements**

For 2016, the minimum weekly benefit rate was \$70, requiring base year earnings of \$3,391 and high quarter earnings of \$1,688-\$1,712. The maximum weekly benefit rate of \$573 required base year earnings of at least \$28,292 and high quarter earnings of \$14,263 or more, with at least 49.5 percent of wages earned outside of the high quarter. These rates and requirements are defined by state UC law and are unchanged since 2013. Because the solvency measures were in effect in 2016, all weekly benefit rates were reduced by 1.7 percent. In addition to their weekly benefit amount, claimants received a dependent allowance of \$5 per week for a spouse or other dependent, as well as an additional \$3 per week if they had two or more dependents.

*Weekly benefit rates and earning requirements are contained in Table A-1. The benefit rates shown in the table do not include the benefit reduction or the dependent allowances.*

### **Employer and Employee Contributions**

Total employer and employee contributions increased from \$2.5 billion in 2015 to \$2.6 billion in 2016. The average tax rate for employers decreased from 6.1 percent in 2015 to 5.9 percent in 2016. The average tax rate for 2016 reflects data from January through September due to a six-month delay in reporting of taxable wages.

The taxable wage base increased from \$9,000 in 2015 to \$9,500 in 2016. The interest tax rate for 2016 was 1.1 percent, the same as it was in 2015. Interest tax revenue was used for UC bond payments.

The employee tax was 0.07 percent for both 2015 and 2016. Five percent of employee tax revenue, or approximately \$10.3 million, was paid to the reemployment fund, and \$56.6 million was paid to the service and infrastructure improvement fund.

*Table A-7 includes the taxable wage base and the average tax rate for calendar years 1997 through 2016. Table A-8 is a summary of tax rates by industry sector for 2016.*

### **UC Trust Fund**

The UC Trust Fund balance increased from \$967 million at the end of 2015 to \$1.4 billion at the end of 2016. Employer and employee contributions exceeded benefit payments for the fifth straight year.

Due to an outstanding bond balance that exceeded the balance in the Trust Fund, the solvency percentage calculated on June 30, 2015, was 0 percent. Since the solvency percentage was less than 250 percent, solvency measures were activated for 2016 at the rates calculated in 2012 to meet the dollar amounts specified by state UC law. The following solvency measures were in effect for 2016:

- Employer surcharge of 5.1 percent (yielded about \$97 million in contributions due)
- Employer additional tax of 0.65 percent (yielded about \$281 million in contributions due)
- Employee tax of 0.07 percent (yielded about \$207 million in contributions due)
- Benefit reduction of 1.7 percent (yielded about \$38 million in savings)

*Table A-11 is a summary of the UC Trust Fund from 1997 through 2016. Table A-10 shows the solvency measure rates and amounts due, as well as the solvency percentages for 1997 through 2016. The solvency percentage calculation and the determination of solvency measure rates are explained in Section 3, titled “UC Trust Fund Solvency Trigger Mechanism”, which appears later in this report.*

### **UC Bonds and Federal Loans**

The UC bond balance decreased from \$1.87 billion at the end of 2015 to \$1.47 billion at the end of 2016. Pennsylvania made bond principal repayments of \$266 million on July 1, 2016, and \$139 million on Jan. 1, 2017. The interest rate on the bond balance was 1.29 percent, compared to 2.23 percent interest on federal loans in 2016. Pennsylvania did not obtain any federal loans in 2016.

Revenue for repayment of the UC bonds was generated through the interest factor, which was set at 1.1 percent in 2016.

*Table A-11 includes bond and loan balances for 1997 through 2016.*

### **Act 144 of 2016**

Act 144 became law on Thursday, Nov. 3, 2016. Here are the primary changes enacted:

- Reduces the percentage of wages that must be earned outside of the high quarter from 49.5 percent to 37 percent for a claimant to qualify for benefits (effective Jan. 1, 2017).
- Adds two tiers to the reserve ratio factor table, raising the maximum reserve ratio rate from 2.7 to 3.2 percent (effective Jan. 1, 2017).
- Reduces weekly benefit rates for all claimants by 2 percent (effective Jan. 1, 2017).
- Caps growth in the maximum weekly benefit rate at 2 percent for 2020-2023 and then 4 percent starting in 2024.
- Includes additional across-the-board benefit reductions (between 0.5 percent and 1 percent) in 2018 and 2019 if the UC Trust Fund solvency percentage does not reach 40 percent on July 1, 2017 or 75 percent on July 1, 2018.
- Includes freezes on the maximum weekly benefit rate for 2020-2023 if the UC Trust Fund solvency percentage is less than 110 percent as of July 1, 2019. A freeze would also be in effect for 2024 if the solvency percentage is less than 215 percent as of July 1, 2023. If the 2024 freeze occurs, the maximum weekly benefit rate would remain frozen until the year after the solvency



percentage reaches at least 250 percent. After 250 percent solvency is reached, the maximum benefit rate would be allowed to grow up to 4 percent annually.

- Includes a change in the determination of a claimant's weekly benefit rate when 250 percent solvency is not reached by July 1, 2025. In this case, instead of the simple measure of the highest quarterly wage, a claimant's benefit amount would be based on the average of the highest quarterly wage and 130 percent of the second highest quarterly wage (not to exceed the amount of the highest quarterly wage). The year after 250 percent solvency is reached, the determination would again use the simple measure of the highest quarterly wage.
- Provides for a three-month amnesty period for employers (including unpaid employer contributions, reimbursements, interest on late contributions, and penalties for late reports) and claimants (including fault overpayments, penalty amounts, non-fault overpayments, and unpaid interest on overpayments). With amnesty, employers receive a reduction of 50 percent on penalties and interest, and claimants receive a reduction of 50 percent on penalties, interest, and the outstanding balance on non-fault overpayments.

## Forecast Comparisons

Figure 1.1 compares the IHS January 2016 forecast that was used to prepare the 2015 Actuarial Evaluation to actual results from 2016. Figure 1.2 compares the January 2017 forecast to the January 2016 forecast.

**Figure 1.1: January 2016 Forecast Compared to Actual Data for 2016**  
(Dollars in Millions)

	Forecast	Actual
Beginning Trust Fund Balance	\$967	\$967
Beginning Federal Loan Balance	0	0
Beginning Bond Balance	1,874	1,874
Revenue	2,661	2,620
Employer and Employee Trust Fund Contributions	2,633	2,591
Other Trust Fund Revenues <sup>1</sup>	28	28
Interest Factor Contributions	493	497
Disbursements	2,085	2,172
Benefit Payments	2,085	2,172
Other <sup>2</sup>	0	0
Title XII Federal Loans	0	0
Title XII Federal Loan Repayment from Trust Fund	0	0
Title XII Federal Loan Repayment from FUTA Credit Reduction <sup>3</sup>	0	0
Title XII Federal Loan Interest Due on September 30	0	0
Bonds <sup>4</sup>	0	0
Bond Repayment	411	404
Ending Trust Fund Balance	1,543	1,413
Ending Federal Loan Balance	0	0
Ending Bond Balance	1,464	1,470
Trust Fund Balance as of June 30	1,642	1,515
Three-year Average Benefit Cost as of June 30	2,249	2,276
Solvency Percentage as of June 30 <sup>5</sup>	0%	0%
Sources:	Pennsylvania Department of Labor & Industry U.S. Bureau of Public Debt IHS January 2016 Baseline Forecast for Pennsylvania	

<sup>1</sup> Includes other deposits to the Trust Fund, such as special Reed Act distributions from the federal government, interest earnings on Trust Fund reserves, and excess FUTA credit reduction revenues.

<sup>2</sup> Includes other withdrawals from the Trust Fund, such as expenditures from Reed Act subaccounts for administrative purposes.

<sup>3</sup> The FUTA credit reduction was reduced to zero in 2012 due to the repayment in full of the federal loan.

<sup>4</sup> On Oct. 18, 2012, Pennsylvania closed on a \$2.827 billion (par value) UC bond sale generating a total of \$3.244 billion in funds to repay the \$3.185 billion in interim financing that covered the federal loan balance and \$382 million in UC benefit funding through 2012, establish a \$75 million Bond Reserve Fund, and cover the cost of issuance.

<sup>5</sup> Per Act 60 of 2012, the solvency percentage calculation starting in 2012 is based on the nominal Trust Fund balance minus the amount of outstanding federal loans and bond principal.

**Figure 1.2: IHS Forecast Comparison – January 2016 and January 2017**

<b>January 2017 IHS Forecast</b>				
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>United States</b>				
Gross Domestic Product (billions)	\$16,656.1	\$17,033.4	\$17,482.8	\$17,883.3
Percent Change	1.6%	2.3%	2.6%	2.3%
National Total Unemployment Rate	4.9%	4.6%	4.3%	4.1%
<b>Pennsylvania</b>				
Industrial Production Index (2012=100)	100.34	101.49	104.62	106.72
Percent Change	-1.6%	1.2%	3.1%	2.0%
Total Non-ag. Employment (thousands)	5,888.4	5,925.2	5,964.4	6,004.2
Growth Rate	0.9%	0.6%	0.7%	0.7%
Average Annual Wage, total non-ag (thousands)	\$53.3	\$55.3	\$57.7	\$60.1
Growth Rate	1.5%	3.8%	4.3%	4.2%
State Total Unemployment Rate	5.4%	5.3%	4.7%	4.4%

Source: IHS January 2017 baseline forecasts for the United States and Pennsylvania

<b>January 2016 IHS Forecast</b>				
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019<sup>1</sup></b>
<b>United States</b>				
Gross Domestic Product (billions)	\$16,780.6	\$17,274.5	\$17,728.6	
Percent Change	2.7%	2.9%	2.6%	
National Total Unemployment Rate	4.9%	4.9%	4.9%	
<b>Pennsylvania</b>				
Industrial Production Index (2012=100)	104.06	107.05	110.33	
Percent Change	0.3%	2.9%	3.1%	
Total Non-ag. Employment (thousands)	5,897.5	5,943.4	5,980.0	
Growth Rate	0.9%	0.8%	0.6%	
Average Annual Wage, total non-ag (thousands)	\$54.0	\$56.1	\$58.4	
Growth Rate	3.3%	4.0%	4.0%	
State Total Unemployment Rate	4.9%	4.8%	4.8%	

Source: IHS January 2016 baseline forecasts for the United States and Pennsylvania

<sup>1</sup> Projected data for 2019 were not included in the 2015 Actuarial Evaluation.

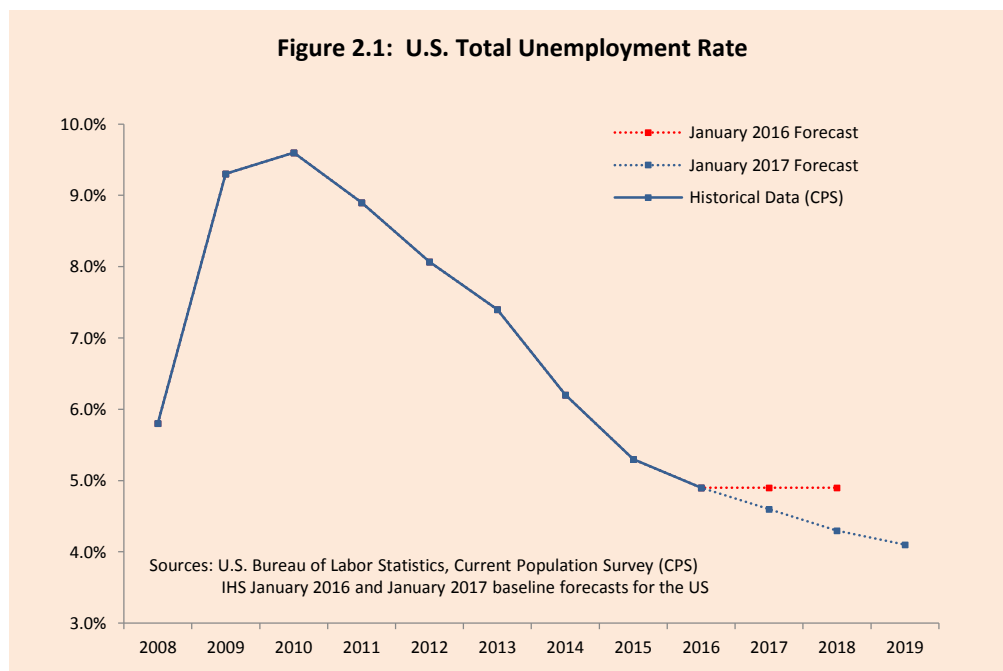
## Section 2: Outlook for 2017-2019

The Pennsylvania Department of Labor & Industry uses IHS Forecasting's economic projections for Pennsylvania and the United States as the basis for projections of UC Trust Fund activity. The key economic forecast indicators used to determine UC benefit costs are Pennsylvania's total unemployment rate and nonagricultural wage and salary employment. Pennsylvania's nonagricultural wages and employment are used to forecast UC revenue activity.

