

# Actuarial Evaluation 2018

Financial Operations of the  
Pennsylvania Unemployment Compensation Program



Commonwealth of Pennsylvania  
Tom Wolf, Governor

Department of Labor & Industry  
W. Gerard Oleksiak, Secretary

[This page intentionally left blank]

## **Introduction**

The 2018 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 2019 IHS Baseline Forecast of economic activity.

The report analyzes Pennsylvania's UC Trust Fund activity in 2018 and provides a forecast for 2019 through 2021. 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 2019 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 contains tables comparing Pennsylvania's UC program to the programs of other states.

## Contents

	<u>Page</u>
Executive Summary	1
Section 1: 2018 in Review	2
Figure 1.1: January 2018 Forecast Compared to Actual Data	5
Figure 1.2: IHS Forecast Comparison – January 2018 and January 2019	6
Section 2: Outlook for 2019-2021	7
Figure 2.1: PA Total Unemployment Rate	7
Figure 2.2: PA Nonagricultural Employment	8
Figure 2.3: PA Average Annual Wage (percent change)	8
Figure 2.4: PA UC Total Wages	9
Figure 2.5: PA UC Taxable Wages	10
Figure 2.6: Average UC Employer Tax Rate	10
Figure 2.7: PA Insured Unemployment Rate (IUR)	11
Figure 2.8: PA UC Employer and Employee Contributions	12
Figure 2.9: PA UC Net Benefits Paid	12
Figure 2.10: Average Weekly Benefit Amount	13
Figure 2.11: PA UC Net Benefits Paid versus Employer and Employee Contributions	14
Section 3: UC Trust Fund Solvency Trigger Mechanism	15
Figure 3.1: UC Trust Fund Solvency Percentage	16
Figure 3.2: UC Trust Fund Balance Months of Benefits in Reserve	17
Figure 3.3: UC Trust Fund 2018-2021 Cash Flow	18
Section 4: Status of UC Programs and Initiatives	19
Office of Unemployment Compensation Tax Services (OUCTS)	19
Office of Unemployment Compensation Benefits Policy (OUCBP)	20
Office of Unemployment Compensation Service Centers (OUCSC)	22
Appendix A: Statistical Appendix	25
Appendix B: State Comparisons	55

## **Executive Summary**

Pennsylvania's annual average total unemployment rate decreased from 4.9 percent in 2017 to 4.3 percent in 2018. Annual average resident employment was steady at approximately 6.1 million for both years.

In 2018, 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 2018.

The status of the UC program in Pennsylvania for 2018 is summarized below. Program details and projections for 2019 through 2021 are included later in this report.

### **Benefit costs**

- Annual benefit costs decreased from \$1.87 billion in 2017 to \$1.73 billion in 2018.
- The number of individuals who received UC benefits decreased from 423,990 in 2017 to 396,249 in 2018.
- The average duration of benefits decreased from 15.8 weeks in 2017 to 15.6 weeks in 2018.
- The average weekly benefit amount decreased from \$381.99 in 2017 to \$379.25 in 2018.
- The minimum weekly benefit amount for 2018 was \$68 and the maximum benefit amount was \$561. This reflects the 2 percent reduction to all weekly benefit amounts as required by Act 144 of 2016.

### **Employer and Employee Contributions**

- Total employer plus employee contributions decreased slightly from \$2.5 billion in 2017 to \$2.4 billion in 2018.
- The average tax rate for employers was 5.1 percent for the first nine months of 2018, compared to 5.5 percent for 2017. Due to a six-month lag in reporting of taxable wages, the average tax rate for all of 2018 is not yet available.
- The interest tax rate for 2018 was 1.1 percent. Revenue from the interest tax was used for repayment of UC bonds.
- The employee tax rate for 2018 was 0.06 percent.