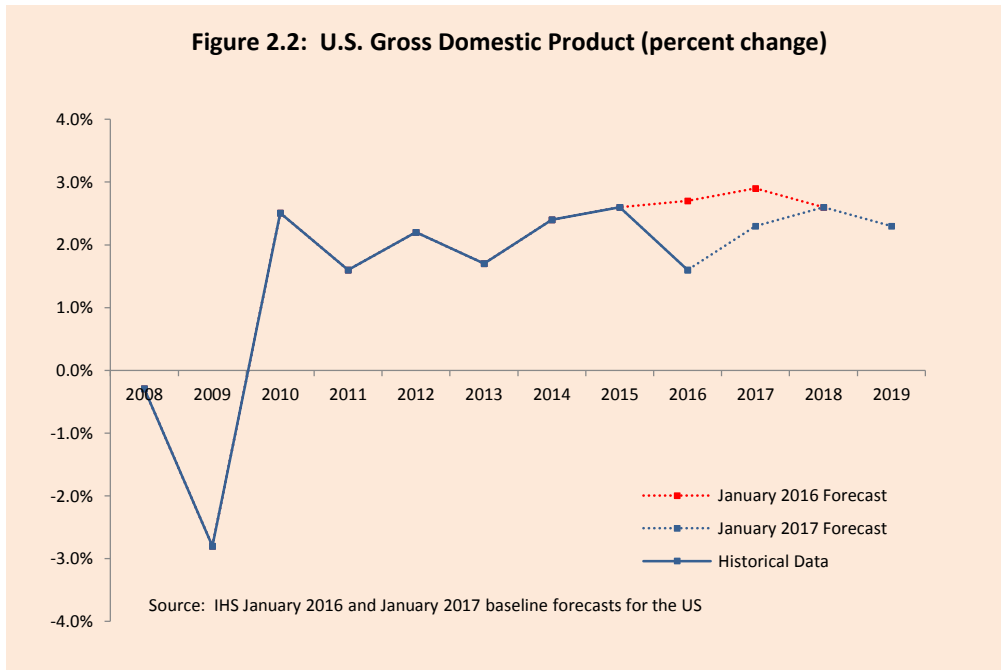
The outlook for 2017-2019 UC activity provided in this report is based on the January 2017 baseline forecast for the nation and Pennsylvania (referred to as the January 2017 IHS forecast). Figures 2.1 through 2.11 provide a comparison of the economic forecast indicators under the January 2017 IHS forecast versus the January 2016 IHS forecast used for the 2015 Actuarial Evaluation of the UC Trust Fund.

### Economic Indicators for the United States

Although they are not used directly in projections of Pennsylvania's UC Trust Fund activity, the U.S. total unemployment rate and the U.S. gross domestic product (GDP) are included as general indicators of the outlook for the U.S. economy in 2016 through 2018.

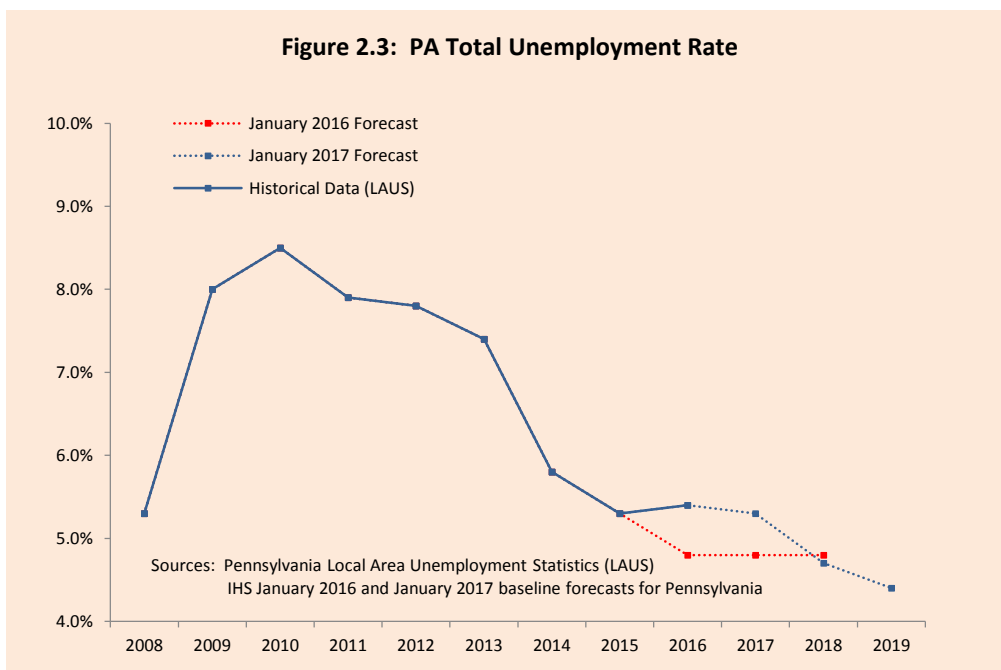


The U.S. total unemployment rate is projected to decrease to 4.6 percent in 2017, 4.3 percent in 2018, and 4.1 percent in 2019.

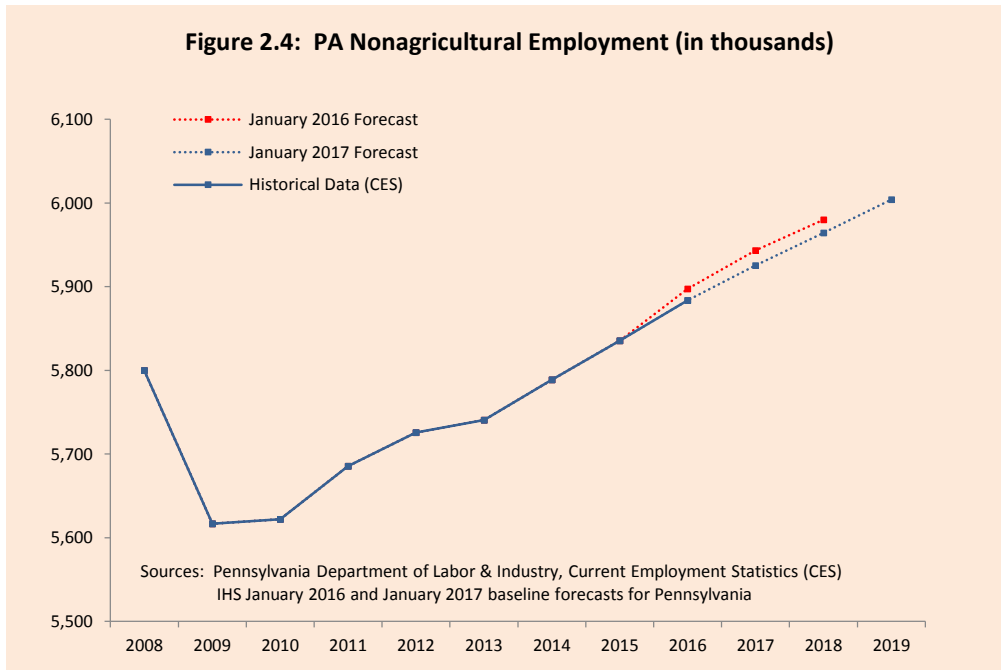


The U.S. gross domestic product is expected to increase by 2.3 percent in 2017, 2.6 percent in 2018, and 2.3 percent in 2019.

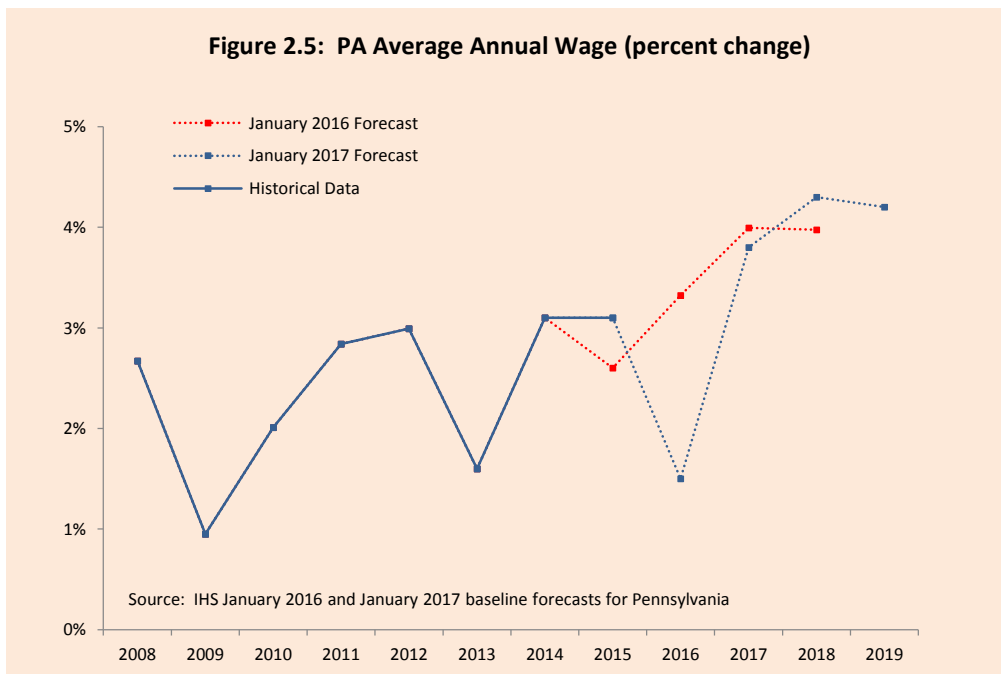
### Economic Indicators for Pennsylvania



Pennsylvania's total unemployment rate is projected to decrease from 5.4 percent in 2016 to 5.3 percent in 2017 and continue to decrease, to 4.7 percent in 2018 and 4.4 percent in 2019.



Pennsylvania’s nonagricultural employment is projected to increase from an estimated 5.88 million in 2016 to 5.93 million in 2017, 5.96 million in 2018, and 6 million in 2019.



Pennsylvania’s estimated average annual wage for 2016 is \$53,300. It is projected to increase by 3.8 percent in 2017, by 4.3 percent in 2018, and by 4.2 percent in 2019.

## UC Wages

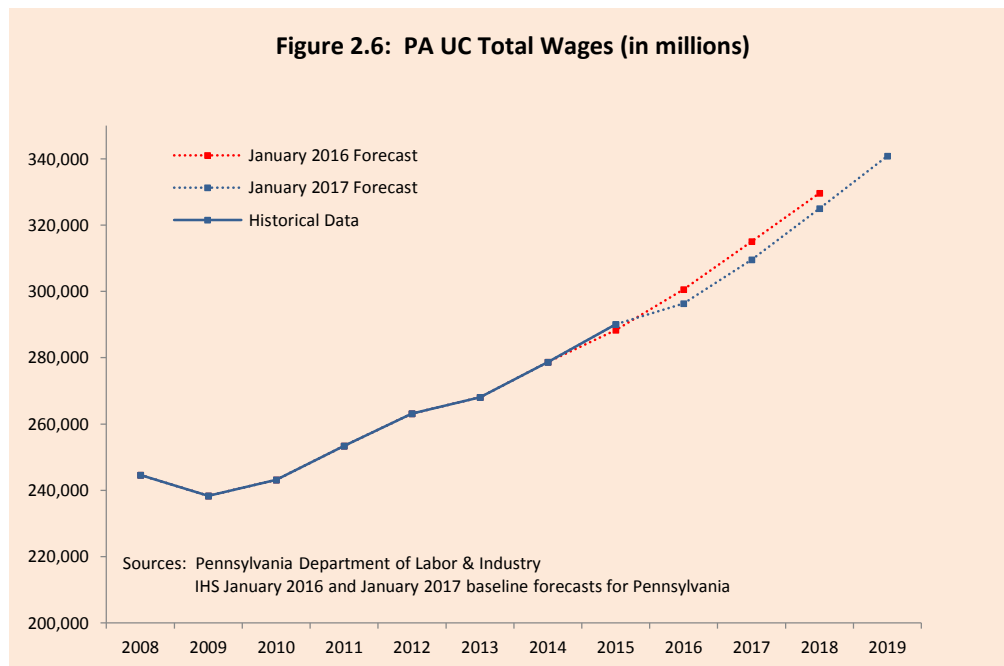
UC total wages are all wages paid by employers that are subject to Pennsylvania's UC law, which includes most employers, with few exceptions. UC taxable wages are wages paid by contributory employers, up to the taxable wage base for each employee. The taxable wage base for 2016 was \$9,500. It will increase to \$9,750 for 2017 and to \$10,000 for 2018 and thereafter.

Wages for 2016 are estimated due to a six-month lag in the reporting of employment and wages.

About 98 percent of Pennsylvania employers are contributory employers. Each of these employers is assigned a tax rate each year, which is based on the employer's UC experience (benefits charged versus taxes paid) and the employer solvency measures in effect. The assigned tax rate is applied to the employer's taxable wages to generate the amount of contributions due.

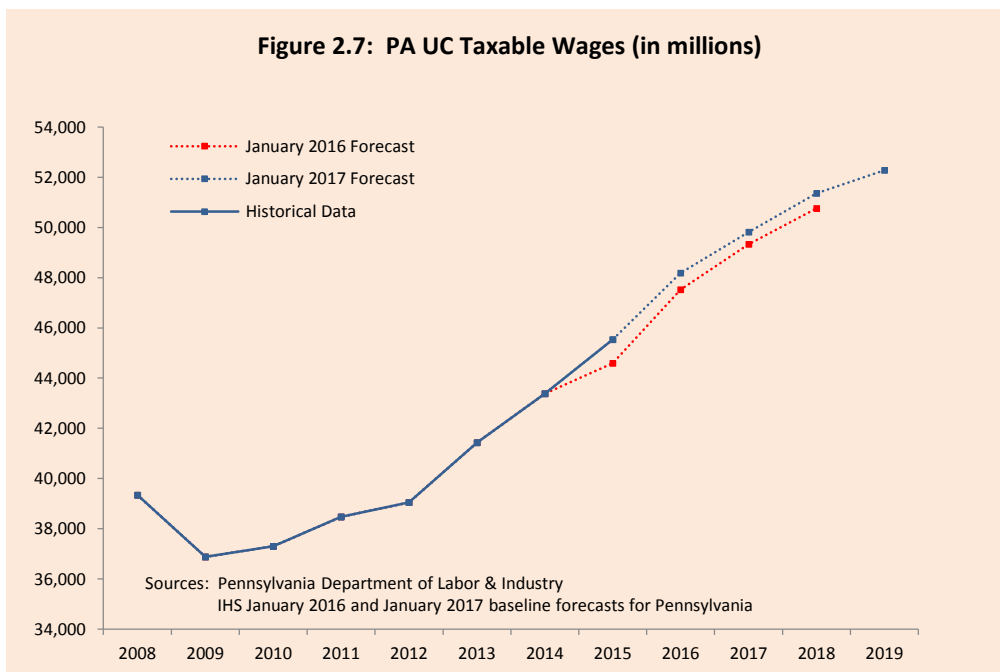
The remaining 2 percent of employers are reimbursable employers. Examples of reimbursable employers are political subdivisions and non-profit organizations. These employers, given the option under UC law to use the contributory or reimbursable method, have elected to reimburse the UC Trust Fund dollar-for-dollar for benefits paid to former employees, rather than pay UC taxes.

All employees who work for employers that are subject to Pennsylvania's UC law must pay the employee tax whenever solvency measures are in effect. The employee tax is assessed on UC total wages.



UC total wages are projected to increase from an estimated \$296.3 billion in 2016 to \$309.6 billion in 2017, \$325 billion in 2018, and \$340.9 billion in 2019.

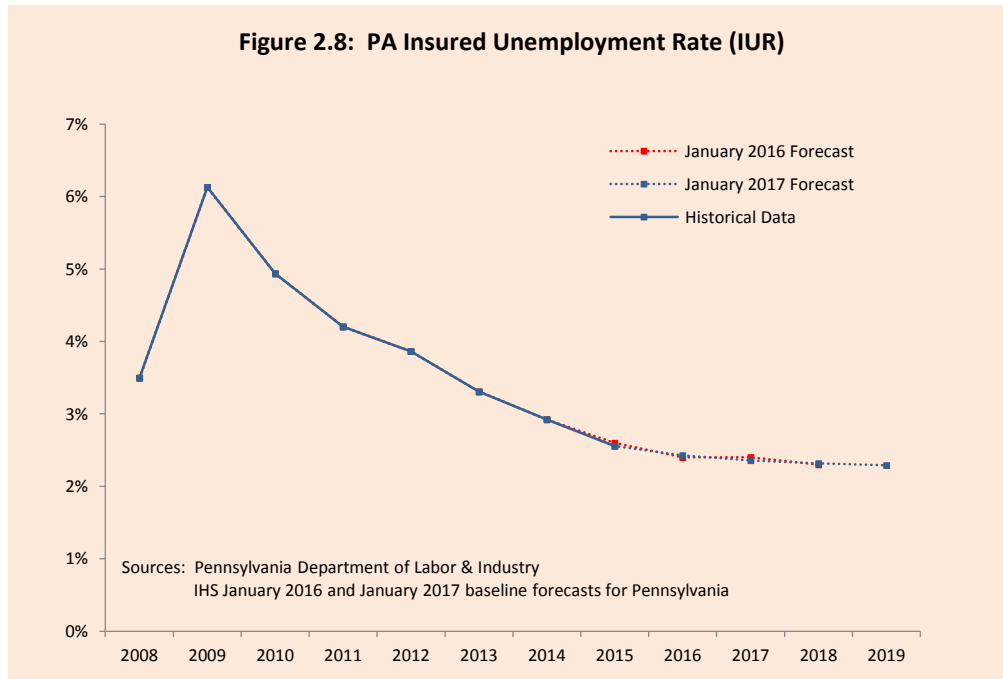
**Figure 2.7: PA UC Taxable Wages (in millions)**



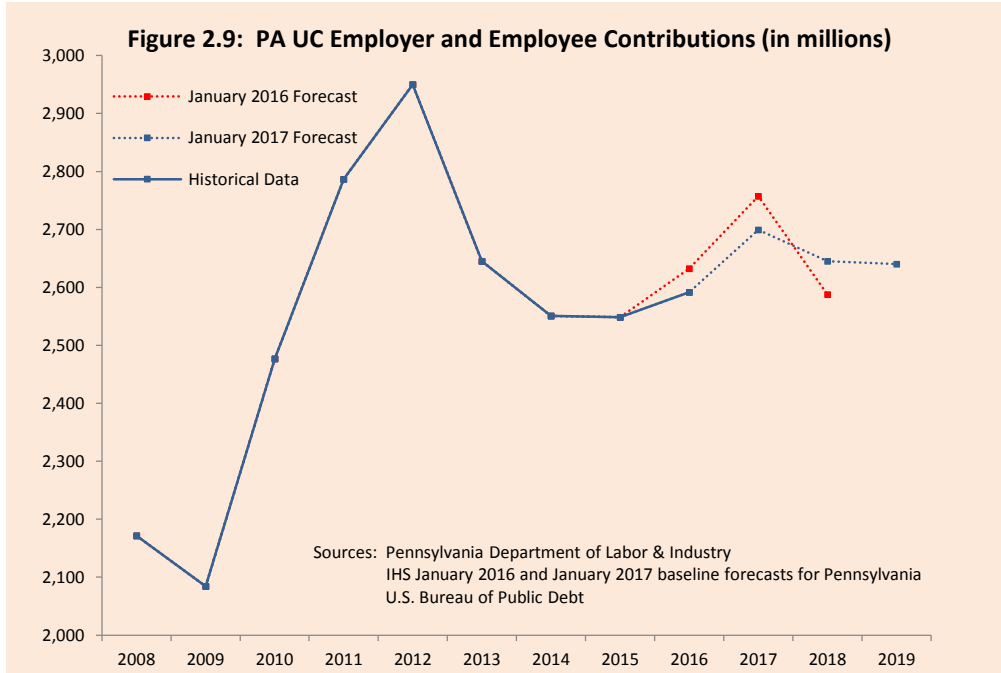
UC taxable wages are projected to increase from an estimated \$48.2 billion in 2016 to \$49.8 billion in 2017, \$51.4 billion in 2018, and \$52.3 billion in 2019. The average UC employer tax rate is projected to decrease from 5.8 percent in 2016 to 5.7 percent in 2017, 5.6 percent in 2018, and 5.5 percent in 2019.



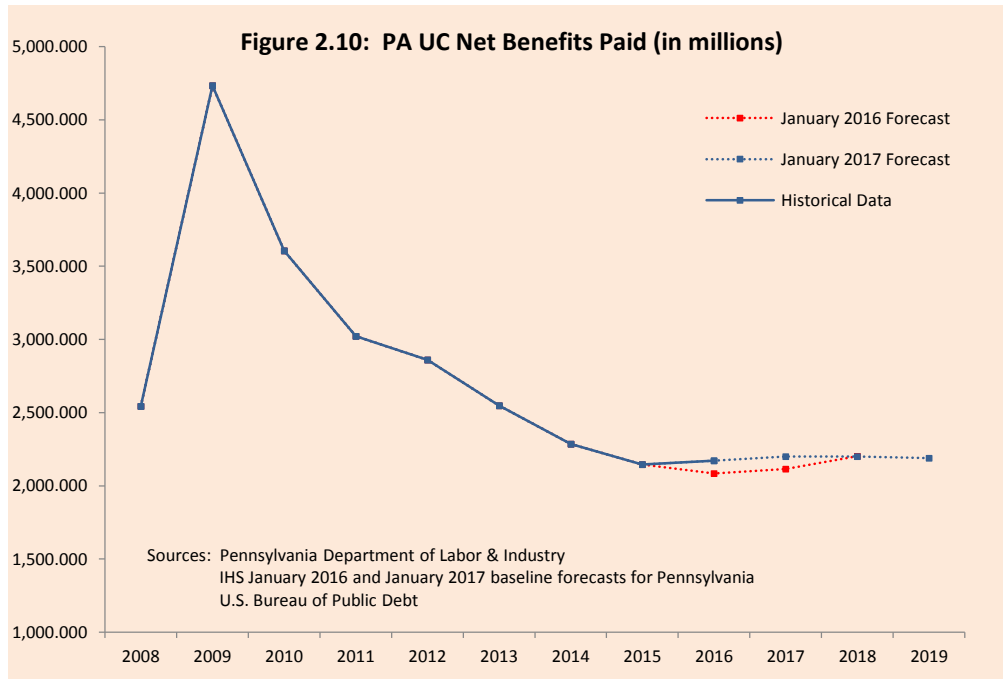
## Insured Unemployment Rate (IUR), Benefits Paid, and Contributions



The insured unemployment rate (IUR) is the ratio of average annual weekly UC continued claims to average annual covered employment. Due to a six-month lag in reporting, the IUR for 2016 is estimated based on UC covered employment for the first nine months of the year. The estimated IUR for 2016 is 2.4 percent and is projected to remain at 2.4 percent in 2017 and then decrease to 2.3 percent for both 2018 and 2019.



Employer and employee contributions are projected to increase from \$2.6 billion in 2016 to \$2.7 billion in 2017 and then decrease to \$2.6 billion in 2018 and 2019. The decrease in 2018 and 2019 will be due to the recalculation of the solvency measures and the statutory decrease of the state adjustment factor (SAF) from 0.85 percent to 0.75 percent starting in 2018.



UC net benefits paid are projected to hold steady at approximately \$2.2 billion for 2016 through 2019.

The average weekly benefit amount (based on weeks paid for total unemployment) is forecast to decrease from \$391.57 in 2016 to \$386 in 2017, then to increase to \$402 in 2018 and \$419 in 2019.