### **UC Trust Fund**

- The UC Trust Fund balance increased by \$695 million in 2018, from a beginning balance of \$2.1 billion to the year-end balance of \$2.8 billion. The Trust Fund balance is expected to continue to increase in 2019.
- No federal loans were needed in 2018, and none are expected for 2019.
- 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 \$1.01 billion at the beginning of 2018 to \$511 million at the end of the year. The bond balance is projected to decrease to zero by the end of 2019.
- The Trust Fund solvency percentage – i.e., the Trust Fund balance minus the outstanding bond balance – as of June 30, 2018 was 102 percent, and is projected to increase to 175 percent on June 30, 2019. Solvency measures are expected to be in effect for 2019 through 2021, and will continue until the solvency percentage reaches 250 percent.

## **Section 1: 2018 in Review**

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

In 2018, Pennsylvania's annual average total unemployment rate (TUR) was 4.3 percent, down from 4.9 percent in 2017. Employment in Pennsylvania increased slightly from 2017 to 2018, but was approximately 6.1 million for both years. Unemployment decreased, from 314,000 in 2017 to 276,000 in 2018. The civilian labor force held steady at approximately 6.4 million for both years.

*Table A-14 shows population and labor force data for calendar years 1999 through 2018, as well as a monthly breakdown for 2018 and definitions for each field in the table.*

### **Covered Employment and Wages**

As of Dec. 31, 2018, there were 301,632 active employers in Pennsylvania, of which 294,834 were contributory employers and 6,798 were reimbursable employers. This is an increase of 10,153 from the 291,479 active employers at the end of 2017. For the first nine months of 2018, the average monthly covered employment was 5.7 million, a small increase from 2017. Total wages for the first nine months of 2018 were \$236 billion and taxable wages were \$47.2 billion.

*Table A-11 shows covered employment and wages for calendar years 1999 through 2018. Employment and wage information for 2018 reflects data from January through September only, due to a six-month lag in reporting.*

### **Claims Data**

Initial UC claims decreased from 856,000 in 2017 to 797,000 in 2018. Weeks claimed decreased from 6.4 million in 2017 to 5.9 million in 2018. The annual average insured unemployment rate (IUR), which reflects the ratio of regular UC claims to covered employment, fell from 2.2 percent in 2017 to 2 percent for 2018. (The 2018 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 1999 through 2018.*

### **Payment Data**

Regular UC benefit costs decreased from \$1.87 billion in 2017 to \$1.73 billion in 2018. The number of weeks paid decreased from 5.3 million in 2017 to 4.9 million in 2018. The average weekly benefit amount decreased from \$381.99 in 2017 to \$379.25 in 2018.

The number of individuals who received regular UC benefits decreased from 423,990 in 2017 to 396,249 in 2018. The number of first payments decreased from 337,228 in 2017 to 315,458 in 2018.

Claimants who received first payments in 2018 had an estimated average duration of 15.6 weeks of benefits, a decrease from the 2017 average duration of 15.8 weeks.

Monetary determinations, or determinations of whether claimants had sufficient wages to be eligible for UC benefits, decreased from 464,411 in 2017 to 432,612 in 2018. Non-monetary determinations increased from 270,303 in 2017 to 310,764 in 2018.

*Table A-3 contains payment data for 1999 through 2018. Table A-4 is a breakdown by county of UC benefit recipients for 2018. Table A-5 is a breakdown by industry sector of UC benefit recipients for 2018. Table A-7 shows monetary determinations for 1999 through 2018. Table A-8 shows nonmonetary determinations for 1999 through 2018.*

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

For 2018, the minimum weekly benefit rate was \$68, requiring base year earnings of \$2,718 and high quarter earnings of \$1,688-\$1,712. The maximum weekly benefit rate of \$561 required base year earnings of at least \$22,640, and high quarter earnings of \$14,263 or more, with at least 37 percent of wages earned outside of the high quarter. These rates and requirements are defined by state UC law. Because the solvency measures were in effect in 2018, all weekly benefit rates were reduced by 2.4 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 decreased from \$2.5 billion in 2017 to \$2.4 billion in 2018. The average tax rate for employers decreased from 5.5 percent in 2017 to 5.1 percent in 2018. The average tax rate for 2018 reflects data from January through September due to a six-month delay in reporting of taxable wages.