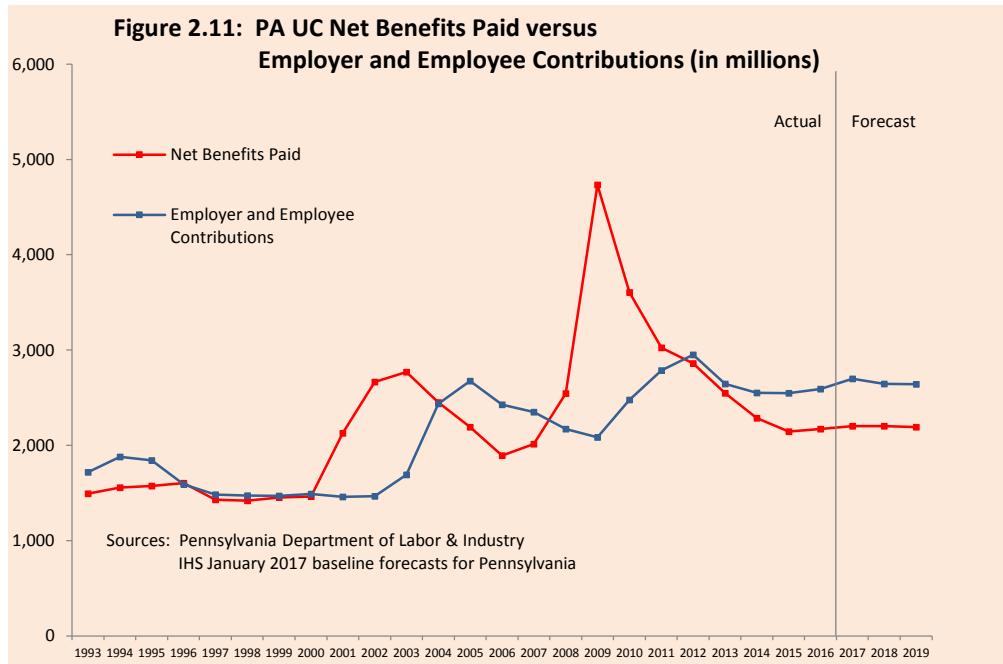


Figure 2.11 illustrates the relationship between benefits and contributions, and also shows how the solvency trigger mechanism causes employer and employee contributions to rise as a delayed response to an increase in benefits during periods of higher unemployment. Contributions increased following the 2009 recession, have exceeded benefits paid since 2012, and are expected to remain greater than benefits paid through 2019.

### **Section 3: UC Trust Fund Solvency Trigger Mechanism**

Pennsylvania's UC law was amended in October 1988 to include a solvency trigger mechanism. The amendment provided that a measurement, in the form of a solvency percentage, be taken each July 1, starting in 1989. The solvency percentage determines the trigger level, which in turn activates specified tax measures for both employers and employees and triggers "on" or "off" a reduction to UC benefits in the subsequent calendar year.

The solvency percentage is calculated annually on July 1 by dividing the UC Trust Fund balance as of June 30 by the average yearly benefit cost for the past three fiscal years. Under Act 60 of 2012, if the solvency percentage is less than 250 percent, all of the solvency measures are triggered "on" for the following calendar year.

Effective in 1992 and each fifth year thereafter, the UC law requires the solvency measure rates to be redetermined to derive a targeted annual dollar amount for each solvency measure. Rates are redetermined based on the prior calendar year's benefit and contribution activity and are effective in the following calendar year. Rates for 2013-2017 were redetermined in 2012 based on contribution and benefit activity for 2011.

#### **Solvency Measures for 2017 (based on contribution and benefit activity for 2011)**

	<b>Target Amount</b>	<b>Rate</b>
Employer surcharge	\$100,000,000	5.1%
Employer additional contributions	\$225,000,000	0.65%
Employee tax	\$166,666,666	0.07%
Benefit reduction	\$52,000,000	1.7%

#### **Solvency Measures for 2018 and 2019 (based on projected contribution and benefit activity for 2016)**

	<b>Target Amount</b>	<b>Rate</b>
Employer surcharge	\$100,000,000	5.3%
Employer additional contributions	\$225,000,000	0.5%
Employee tax	\$166,666,666	0.06%
Benefit reduction	\$52,000,000	2.4%

The employer surcharge is assessed on each employer's contributions due. The surcharge is not assessed on additional contributions. Reimbursable employers are excluded from the surcharge.

The rate of employer additional contributions is added to each employer's assigned rate. Additional contributions are not subject to the employer surcharge. New employers and reimbursable employers are excluded from additional contributions.

The employee tax is assessed on all gross UC-covered wages for each employee.

**Projected Revenue from Solvency Measures (millions)**

	2017	2018	2019
Employer surcharge	\$103	\$102	\$105
Employer additional contributions	\$290	\$230	\$234
Employee tax	\$217	\$195	\$205
Benefit reduction	\$38	\$54	\$54

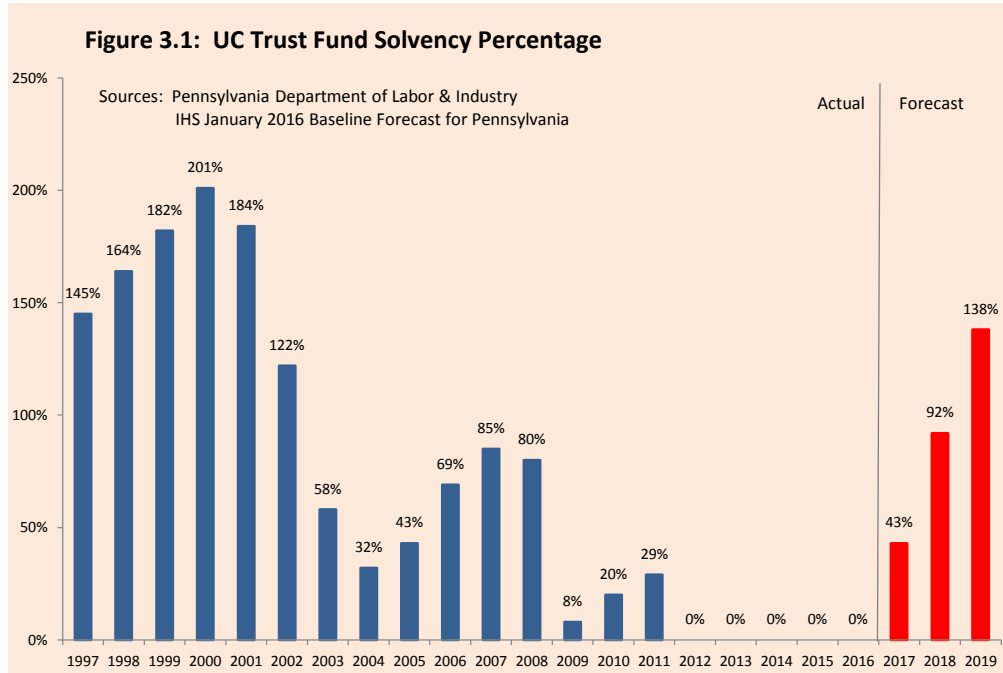
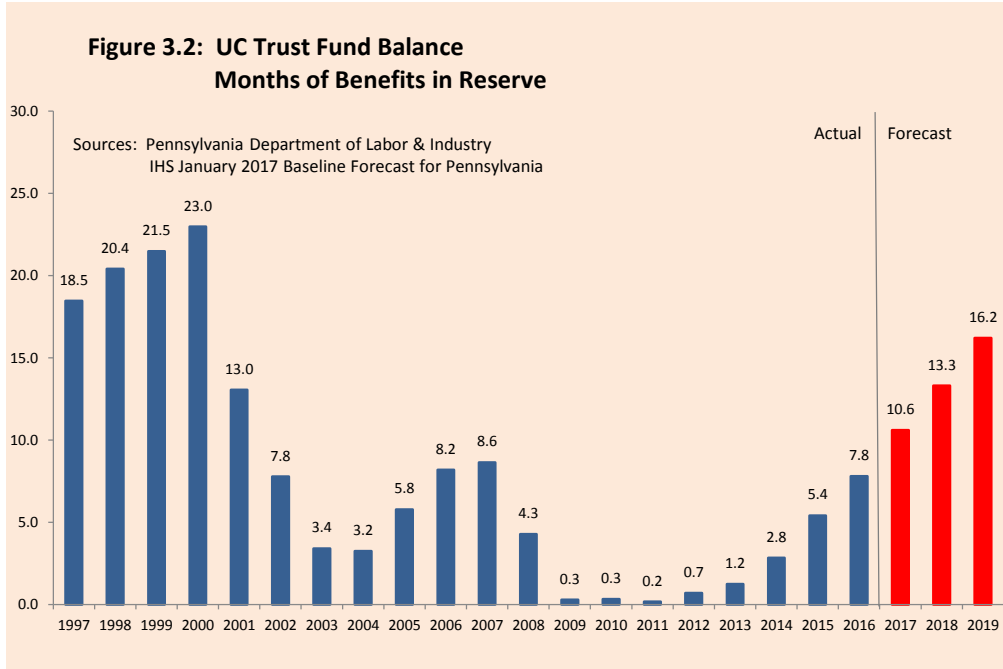


Figure 3.1 shows the annual UC Trust Fund solvency percentage. The solvency percentage for each year is the UC Trust Fund balance on June 30 divided by the three-year average for net benefits paid ending the same day. Per Act 60, starting in 2012 the amount of outstanding bonds or federal loans is subtracted from the Trust Fund balance for this calculation.



The number of months of benefits held in reserve in the UC Trust Fund is calculated using the Trust Fund balance at the end of the year and the total benefits paid during the previous 12 months.

**Figure 3.3: UC Trust Fund 2016-2019 Cash Flow  
(Dollars in Millions)**

	Actual	Forecast		
	2016	2017	2018	2019
Beginning Trust Fund Balance	\$967	\$1,413	\$1,948	\$2,441
Beginning Federal Loan Balance	0	0	0	0
Beginning Bond Balance	1,874	1,470	1,020	528
Employer and Employee Trust Fund Contributions	2,591	2,699	2,645	2,640
Trust Fund Interest Earned	28	37	49	60
Interest Factor Contributions <sup>1</sup>	497	515	535	541
Benefit Payments	2,172	2,200	2,200	2,190
Title XII Federal Loans	0	0	0	0
Title XII Federal Loan Repayment from Trust Fund	0	0	0	0
Title XII Federal Loan Repayment from FUTA Credit Reduction <sup>2</sup>	0	0	0	0
Title XII Federal Loan Interest Due on September 30	0	0	0	0
Bonds <sup>3</sup>	0	0	0	0
Bond Repayment	404	450	492	528
Ending Trust Fund Balance	1,413	1,948	2,441	2,951
Ending Federal Loan Balance	0	0	0	0
Ending Bond Balance	1,470	1,020	528	0
Trust Fund Balance as of June 30	1,515	2,099	2,675	3,176
Three-year Average Benefit Cost as of June 30	2,276	2,166	2,156	2,158
Solvency Percentage as of June 30 <sup>4</sup>	0%	43%	92%	138%
Sources: Pennsylvania Department of Labor & Industry U.S. Bureau of Public Debt IHS January 2017 Baseline Forecast for Pennsylvania				

<sup>1</sup> Interest factor contributions are deposited into the Debt Service Fund to cover bond debt service and Title XII federal loan interest.

<sup>2</sup> The FUTA credit reduction was reduced to zero in 2012 due to the repayment in full of the federal loan.

<sup>3</sup> On Oct. 18, 2012, Pennsylvania closed on a \$2.827 billion (par value) UC bond sale generating a total of \$3.244 billion in funds to repay the \$3.185 billion in interim financing that covered the federal loan balance and \$382 million in UC benefit funding through 2012, establish a \$75 million bond reserve fund, and cover the cost of issuance.

<sup>4</sup> Per Act 60 of 2012, the solvency percentage calculation starting in 2012 is based on the nominal UC Trust Fund balance minus the amount of outstanding federal loans and bond principal.



## **Section 4: Status of UC Programs and Initiatives**

### **Office of Unemployment Compensation Tax Services (OUCTS) Accomplishments and Customer Focus**

Below are some highlights of activity completed by OUCTS during calendar year 2016:

- Provided UC services to over 300,099 employers
- Responded to 103,073 customer telephone calls
- Processed 1,148,328 quarterly tax returns
- Received 44,102 new employer registrations
- Issued 16,815 clearance certifications
- Revised 13,973 employer contribution rates
- Established 1,728 payment plans covering delinquencies of \$28.6 million
- Filed 6,441 liens covering delinquencies of \$56 million
- Collected and deposited approximately \$2.6 billion of employee and employer UC tax contributions into the UC Trust Fund, representing timely and delinquent payments
- Received 99.3 percent of all filed reports electronically for 3<sup>rd</sup> quarter 2016
- Received over 92 percent of all tax dollars electronically for all quarters of 2016
- Issued 2,111 refunds to employers for a total of \$5.15 million
- Completed 4,061 employer audits on gross payroll of \$5.25 billion
- Discovered 29,327 misclassified or unreported workers and \$11.1 million in underreported taxes (net underreported taxes were \$10.4 million after including overreported taxes)
- Recommended 586 writs of executions against bank accounts, of which 500 were successfully closed resulting in total collections of \$2.3 million
- Through an agreement with the Philadelphia District Attorney's office, secured 119 UC tax reports, collected \$771,000 in UC tax payments, and established 25 payment plans
- Processed 1,172 offsets that yielded \$1.8 million in collections in 2016 through the Treasury Offset Program (TOP), a debt collection program that authorizes the United States Department of the Treasury to intercept federal income tax refunds from employers to repay their delinquent state UC tax debt

## **Office of Unemployment Compensation Benefits Policy (OUCBP)**

### **State Information Data Exchange System (SIDES)**

By implementing the State Information Data Exchange System (SIDES), the Pennsylvania Department of Labor & Industry is electronically transmitting UC information requests to participating employers instead of sending them in the mail. As of January 2017, the following third-party administrators participate in SIDES: Equifax, ADP, Employers Edge, Personnel Planners, Thomas & Company, Corporate Cost Control, Dunn Corporate Resources, Ernst and Young, Barnett an Equifax Co, Premier Employer Solutions, NSN Employer Services, Matrix Claims Management and Sedgwick CMS. These third-party administrators handle over 11,000 employer accounts. There are currently over 11,175 employers enrolled in the SIDES E-Response system that interacts directly with employers, including the Pennsylvania Department of Labor & Industry. Transmitting UC requests for information electronically not only saves money, but also promotes timely and accurate employer responses.