The taxable wage base increased from \$9,750 in 2017 to \$10,000 in 2018. The interest tax rate for 2018 was 1.1 percent, the same as it was in 2017. Interest tax revenue was used for UC bond payments.

The employee tax rate decreased from 0.07 percent in 2017 to 0.06 percent in 2018. The service and infrastructure improvement fund received \$34.9 million from the employee tax revenues in 2018. Contributions to the reemployment fund, which had ceased at the end of 2017, were reauthorized by Act 42 of 2018. For 2018, these contributions totaled \$2.2 million. This represents 5 percent of the employee tax revenues that were received from July 1, 2018, through the end of the year.

*Table A-9 includes the taxable wage base and the average tax rate for calendar years 1999 through 2018. Table A-10 is a summary of tax rates by industry sector for 2018.*

## UC Trust Fund

The UC Trust Fund balance increased from \$2.1 billion at the end of 2017 to \$2.8 billion at the end of 2018. Employer and employee contributions exceeded benefit payments for the seventh straight year.

The solvency percentage calculated on June 30, 2017, was 45 percent. Since the solvency percentage was less than 250 percent, solvency measures were activated for 2018 at the rates calculated in 2017 to meet the dollar amounts specified by state UC law. The following solvency measures were in effect for 2018:

- Employer surcharge of 5.4 percent (yielded about \$95 million in contributions due)
- Employer additional tax of 0.50 percent (yielded about \$233 million in contributions due)
- Employee tax of 0.06 percent (yielded about \$191 million in contributions due)
- Benefit reduction of 2.4 percent (yielded about \$43 million in savings)

*Table A-12 is a summary of the UC Trust Fund from 1999 through 2018. Table A-11 shows the solvency measure rates and amounts due, as well as the solvency percentages for 1999 through 2018. 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 \$1.01 billion at the end of 2017 to \$511 million at the end of 2018. Pennsylvania made bond principal repayments of \$327.5 million on July 1, 2018, and \$174.5 million on Jan. 1, 2019. The interest rate on the bond balance was 1.29 percent, compared to 2.22 percent interest on federal loans in 2018. Pennsylvania did not obtain any federal loans in 2018.

Revenue for repayment of the UC bonds was generated through the interest factor, which was set at 1.1 percent in 2018.

*Table A-13 includes bond and loan balances for 1999 through 2018.*



## Forecast Comparisons

Figure 1.1 compares the IHS January 2018 forecast that was used to prepare the 2017 Actuarial Evaluation to actual results from 2018. Figure 1.2 compares the January 2019 forecast to the January 2018 forecast.

**Figure 1.1: January 2018 Forecast Compared to Actual Data for 2018**  
(Dollars in Millions)

	Forecast	Actual
Beginning Trust Fund Balance	\$2,084	\$2,084
Beginning Federal Loan Balance	0	0
Beginning Bond Balance	1,014	1,013
Revenue	2,578	2,425
Employer and Employee Trust Fund Contributions	2,526	2,368
Other Trust Fund Revenues <sup>1</sup>	53	57
Interest Factor Contributions	535	544
Disbursements	2,001	1,730
Benefit Payments	2,001	1,730
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	492	502
Ending Trust Fund Balance	2,661	2,779
Ending Federal Loan Balance	0	0
Ending Bond Balance	521	511
Trust Fund Balance as of June 30	2,721	2,765
Three-year Average Benefit Cost as of June 30	2,048	2,004
Solvency Percentage as of June 30 <sup>5</sup>	99%	102%
Sources:	Pennsylvania Department of Labor & Industry U.S. Bureau of Public Debt IHS January 2018 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 2018 and January 2019**