### **Shared-Work Program**

The Shared-Work Program is an alternative to employers having to lay off their trained workforce during economic downturns. A Shared-Work plan provides partial benefits to a group of employees when an employer temporarily reduces their work hours. On Jan. 29, 2015, the United States Department of Labor approved Pennsylvania's two Shared-Work grant requests designed to implement enhancements and promote awareness of the program over the next five years. In 2016, the Pennsylvania Department of Labor & Industry accomplished several goals, as outlined in the grants. We worked with a professional marketing firm to develop a logo and a professional branded image that will allow us to promote Shared-Work in an organized and cohesive manner. Additionally, we launched a digital media ad campaign. In 2016, 19 unique companies and 802 employees participated in the Shared-Work program.

### **Treasury Offset Program (TOP)**

During 2016, the Pennsylvania Department of Labor & Industry recovered approximately \$10.1 million from claimants' federal income tax refunds. Since the program's inception in 2011, the Pennsylvania Department of Labor & Industry has recouped approximately \$78 million in fraudulent UC and EB overpayments via TOP.

### **Interstate Reciprocal Overpayment Recovery Arrangement (IRORA)**

During 2016, the Pennsylvania Department of Labor & Industry allocated \$394,889 in claimants' UC benefits towards their out-of-state overpayments. The Pennsylvania Department of Labor & Industry also applied \$671,443 in claimants' out-of-state benefits towards their overpayments in Pennsylvania.

### **Pennsylvania New Hire Program**

During calendar year 2016, the Pennsylvania Department of Labor & Industry's new hire cross-match, which includes the State Directory of New Hires (SDNH) and National Directory of New Hires (NDNH), detected 4,777 overpayments in UC benefits. There was a total of \$3.1 million dollars written in overpayments and \$2.3 million dollars of that total has been recovered to date.

### **Trade Adjustment Assistance (TAA)**

TAARA 2015 extends the TAA program through June 30, 2021. During 2016, 91 TAA petitions were certified under TAARA 2015. As a result, 20,005 Pennsylvania workers were notified of their eligibility to apply for TAA. During this period, approximately \$21.2 million of TRA benefits were paid. In 2016, 537 claimants were paid RTAA benefits and 61 claimants were paid ATAA benefits, for a total of \$2.1 million.

## Office of Unemployment Compensation Service Centers (OUCSC) Accomplishments and Customer Focus

In 2016, Pennsylvania's OUCSC:

- Completed a total of 1.4 million telephone calls
- Processed a total of 981,496 initial claims
- Processed a total of 7,092,608 continued claims, including approximately 66 percent filed via the internet
- Issued 310,964 non-monetary determinations for UC eligibility

### Limited English Proficiency (LEP)

OUCSC updates its Service Plan for Individuals with LEP on an annual basis in accordance with federal regulation and law.

Claimants who primarily speak Spanish are able to utilize both internet and telephone applications to open claims and file for UC benefits. In 2016, 44,123 continued claims were filed via the internet. Pennsylvania Teleclaims (PAT), an interactive voice response continued claims filing system, is available in Spanish at a special toll-free number. Currently, OUCSC and OUCBP have 40 forms and publications available in Spanish.

If the individual has difficulty communicating in English, the UC representative utilizes an over-the-phone language contractor to assist in determining the claimant's language needs, and provides appropriate service. In 2016, OUCSC/OUCBP used language services for 16,883 calls in 58 different languages. Additionally, 18 bi-lingual service center agents are available to assist Spanish-speaking claimants. Changes to OUCSC's automated call distribution system allowed for expanded use of Spanish-speaking agents to assist claimants, instead of relying more on the language contractor, resulting in a cost savings of \$139,417 from Nov. 19, 2015 to Dec. 31, 2016.

### Videophone Service for the Deaf

OUCSC provides videophone service for claimants who are deaf. Individuals who are deaf may use the videophone service to file claims for UC benefits and ask questions about their claims. Videophone service is provided in HOC and is available every Wednesday, from noon to 4 p.m. In 2016, 303 videophone calls were handled from the deaf community.

### The UC Role in Rapid Response Services

Pennsylvania Department of Labor & Industry's Rapid Response Services are a collaboration between OUCSC and the Bureau of Workforce Development Partnership. When job separations occur, Rapid Response Services can help by meeting with the unemployed individuals and explaining UC and other reemployment services. The sooner services are made available to the unemployed, the sooner the impact of layoffs are diminished.

Here are the number of Rapid Response meetings and attendees over the last three years:

<u>Year</u>	<u>Rapid Response Meetings</u>	<u>Rapid Response Meeting Attendees</u>
2014	460	8,911
2015	507	9,592
2016	449	8,899

### **The OUCSC Role with Employers**

OUCSC supports the Pennsylvania Department of Labor & Industry’s speaker bureau by helping to explain the UC program to employers in various interactive settings. Workforce Development Representatives (WDRs) in each of the service centers located throughout the commonwealth conduct presentations that explain all of the basic issues relating to employers. In addition, experts from UC Tax Services and the UC Board of Review are available to help employers better understand UC, including how to keep their UC costs at a minimum. The Pennsylvania Department of Labor & Industry has increased efforts to educate employers in understanding the various changes to UC law and procedures in recent years.

<u>Year</u>	<u>Employer Seminars</u>	<u>Attendees</u>
2014	101	1,995
2015 <sup>1</sup>	83	1,127
2016 <sup>2</sup>	71	965

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<sup>1</sup> The ongoing commonwealth budget impasse necessitated the cessation of the majority of employer seminars as of October 1, 2015.

<sup>2</sup> Budgetary issues have reduced the Pennsylvania Department of Labor & Industry’s ability to provide UC seminars to employers.

## Appendix A: Statistical Appendix

		Page
Table A-1	Weekly Benefit Rates and Earnings Requirements	27
Table A-2	Unemployment Compensation Claim Activities	29
Table A-3	Unemployment Compensation Payment Activities	31
Table A-4	Benefit Recipients by County	33
Table A-5	Benefit Recipients by Industry Sector	35
Table A-6	Unemployment Compensation Nonmonetary Determinations	37
Table A-7	Employer Contribution Factors	39
Table A-8	Summary of Tax Rates by Industry	41
Table A-9	Covered Employment and Wages	43
Table A-10	Unemployment Compensation Solvency Measures	45
Table A-11	Unemployment Compensation Trust Fund Summary	47
Table A-12	Population and Labor Force Data	49

## Appendix B: Recipient Demographics

		Page
Table B-1	Recipient Demographics	51

## Appendix C: State Comparisons

		Page
Table C-1	Comparison of State UC Data	53
Table C-1A	Comparison of State UC Data (Pennsylvania and Neighboring States Only)	54

## **Definitions for Table A-1**

### **Weekly Benefit Rates and Earning Requirements**

**Minimum Weekly Benefit Rate**

Lowest amount of weekly unemployment compensation (UC) benefits available under Pennsylvania's UC law before deductions (e.g., for pensions).

**Maximum Weekly Benefit Rate**

Highest amount of weekly UC benefits established by Pennsylvania's UC law before deductions (e.g., for pensions) or supplements (e.g., for dependent allowance).

**Earning Requirement, High Quarter**

Amount of an individual's highest quarterly wages needed to qualify for a particular weekly benefit rate – used in combination with the base year earning requirement to determine benefit eligibility.

**Earning Requirement, Base Year**

Amount of wages during a four quarter period needed to qualify for benefits – used in conjunction with the high quarter earning requirement to determine the weekly benefit rate.

**Table A-1**  
**Weekly Benefit Rates and Earning Requirements**

Year	Minimum			Maximum			Benefit Reduction
	Weekly Benefit Rate <sup>1</sup>	Earning Requirement		Weekly Benefit Rate <sup>1</sup>	Earning Requirement		
		High Quarter	Base Year		High Quarter	Base Year	
1997	\$35	\$800-812	\$1,320	\$362	\$8,988	\$14,400	none
1998	35	800-812	1,320	375	9,313	14,920	none
1999	35	800-812	1,320	393	9,763	15,640	none
2000	35	800-812	1,320	408	10,138	16,240	none
2001	35	800-812	1,320	430	10,688	17,120	none
2002	35	800-812	1,320	442	10,988	17,600	none
2003	35	800-812	1,320	451	11,213	17,960	none
2004	35	800-812	1,320	461	11,463	18,360	none
2005	35	800-812	1,320	478	11,888	19,040	2.3%
2006	35	800-812	1,320	497	12,363	19,800	2.3%
2007	35	800-812	1,320	520	12,938	20,720	none
2008	35	800-812	1,320	539	13,413	21,480	none
2009	35	800-812	1,320	558	13,888	22,240	none
2010	35	800-812	1,320	564	14,038	22,480	2.3%
2011	35	800-812	1,320	573	14,263	22,840	2.3%
2012	35	800-812	1,320	573	14,263	22,840	2.3%
2013	70	1,688-1,712	3,391	573	14,263	28,292 <sup>2</sup>	1.7%
2014	70	1,688-1,712	3,391	573	14,263	28,292 <sup>2</sup>	1.7%
2015	70	1,688-1,712	3,391	573	14,263	28,292 <sup>2</sup>	1.7%
2016	70	1,688-1,712	3,391	573	14,263	28,292 <sup>2</sup>	1.7%

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> Weekly benefit rates do not include \$5 for first dependent and \$3 for second dependent.

<sup>2</sup> At least 49.5 percent of wages must be earned outside of the high quarter.

## **Definitions for Table A-2 UC Claim Activities**

### **Insured Unemployment Rate (IUR)**

Ratio of the average annual weekly number of persons claiming UC benefits to average annual covered employment - calculated by dividing average annual weekly continued weeks claimed by average annual covered employment.

### **Initial Claims**

Notices of unemployment filed to request a determination of entitlement to and eligibility for compensation in a new benefit year (period of eligibility) following a period of employment or to begin a second or subsequent period of eligibility within the benefit year following interim employment - included are transitional claims which provide another period of eligibility (benefit year) based on a second determination of entitlement without a period of employment separating the end of the first benefit year from the beginning of the second.

### **New Claims**

Type of initial claim representing an individual's first separation from employment for which a determination of benefit eligibility is requested.

### **Weeks Claimed**

Requests for benefits filed by claimants which certify to the fact the claimants experienced total, partial, or part-total unemployment for given weeks (includes waiting weeks claimed and requests subsequently denied).

### **Waiting Weeks Claimed**

First week of unemployment in a benefit year for which individuals do not receive benefits but must meet UC eligibility requirements in order to qualify for benefits for subsequent weeks of unemployment.



**Table A-2  
Unemployment Compensation Claim Activities**

<b>Year</b>	<b>IUR</b>	<b>Initial Claims</b>	<b>New Claims</b>	<b>Weeks Claimed</b>	<b>Waiting Weeks</b>
1997	2.8%	1,101,409	569,514	7,615,908	502,559
1998	2.7%	1,138,641	567,585	7,312,502	493,259
1999	2.6%	1,036,558	535,309	7,099,459	494,849
2000	2.4%	983,951	538,767	6,882,190	495,799
2001	3.3%	1,309,511	707,974	9,269,080	664,459
2002	3.9%	1,314,267	716,947	10,843,412	709,960
2003	4.0%	1,341,118	726,556	11,205,336	697,212
2004	3.4%	1,177,499	640,967	9,515,424	605,155
2005	3.1%	1,148,256	614,444	8,728,555	570,225
2006	3.0%	1,176,669	596,054	8,496,746	574,111
2007	3.0%	1,250,476	621,639	8,535,079	590,835
2008	3.5%	1,445,344	747,708	10,102,236	702,410
2009	6.1%	2,026,055	962,106	17,099,144	963,009
2010	4.9%	1,577,833	806,635	13,763,953	795,540
2011	4.2%	1,469,617	777,116	11,875,753	729,762
2012	3.9%	1,425,911	754,499	11,006,549	682,125
2013	3.3%	1,321,334	724,169	9,458,413	602,372
2014	2.9%	1,146,000	623,366	8,427,164	550,536
2015	2.6%	1,073,923	584,048	7,440,503	513,241
2016	2.4% <sup>1</sup>	981,496	538,860	7,092,608	478,529

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> Preliminary rate based on actual 2016 claims activity and a 2016 covered employment estimate based on the first nine months of the year due to a six-month lag in the reporting of covered employment and wages.