<b>January 2019 IHS Forecast</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>United States</b>				
Total Non-ag. Employment (thousands)	148,999.5	151,023.9	152,524.8	153,262.8
Growth Rate	1.6%	1.4%	1.0%	0.5%
National Total Unemployment Rate	3.9%	3.6%	3.7%	3.9%
<b>Pennsylvania</b>				
Total Non-ag. Employment (thousands)	6,026.6	6,088.4	6,127.9	6,134.5
Growth Rate	1.3%	1.0%	0.6%	0.1%
Average Annual Wage, total non-ag (thousands)	\$55.7	\$57.3	\$59.4	\$61.6
Growth Rate	2.5%	3.0%	3.6%	3.8%
State Total Unemployment Rate	4.4%	3.9%	3.8%	4.0%

Source: IHS January 2019 baseline forecasts for the United States and Pennsylvania  
Average annual wage is not available for the United States.

<b>January 2018 IHS Forecast</b>				
	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021<sup>1</sup></b>
<b>United States</b>				
Total Non-ag. Employment (thousands)	148,757.9	151,012.6	152,052.4	
Growth Rate	1.6%	1.5%	0.7%	
National Total Unemployment Rate	3.9%	3.7%	3.8%	
<b>Pennsylvania</b>				
Total Non-ag. Employment (thousands)	6,015.2	6,070.9	6,089.8	
Growth Rate	1.1%	0.9%	0.3%	
Average Annual Wage, total non-ag (thousands)	\$55.0	\$57.1	\$59.4	
Growth Rate	2.9%	3.9%	4.1%	
State Total Unemployment Rate	4.2%	3.9%	3.9%	

Source: IHS January 2018 baseline forecasts for the United States and Pennsylvania  
Average annual wage is not available for the United States.

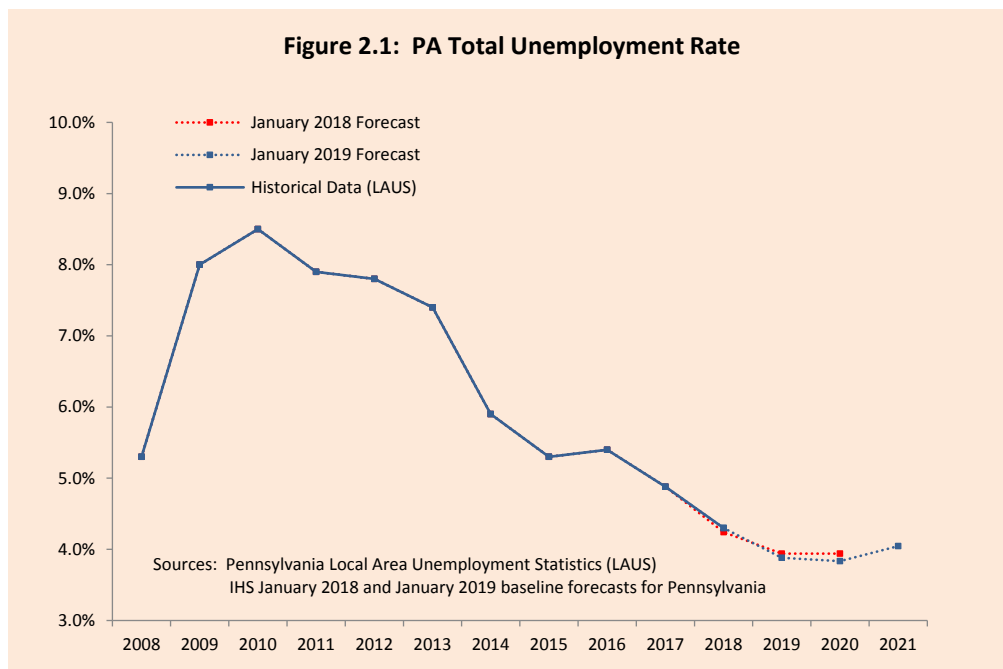
<sup>1</sup> Projected data for 2021 were not included in the 2017 Actuarial Evaluation.