## **Definitions for Table A-3 UC Payment Activities**

### **Number of Recipients**

The number of claimants who received at least one payment during the calendar year.

### **First Payments**

First benefit payment a claimant receives for a week of unemployment in a benefit year.

### **Final Payments**

Number of claimants drawing the final payment of their original entitlement in a benefit year under the regular state UC program.

### **Weeks Paid**

The number of weeks claimed for which UC benefits are paid. Weeks compensated for partial unemployment are included.

### **Net Benefits Paid**

Net amount withdrawn from the UC Trust Fund to pay regular state UC benefits. Includes adjustments to original amounts paid such as returned and redeposited payments.

### **Average Weekly Benefit Amount**

The average weekly benefit amount is the benefits paid for total unemployment during the year divided by the number of weeks for which benefits were paid (weeks compensated for total unemployment). Payments for partial unemployment are excluded from both numerator and denominator.

### **Average Duration**

Average number of regular UC weeks paid per claimant for a given time period - calculated by dividing the number of weeks compensated by the number of first payments.

**Table A-3**  
**Unemployment Compensation Payment Activities**

Year	Number of Recipients	First Payments	Final Payments	Weeks Paid	Net Benefits Paid	Average Weekly Benefit <sup>1</sup>	Average Duration (Weeks)
1997	534,854	429,874	111,217	6,881,145	\$1,429,864,000	\$227.50	16.0
1998	520,240	418,539	104,690	6,516,439	1,417,968,000	237.77	15.6
1999	504,118	402,078	102,613	6,328,215	1,450,836,000	250.56	15.7
2000	489,769	396,227	96,622	6,019,988	1,463,846,000	264.76	15.2
2001	636,670	545,596	128,679	8,178,922	2,128,215,000	281.52	15.0
2002	710,085	560,805	197,968	9,681,140	2,665,274,000	291.06	17.3
2003	701,949	566,022	212,711	10,095,011	2,767,815,000	291.84	17.8
2004	625,699	486,975	165,590	8,429,492	2,448,788,000	293.61	17.3
2005 <sup>2</sup>	576,520	461,257	139,872	7,671,548	2,192,245,000	291.89	16.6
2006 <sup>2</sup>	560,513	447,066	133,827	7,346,051	1,891,685,000	301.27	16.4
2007	570,091	461,807	131,934	7,458,854	2,013,558,000	322.93	16.2
2008	658,629	562,343	166,335	9,035,608	2,543,100,000	335.40	16.1
2009	926,315	782,870	355,542	15,354,988	4,735,127,000	352.16	19.6
2010 <sup>2</sup>	772,475	587,347	295,647	11,724,613	3,606,521,000	337.91	19.9
2011 <sup>2</sup>	678,544	530,009	228,135	9,909,169	3,023,271,000	335.18	18.7
2012 <sup>2</sup>	640,828	502,647	204,218	8,980,732	2,859,610,000	348.27	17.9
2013 <sup>2</sup>	584,551	442,654	172,727	7,834,254	2,547,295,000	359.81	17.7
2014 <sup>2</sup>	527,550	413,685	139,418	6,999,112	2,284,758,000	363.77	16.9
2015 <sup>2</sup>	495,478	391,726	114,367	6,307,952	2,145,542,000	376.30	16.1
2016 <sup>2</sup>	471,410	367,839	112,212	6,024,232	2,172,246,000	391.57	16.4

Source: Pennsylvania Department of Labor & Industry  
U.S. Bureau of Public Debt

<sup>1</sup> The average weekly benefit amount calculation does not include partial payments.

<sup>2</sup> The net benefits paid and average weekly benefit amount include the benefit reduction that was in effect that year.

## **Definitions for Table A-4 Benefit Recipients by County**

**County**

The county in which a benefit recipient resides.

**Benefit Recipients**

The number of persons who received at least one UC payment within each county for the calendar year.

**Amount Paid**

The estimated total amount paid to recipients within a county.

**Table A-4  
2016 Benefit Recipients by County**

<b>County</b>	<b>Benefit Recipients</b>	<b>Amount Paid</b>	<b>County</b>	<b>Benefit Recipients</b>	<b>Amount Paid</b>
Adams	2,938	\$9,132,000	Lackawanna	7,954	\$34,827,000
Allegheny	42,463	206,491,000	Lancaster	15,414	58,588,000
Armstrong	4,193	20,588,000	Lawrence	3,899	18,551,000
Beaver	7,374	36,347,000	Lebanon	4,615	16,061,000
Bedford	2,321	9,034,000	Lehigh	12,444	54,394,000
Berks	14,164	58,883,000	Luzerne	14,113	59,725,000
Blair	4,862	19,139,000	Lycoming	6,092	28,645,000
Bradford	2,768	12,418,000	McKean	1,678	7,434,000
Bucks	16,181	80,442,000	Mercer	4,470	18,833,000
Butler	7,172	34,813,000	Mifflin	1,994	7,666,000
Cambria	6,168	26,866,000	Monroe	4,724	19,146,000
Cameron	336	1,052,000	Montgomery	20,313	104,370,000
Carbon	2,761	11,631,000	Montour	546	2,127,000
Centre	3,118	14,715,000	Northampton	8,657	36,903,000
Chester	11,025	55,485,000	Northumberland	4,740	18,314,000
Clarion	1,982	7,819,000	Perry	1,663	7,022,000
Clearfield	4,644	21,528,000	Philadelphia	47,928	206,917,000
Clinton	1,985	9,064,000	Pike	1,016	4,286,000
Columbia	2,890	11,450,000	Potter	816	4,200,000
Crawford	3,633	16,494,000	Schuylkill	6,579	26,627,000
Cumberland	6,066	26,092,000	Snyder	1,860	6,297,000
Dauphin	8,711	35,605,000	Somerset	4,084	18,549,000
Delaware	14,397	70,711,000	Sullivan	302	1,517,000
Elk	1,710	6,563,000	Susquehanna	1,345	6,719,000
Erie	12,520	63,805,000	Tioga	2,098	9,691,000
Fayette	6,983	34,481,000	Union	1,519	5,570,000
Forest	196	935,000	Venango	2,712	12,465,000
Franklin	5,370	20,380,000	Warren	1,420	6,389,000
Fulton	797	2,881,000	Washington	9,316	47,790,000
Greene	1,812	10,285,000	Wayne	1,594	7,522,000
Huntingdon	2,763	11,155,000	Westmoreland	16,276	77,593,000
Indiana	4,316	22,652,000	Wyoming	1,263	6,356,000
Jefferson	2,541	11,763,000	York	14,629	55,026,000
Juniata	1,307	5,161,000	Out of state	30,870	190,266,000
			Total	471,410	\$2,172,246,000

Source: Pennsylvania Department of Labor & Industry  
U.S. Bureau of Public Debt

## **Definitions for Table A-5 Benefit Recipients by Industry Sector**

**Industry Sector**

The primary activity of covered employers based on the grouping according to the North American Industry Classification System (NAICS).

**Benefit Recipients**

The number of persons who received at least one UC payment within each industry sector for the calendar year.

**Amount Paid**

The estimated total amount paid to recipients within an industry sector.

**Table A-5**  
**2016 Benefit Recipients by Industry Sector**

<b>Industry Sector</b>	<b>Benefit Recipients</b>	<b>Amount Paid</b>
Natural Resources and Mining	13,238	\$86,137,000
Construction	78,751	434,492,000
Manufacturing	77,212	340,757,000
Trade, Transportation, and Utilities	87,013	358,678,000
Information	5,444	32,962,000
Financial Activities	15,731	91,639,000
Professional and Business Services	76,793	362,783,000
Education and Health Service	49,710	211,899,000
Leisure and Hospitality	40,660	126,269,000
Other Services	9,374	42,316,000
Local Government	11,865	53,885,000
Unclassified Industry	5,619	30,429,000
<b>Total</b>	<b>471,410</b>	<b>\$2,172,246,000</b>

Source: Pennsylvania Department of Labor & Industry  
U.S. Bureau of Public Debt

## **Definitions for Table A-6**

### **Unemployment Compensation Nonmonetary Determinations**

#### **Nonmonetary Determinations**

Decisions relative to a claimant's nonfinancial eligibility for UC benefits – includes such issues as voluntary quit, fired for misconduct, and able and available for work. Employers or claimants may appeal adverse determinations.



**Table A-6**  
**Unemployment Compensation Nonmonetary Determinations**

Year	Total	Ineligible	Eligible
1997 <sup>1</sup>	624,074	281,634	342,440
1998 <sup>1</sup>	546,432	249,510	296,922
1999 <sup>1</sup>	470,807	219,703	251,104
2000 <sup>1</sup>	389,187	194,454	194,733
2001	375,761	167,541	208,220
2002	382,176	214,937	167,239
2003	410,574	232,727	177,847
2004	436,097	251,112	184,985
2005	331,430	155,630	175,800
2006	319,658	134,318	185,340
2007	308,011	124,349	183,662
2008	287,722	120,489	167,233
2009	329,140	137,327	191,813
2010	329,514	137,308	192,206
2011	340,397	148,004	192,393
2012	285,313	140,237	145,076
2013	293,551	166,354	127,197
2014	355,405	231,492	123,913
2015	327,906	214,126	113,780
2016	310,964	202,676	108,288

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> Includes additional categories of nonmonetary determinations pertaining primarily to the establishment of overpayments and penalty weeks not counted in other years. The majority of these determinations are ineligible.

## **Definitions for Table A-7 Employer Contribution Factors**

### **Taxable Wage Base**

Maximum amount of an employee's annual wages subject to employer state UC taxes – the wage base must be no less than the federal minimum tax base (FUTA) of \$7,000 effective starting in 1983.

### **Average Tax Rate**

Average rate at which UC taxes are payable. Calculated by dividing total UC contributions due by taxable wages – excludes contributions from employees and reimbursable employers.

### **Portion Experience Rated**

Portion of employer taxes that is based on the employer's experience with unemployment. Calculated as the ratio of the average tax rate minus any flat tax to the average tax rate.

### **Portion Not Experience Rated**

Portion of employer taxes that is not based on the employer's experience with unemployment. Calculated as the ration of any flat tax to the average tax rate.

**Table A-7  
Employer Contribution Factors**

<b>Year</b>	<b>Taxable Wage Base</b>	<b>Average Tax Rate</b>	<b>Portion Experience Rated</b>	<b>Portion Not Experience Rated</b>
1997	8,000	3.95%	62%	38%
1998	8,000	3.84%	61%	39%
1999	8,000	3.78%	62%	38%
2000	8,000	3.72%	61%	39%
2001	8,000	3.66%	60%	40%
2002	8,000	3.70%	61%	39%
2003	8,000	4.22%	61%	39%
2004	8,000	5.07%	57%	43%
2005	8,000	5.43%	56%	44%
2006	8,000	5.39%	56%	44%
2007	8,000	5.01%	56%	44%
2008	8,000	4.67%	58%	42%
2009	8,000	4.64%	57%	43%
2010	8,000	5.58%	57%	43%
2011	8,000	6.54%	57%	43%
2012	8,000	6.64%	61%	39%
2013	8,500	6.64%	56%	44%
2014	8,750	6.31%	54%	46%
2015	9,000	6.05%	53%	47%
2016	9,500	5.86% <sup>1</sup>	51% <sup>1</sup>	49% <sup>1</sup>

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup>Based on data from January through September, due to a six-month lag in reporting of taxable wages.

## **Definitions for Table A-8 Summary of Tax Rates by Industry**

**Industry Sector**

Primary activity of covered employers based on the grouping according to the 2012 edition of the North American Industry Classification System (NAICS).

**Number of Contributory Employers**

The number of taxable employers subject to the Pennsylvania UC law.

**Average Tax Rate**

The taxable payroll amount divided by the contributions due for each industry sector.

**Total Payroll**

Total wages paid by contributory employers who are subject to the Pennsylvania UC law.