## **Section 2: Outlook for 2019-2021**

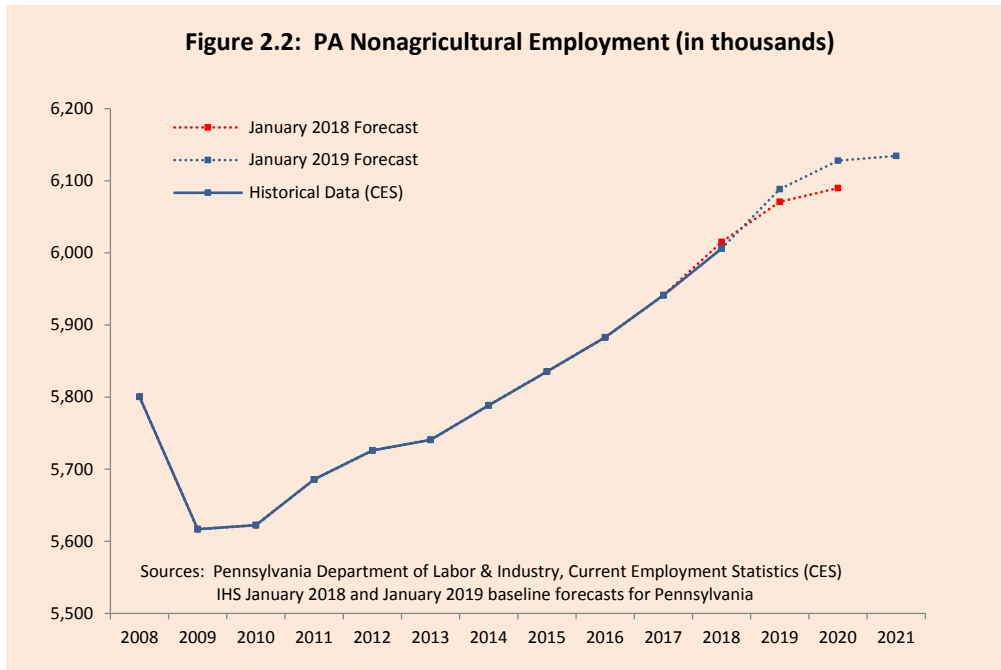
The Pennsylvania Department of Labor & Industry uses IHS Forecasting's economic projections for Pennsylvania and the United States as the basis for projections of UC Trust Fund activity. The key economic forecast indicators used to determine UC benefit costs are Pennsylvania's total unemployment rate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

The outlook for 2019-2021 UC activity provided in this report is based on the January 2019 baseline forecast for Pennsylvania (referred to as the January 2019 IHS forecast). Figures 2.1 through 2.11 provide a comparison of the economic forecast indicators under the January 2019 IHS forecast versus the January 2018 IHS forecast used for the 2017 Actuarial Evaluation of the UC Trust Fund.

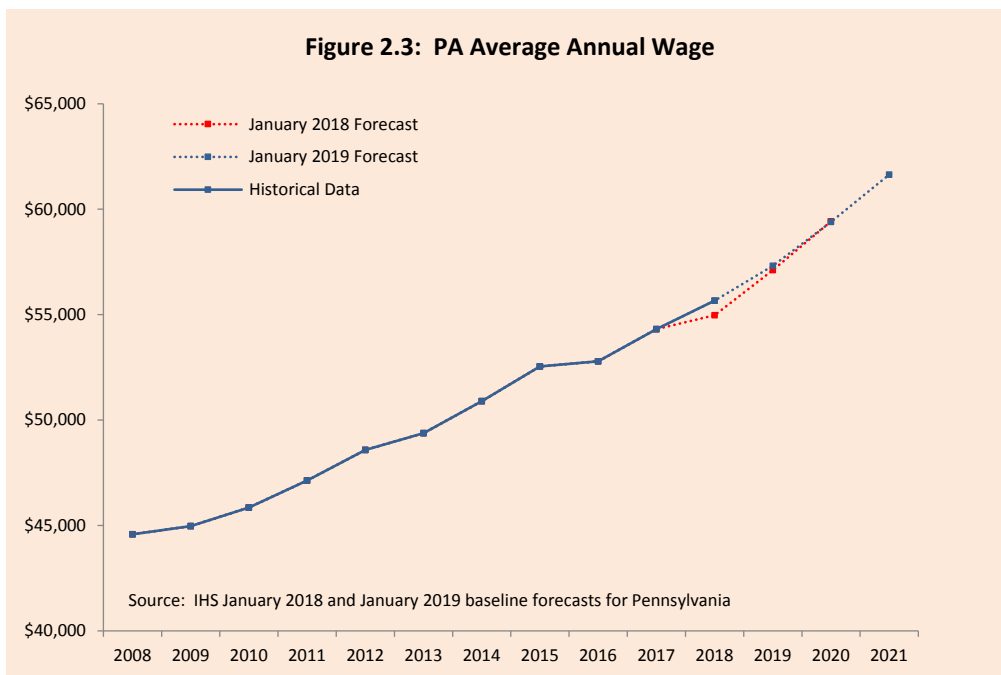
### **Economic Indicators for Pennsylvania**