**Taxable Payroll**

Amount of wages subject to UC taxes – these are wages paid by contributory employers, up to the taxable wage base, for each employee. In 2016, the taxable wage base was \$9,500.

**Contributions Due**

Total amount due to the UC Trust Fund from contributory employers.

**Table A-8**  
**2016 Summary of Tax Rates by Industry (Dollars in Millions)<sup>1</sup>**

Industry Sector	Number of Contributory Employers	Average Tax Rate	Total Payroll	Taxable Payroll	Contributions Due
Natural Resources and Mining	3,357	6.2%	\$ 2,171	\$ 563	\$ 35
Construction	29,452	8.8%	10,640	2,878	252
Manufacturing	13,687	6.5%	28,169	6,160	402
Trade, Transportation, and Utilities	57,897	5.5%	36,635	10,687	583
Information	3,682	6.0%	4,641	829	50
Financial Activities	19,259	5.4%	20,454	3,393	184
Professional and Business Services	56,547	6.1%	35,506	7,516	455
Education and Health Service	46,689	5.2%	16,961	5,392	278
Leisure and Hospitality	28,480	5.1%	8,322	4,511	232
Other Services	30,367	4.8%	4,000	1,498	72
Local Government	1,226	5.6%	615	197	11
<b>Total</b>	<b>294,602</b>	<b>5.9%</b>	<b>\$168,113</b>	<b>\$43,624</b>	<b>\$2,555</b>

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> Reflects data from January through September only, due to a six-month lag in the reporting of covered employment and wages.

## **Definitions for Table A-9 Covered Employment and Wages**

### **Active Employers**

Employers who either are subject to or voluntarily elect to be covered under the provisions of the Pennsylvania UC law.

### **Average Covered Employment**

Twelve-month average number of employees working for employers covered under the Pennsylvania UC law.

### **Total Wages**

Amount of annual wages paid to all employees in covered employment.

### **Taxable Wages**

Amount of wages subject to UC taxes – these are wages paid by contributory employers, up to the taxable wage base for each employee. The taxable wage base for 2016 was \$9,500.

**Table A-9  
Covered Employment and Wages**

<b>Year</b>	<b>Active Employers<sup>1</sup></b>	<b>Average Covered Employment</b>	<b>Total Wages</b>	<b>Taxable Wages</b>
1997	238,308	5,158,118	\$154,383,264,744	\$34,854,248,991
1998	246,154	5,253,652	164,800,517,598	36,290,518,613
1999	250,367	5,345,921	173,807,881,592	37,343,375,939
2000	259,492	5,443,618	184,042,135,595	38,648,909,978
2001	265,451	5,442,944	189,076,552,731	38,418,405,066
2002	268,723	5,396,047	191,748,701,127	37,612,959,735
2003	271,459	5,363,633	196,855,782,949	37,239,889,015
2004	275,853	5,390,750	206,119,193,758	37,766,495,714
2005	280,394	5,446,514	214,210,346,757	38,291,369,992
2006	284,770	5,502,645	225,612,061,613	38,839,811,010
2007	289,289	5,549,120	237,997,366,817	39,556,490,803
2008	287,417	5,554,566	244,561,264,585	39,345,958,986
2009	285,010	5,363,287	238,327,258,507	36,878,066,196
2010	284,682	5,362,687	243,186,797,577	37,298,262,921
2011	307,613	5,432,412	253,351,180,050	38,471,034,196
2012	306,408	5,478,189	263,136,863,490	39,041,928,054
2013	302,987	5,499,982	268,078,102,730	41,431,811,579
2014	293,142	5,548,946	278,694,230,488	43,380,509,793
2015	302,997	5,595,770	290,076,986,670	45,529,540,808
2016	300,099	5,620,673 <sup>2</sup>	217,451,851,007 <sup>2</sup>	43,624,259,254 <sup>2</sup>

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> As of Dec. 31 of each year. Includes contributory and reimbursable employers.

<sup>2</sup> Reflects data from January through September only, due to a six-month lag in the reporting of covered employment and wages.

## **Definitions for Table A-10**

### **Unemployment Compensation Solvency Measures**

#### **Solvency Percentage**

The solvency percentage is calculated on July 1 of each year and is defined as the ratio of the UC Trust Fund balance (minus any outstanding loan and bond balances) ending June 30 to the average benefit cost for the three fiscal years ending on the same date. The solvency percentage is used to determine whether or not solvency measures will be in effect during the following calendar year.

#### **Employer Surcharge**

The employer surcharge is assessed on each employer's contributions due. The surcharge is not assessed on employer additional contributions, and reimbursable employers are excluded from the surcharge. The employer surcharge rate is based on the target amount defined in Pennsylvania's UC law.

#### **Employer Additional Contribution Tax**

The employer additional contribution tax is added to each employer's assigned calendar year tax rate. Reimbursable employers and new contributory employers are exempt from the additional tax. The additional tax rate is based on the target amount defined in the Pennsylvania UC law.

#### **Employee Tax**

The employee tax is assessed on the calendar year gross wages of all employees covered under Pennsylvania UC law. The rate is based on the target amount defined in the law.

#### **Benefit Reduction**

All weekly benefit rates during a calendar year are reduced at a rate determined by the target amount defined in the state UC law.



**Table A-10**  
**Unemployment Compensation Solvency Measures (Dollars in Millions)**

Year <sup>1</sup>	Solvency Percentage <sup>2</sup>	Employer Surcharge		Employer Additional Tax		Employee Tax		Benefit Reduction	
		Rate	Amount Due <sup>3</sup>	Rate	Amount Due <sup>3</sup>	Rate	Amount Due <sup>3</sup>	Rate	Amount Due <sup>3</sup>
1997	145%	none	\$ 0	none	\$ 0	none	\$ 0	none	\$ 0
1998	164%	none	0	none	0	none	0	none	0
1999	182%	-1.4%	-20	none	0	none	0	none	0
2000	201%	-1.4%	-20	none	0	none	0	none	0
2001	184%	-1.4%	-20	none	0	none	0	none	0
2002	122%	-1.4%	-20	none	0	none	0	none	0
2003	58%	3.6%	55	none	0	0.02%	39	none	0
2004	32%	7.2%	119	0.40%	142	0.09%	186	none	0
2005	43%	7.2%	125	0.60%	215	0.09%	193	2.3%	51
2006	69%	7.2%	126	0.60%	219	0.09%	203	2.3%	52
2007	85%	7.2%	123	0.40%	149	0.09%	214	none	0
2008	80%	5.8%	96	0.25%	93	0.06%	147	none	0
2009	8%	5.8%	89	0.25%	87	0.06%	143	none	0
2010	20%	5.8%	102	0.60%	230	0.08%	195	2.3%	86
2011	29%	5.8%	116	0.65%	236	0.08%	203	2.3%	72
2012	0%	5.8%	133	0.65%	250	0.08%	209	2.3%	67
2013	0%	5.1%	100	0.65%	255	0.07%	189	1.7%	44
2014	0%	5.1%	92	0.65%	262	0.07%	194	1.7%	40
2015	0%	5.1%	96	0.65%	273	0.07%	202	1.7%	37
2016	0%	5.1%	97	0.65%	281	0.07%	207	1.7%	38

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> The Unemployment Compensation (UC) Law was amended in 1988 to include an UC solvency trigger mechanism. The first solvency percentage calculation occurred in 1989.

<sup>2</sup> Solvency percentage activates solvency measures for the following calendar year. The 1989 solvency measures were fixed by the Unemployment Compensation Law.

<sup>3</sup> Amount of contributions due for the calendar year. Actual receipts during the year may differ as a result of contributions due for a quarter being received in the subsequent quarter.

## **Definitions for Table A-11**

### **Unemployment Compensation Trust Fund Summary**

#### **Employer and Employee Contributions Deposited**

Payments made to the state's UC Trust Fund by employers and employees subject to Pennsylvania's UC law. Includes contributions from employers who submit quarterly contributions to the UC Trust Fund based on their tax rates and taxable wages – included are all businesses for profit, and all nonprofit associations or local governments who do not elect to be reimbursable employers. Also includes reimbursements from employers who repay the UC Trust Fund dollar for dollar for benefits paid to former employees – included are state government agencies, nonprofit associations and local governments who elect this method of financing their UC costs. Contributions from the employee tax (from the solvency trigger mechanism) are also included.

#### **Net Benefits Paid**

Net amount withdrawn from the UC Trust Fund to pay regular state UC benefits. Includes adjustments to original amounts paid such as returned and redeposited payments.

#### **UC Trust Fund Balance**

Cash balance in the UC Trust Fund at the end of the calendar year. Includes Title XII federal loans and UC bonds.

#### **Title XII Federal Loan Balance**

Total outstanding federal loans at the end of the calendar year.

#### **UC Bond Balance**

Total outstanding UC bond balance at the end of the calendar year.

**Table A-11  
Unemployment Compensation Trust Fund Summary**

<b>Year</b>	<b>Employer and Employee Contributions Deposited</b>	<b>Net Benefits Paid</b>	<b>UC Trust Fund Balance<sup>1</sup></b>	<b>Title XII Federal Loan Balance</b>	<b>UC Bond Balance</b>
1997	\$1,483,977,000	\$1,429,864,000	\$2,199,308,000	\$ 0	\$ 0
1998	1,471,416,000	1,417,968,000	2,410,055,000	0	0
1999	1,469,814,000	1,450,836,000	2,596,412,000	0	0
2000	1,490,359,000	1,463,846,000	2,802,479,000	0	0
2001	1,458,548,000	2,128,215,000	2,314,313,000	0	0
2002	1,465,332,000	2,665,274,000	1,710,128,000	0	0
2003	1,690,395,000	2,767,815,000	761,931,000	0	0
2004	2,436,803,000	2,448,788,000	613,986,000	0	0
2005	2,674,444,000	2,192,245,000	980,813,000	0	0
2006	2,426,901,000	1,891,685,000	1,383,464,000	0	0
2007	2,348,476,000	2,013,558,000	1,545,652,000	0	0
2008	2,171,544,000	2,543,100,000	981,162,000	0	0
2009	2,084,405,000	4,735,127,000	116,777,000	1,871,458,000	0
2010	2,476,501,000	3,606,521,000	94,082,000	3,008,615,000	0
2011	2,786,242,000	3,023,271,000	40,007,000	3,234,745,000	0
2012	2,949,685,000	2,859,610,000	164,275,000	0	2,827,405,000
2013	2,645,118,000	2,547,295,000	263,121,000	0	2,571,740,000
2014	2,550,618,000	2,284,758,000	540,400,000	0	2,239,810,000
2015	2,548,711,000	2,145,542,000	966,815,000	0	1,874,390,000
2016	2,591,322,000	2,172,246,000	1,412,673,000	0	1,470,100,000

Source: Pennsylvania Department of Labor & Industry  
U.S. Bureau of Public Debt

<sup>1</sup> Trust Fund balances include Title XII loans (Federal advances) and 2012 Unemployment Compensation Revenue bonds.

## **Definitions for Table A-12**

### **Population and Labor Force Data**

#### **Total Population**

Total number of Pennsylvania residents.

#### **Civilian Labor Force**

Twelve-month average number of Pennsylvania residents who are classified by the U.S. Bureau of the Census as either employed or unemployed.

#### **Resident Employment**

Twelve-month average number of civilian Pennsylvania residents, 16 years old and older, who are either working or on a paid absence from work – resident employment is derived from a monthly survey of a sample of Pennsylvania households by the U.S. Bureau of the Census.

#### **Resident Unemployment**

Twelve-month average number of Pennsylvania residents, 16 years old and older, who are not working but are looking for work or are waiting to report to a new job within 30 days – resident unemployment is derived from a monthly survey of a sample of Pennsylvania households by the U.S. Bureau of the Census.

#### **Total Unemployment Rate (TUR)**

The percentage of individuals unemployed in the civilian labor force, defined as the number of individuals 16 years of age or older who do not have a job but are available for work and actively seeking work, including individuals on layoff and waiting to report to a new job within 30 days, divided by the number of persons in the civilian labor force – the civilian labor force is the sum of the number of individuals who are either employed or unemployed.

**Table A-12  
Population and Labor Force Data (in thousands)**

Year	Total Population <sup>1</sup>	Civilian Labor Force	Resident Employment	Resident Unemployment	Unemployment Rate
1997	12,228	6,056	5,746	310	5.1%
1998	12,246	6,063	5,783	280	4.6%
1999	12,264	6,077	5,810	267	4.4%
2000	12,281	6,107	5,855	252	4.1%
2001	12,299	6,179	5,882	297	4.8%
2002	12,331	6,219	5,869	350	5.6%
2003	12,375	6,170	5,822	349	5.7%
2004	12,411	6,214	5,877	337	5.4%
2005	12,450	6,251	5,941	311	5.0%
2006	12,511	6,295	6,007	288	4.6%
2007	12,564	6,343	6,064	279	4.4%
2008	12,612	6,452	6,110	342	5.3%
2009	12,667	6,400	5,885	515	8.0%
2010	12,702	6,381	5,841	540	8.5%
2011	12,744	6,396	5,889	507	7.9%
2012	12,772	6,463	5,957	506	7.8%
2013	12,781	6,442	5,968	474	7.4%
2014	12,791	6,399	6,025	374	5.8%
2015	12,792	6,426	6,085	341	5.3%
2016	12,784	6,472	6,120	352	5.4%

**2016 Monthly Data (in thousands, seasonally adjusted)**

Month	Civilian Labor Force	Resident Employment	Resident Unemployment	Unemployment Rate
January	6,432	6,091	342	5.3%
February	6,438	6,092	346	5.4%
March	6,440	6,091	349	5.4%
April	6,440	6,088	352	5.5%
May	6,441	6,086	354	5.5%
June	6,443	6,086	356	5.5%
July	6,446	6,089	357	5.5%
August	6,450	6,093	358	5.5%
September	6,454	6,097	357	5.5%
October	6,455	6,100	356	5.5%
November	6,455	6,102	354	5.5%
December	6,454	6,103	352	5.4%

Source: Pennsylvania Local Area Unemployment Statistics (LAUS)  
U.S. Bureau of the Census

Data may not add to totals due to rounding. Labor force statistics reflect Feb. 28, 2017 revision.

<sup>1</sup> The 2000 and 2010 data reflect actual U.S. Bureau of the Census counts. For all other years, data reflect mid-year statistics provided by the U.S. Bureau of the Census.

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**Table B-1**  
**2016 Recipient Demographics**

Base Year Wages		Age	
Less than \$10,000	6%	16 – 19	<1%
\$10,000 - \$19,999	22%	20-24	6%
\$20,000 - \$29,999	20%	25-34	22%
\$30,000 - \$39,999	17%	35-44	20%
\$40,000 - \$49,999	12%	45-54	23%
\$50,000 - \$59,999	9%	55-64	21%
\$60,000 - \$74,999	8%	65 and older	7%
\$75,000 and over	6%		

Education		Race	
Less than High School	9%	White	77%
High School	57%	Black	13%
Some College, including Associate Degree	18%	Hispanic	6%
Bachelor’s Degree or Higher	15%	Asian or Pacific Islander	1%
		American Indian or Alaskan	<1%
		Unknown	3%

Gender		Number of Dependents	
Male	62%	Zero	64%
Female	38%	One	18%
		Two or more	17%

Source: Pennsylvania Department of Labor & Industry

Includes Pennsylvania residents only. Percentages may not add to 100 percent due to rounding.

## Definitions for Tables C-1 and C-1A Comparison of State UC Data

### **Total Unemployment Rate**

The rate calculated by dividing the number of unemployed persons by the number in the civilian labor force.

### **Benefits Paid**

The total amount paid to recipients of regular UC benefits, including partial payments.

### **Average Weekly Benefit Amount**

Benefits paid for total unemployment divided by the number of weeks paid for total unemployment. Partial payments are not included.

### **Taxable Wage Base**

The maximum amount of wages paid to an employee that are subject to state UI taxes. Wages above this amount are not taxed.

### **Average Tax on Taxable Wages**

Total employer contributions divided by total taxable wages. Due to availability of data, there is a six-month lag for average tax rates on both taxable wages and total wages.

### **Average Tax on Total Wages**

Total employer contributions divided by total wages paid by contributory employers. Due to availability of data, there is a six-month lag for average tax rates on both taxable wages and total wages.



**Table C-1**  
**Comparison of State UC Data for 2016**

State	Total Unemployment		Benefits Paid (thousands)		Average Weekly Benefit		Taxable Wage Base		Average Tax on Taxable Wages <sup>1</sup>		Average Tax on Total Wages <sup>1</sup>	
	Rate	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Rate	Rank	Rate	Rank
Alabama	6.0%	4 (tie)	\$186,487	34	\$220.83	48	\$8,000	44 (tie)	1.71%	31	0.38%	41
Alaska	6.6%	2	133,016	40	279.30	38	39,700	3	2.03%	24	1.25%	5
Arizona	5.3%	13 (tie)	266,080	26	223.92	47	7,000	48 (tie)	2.32%	18	0.45%	38 (tie)
Arkansas	4.0%	36 (tie)	162,372	37	270.23	40	12,000	31 (tie)	2.22%	21	0.73%	23
California	5.4%	9 (tie)	5,278,449	1	315.44	29	7,000	48 (tie)	4.68%	2	0.71%	25
Colorado	3.3%	44 (tie)	514,975	14	412.76	7	12,200	30	2.09%	23	0.57%	31 (tie)
Connecticut	5.1%	16 (tie)	702,910	12	374.76	14	15,000	20 (tie)	3.77%	3	0.91%	10
Delaware	4.4%	30 (tie)	72,223	46	256.99	41	18,500	17	1.78%	30	0.61%	29
Florida	4.9%	20 (tie)	401,185	18	239.06	45	7,000	48 (tie)	1.59%	33	0.32%	46
Georgia	5.4%	9 (tie)	347,874	21	282.67	37	9,500	36 (tie)	1.92%	27	0.44%	40
Hawaii	3.0%	48	140,702	39	457.20	3	42,200	2	1.15%	45	0.79%	17 (tie)
Idaho	3.8%	40	99,827	44	311.66	32	37,200	4 (tie)	1.24%	41	0.85%	12
Illinois	5.9%	6	1,916,171	6	362.44	17	12,960	29	3.15%	8	0.79%	17 (tie)
Indiana	4.4%	30 (tie)	318,488	23	273.92	39	9,500	36 (tie)	2.28%	20	0.58%	30
Iowa	3.7%	40 (tie)	423,511	17	382.87	12	28,300	11	1.52%	35	0.82%	14
Kansas	4.2%	33 (tie)	205,344	31	370.62	15	14,000	23 (tie)	1.37%	37	0.55%	34 (tie)
Kentucky	5.0%	18 (tie)	332,290	22	320.53	26	10,200	35	3.05%	9	0.84%	13
Louisiana	6.1%	3	225,301	29	219.33	49	7,700	47	1.57%	34	0.33%	45
Maine	3.9%	38 (tie)	100,337	43	312.77	30	12,000	31 (tie)	2.19%	22	0.72%	24
Maryland	4.3%	32	536,363	13	333.53	22	8,500	43	2.61%	13	0.50%	36
Massachusetts	3.7%	41 (tie)	1,486,961	7	487.86	2	15,000	20 (tie)	2.68%	12	0.74%	22
Michigan	4.9%	20 (tie)	852,523	10	306.65	36	9,000	39 (tie)	3.66%	5	0.79%	17 (tie)
Minnesota	3.9%	38 (tie)	827,570	11	433.90	5	31,000	9	1.40%	36	0.68%	27
Mississippi	5.8%	7 (tie)	92,979	45	205.96	50	14,000	23 (tie)	0.85%	48	0.34%	44
Missouri	4.5%	29	279,813	25	253.45	42	13,000	28	1.88%	28	0.57%	31 (tie)
Montana	4.2%	33 (tie)	108,973	42	332.85	23	30,500	10	1.22%	42	0.81%	15 (tie)
Nebraska	3.2%	46 (tie)	70,993	47	316.58	28	9,000	39 (tie)	1.16%	44	0.29%	47 (tie)
Nevada	5.7%	8	315,166	24	328.62	24	28,200	12	2.00%	25	1.13%	7
New Hampshire	2.8%	49 (tie)	57,923	49	311.63	33	14,000	23 (tie)	0.93%	46	0.26%	49 (tie)
New Jersey	5.0%	18 (tie)	1,985,707	5	425.34	6	32,600	7	2.53%	15	1.11%	8
New Mexico	6.7%	1	190,656	32	338.29	21	24,100	14	2.57%	14	1.34%	4
New York	4.8%	25 (tie)	2,275,319	3	327.42	25	10,700	34	3.62%	6	0.65%	28
North Carolina	5.1%	16 (tie)	218,888	30	246.65	44	22,300	15	1.85%	29	0.81%	15 (tie)
North Dakota	3.2%	46 (tie)	189,104	33	515.14	1	37,200	4 (tie)	1.31%	40	0.78%	20
Ohio	4.9%	20 (tie)	962,871	9	354.32	18	9,000	39 (tie)	2.44%	16	0.55%	34 (tie)
Oklahoma	4.9%	20 (tie)	372,305	20	377.56	13	17,500	18	0.86%	47	0.35%	42 (tie)
Oregon	4.9%	20 (tie)	470,020	16	366.54	16	36,900	6	2.33%	17	1.39%	3
Pennsylvania	5.4%	9 (tie)	2,226,166	4	391.57	10	9,500	36 (tie)	5.89%	1	1.24%	6
Rhode Island <sup>2</sup>	5.3%	13 (tie)	151,587	38	343.36	19	22,000	16	3.47%	7	1.48%	1 (tie)
South Carolina	4.8%	25 (tie)	181,973	35	251.95	43	14,000	23 (tie)	1.61%	32	0.57%	31 (tie)
South Dakota	2.8%	49 (tie)	26,150	50	316.79	27	15,000	20 (tie)	0.76%	50	0.29%	47 (tie)
Tennessee	4.8%	25 (tie)	226,668	28	234.34	46	8,000	44 (tie)	1.17%	43	0.26%	49 (tie)
Texas	4.6%	28	3,056,483	2	403.47	9	9,000	39 (tie)	2.31%	19	0.47%	37
Utah	3.4%	43	174,804	36	385.44	11	32,200	8	0.78%	49	0.45%	38 (tie)
Vermont	3.3%	44 (tie)	70,330	48	341.35	20	16,800	19	3.73%	4	1.48%	1 (tie)
Virginia	4.0%	36 (tie)	385,234	19	307.16	35	8,000	44 (tie)	1.95%	26	0.35%	42 (tie)
Washington	5.4%	9 (tie)	970,455	8	441.57	4	44,000	1	1.32%	39	0.76%	21
West Virginia	6.0%	4 (tie)	241,634	27	310.23	34	12,000	31 (tie)	2.81%	10	0.92%	9
Wisconsin	4.1%	35	486,488	15	311.91	31	14,000	23 (tie)	2.71%	11	0.88%	11
Wyoming	5.3%	13 (tie)	118,354	41	412.17	8	25,500	13	1.36%	38	0.69%	26

Source: U.S. Department of Labor

<sup>1</sup> Average tax data is for July 1, 2015 through June 30, 2016.

<sup>2</sup> The taxable wage base for Rhode Island is \$23,500 for some employers.

**Table C-1A**  
**Comparison of State UC Data for 2016**  
**(Pennsylvania and Neighboring States Only)**

	<b>Total Unemployment</b>		<b>Benefits Paid (thousands)</b>		<b>Average Weekly Benefit</b>		<b>Taxable Wage Base</b>		<b>Average Tax on Taxable Wages<sup>1</sup></b>		<b>Average Tax on Total Wages<sup>1</sup></b>	
	<b>Rate</b>	<b>Amount</b>	<b>Rank</b>	<b>Rank</b>	<b>Amount</b>	<b>Rate</b>	<b>Rank</b>	<b>Rank</b>	<b>Amount</b>	<b>Rate</b>	<b>Rank</b>	<b>Rank</b>
Delaware	4.4%	6	\$ 72,223	8	\$256.99	8	\$18,500	2	1.78%	8	0.61%	5
Maryland	4.3%	7	536,363	5	333.53	4	8,500	7	2.61%	4	0.50%	7
New Jersey	5.0%	3	1,985,707	3	425.34	1	32,600	1	2.53%	5	1.11%	2
New York	4.8%	5	2,275,319	1	327.42	5	10,700	4	3.62%	2	0.65%	4
Ohio	4.9%	4	962,871	4	354.32	3	9,000	6	2.44%	6	0.55%	6
Pennsylvania	5.4%	2	2,226,166	2	391.57	2	9,500	5	5.89%	1	1.24%	1
Virginia	4.0%	8	385,234	6	307.16	7	8,000	8	1.95%	7	0.35%	8
West Virginia	6.0%	1	241,634	7	310.23	6	12,000	3	2.81%	3	0.92%	3

Source: U.S. Department of Labor

<sup>1</sup> Average tax data is for July 1, 2015 through June 30, 2016.