Pennsylvania's total unemployment rate is projected to decrease from 4.3 percent in 2018 to 3.9 percent in 2019 and to 3.8 percent in 2020. It is then projected to increase to 4.0 percent in 2021.



Pennsylvania’s nonagricultural employment is projected to increase from 6.01 million in 2018 to 6.09 million in 2019, and to 6.13 million in 2020 and 2021.



Pennsylvania’s estimated average annual wage for 2018 is \$55,655. It is projected to increase to \$57,320 in 2019, \$59,399 in 2020, and \$61,644 in 2021.

## UC Wages

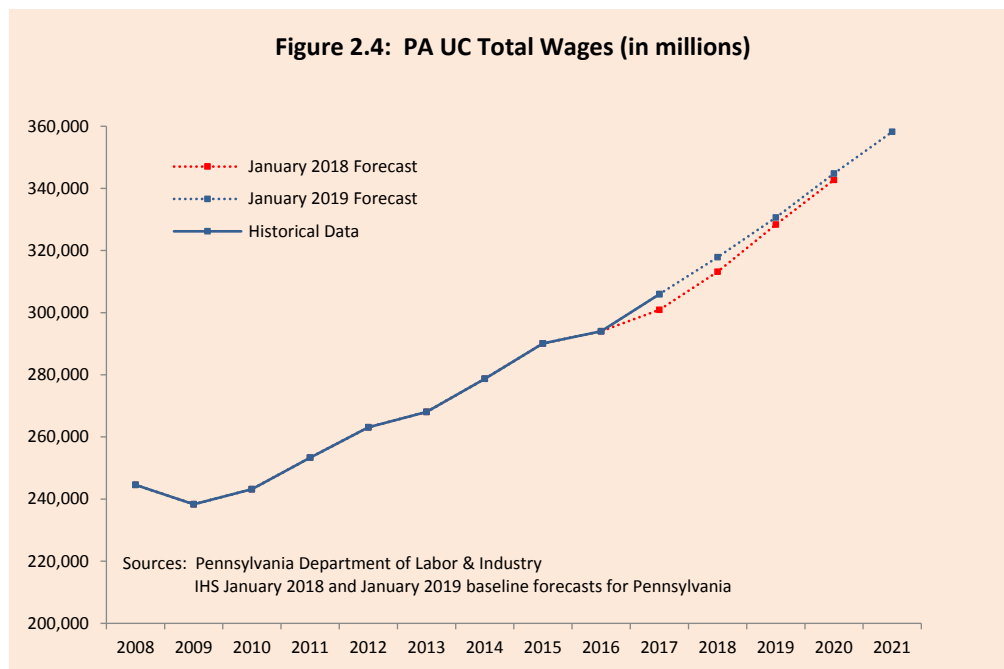
UC total wages are all wages paid by employers that are subject to Pennsylvania’s UC law, which includes most employers, with few exceptions. UC taxable wages are wages paid by contributory employers, up to the taxable wage base for each employee. The taxable wage base for 2018 was \$10,000.

Wages for 2018 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.

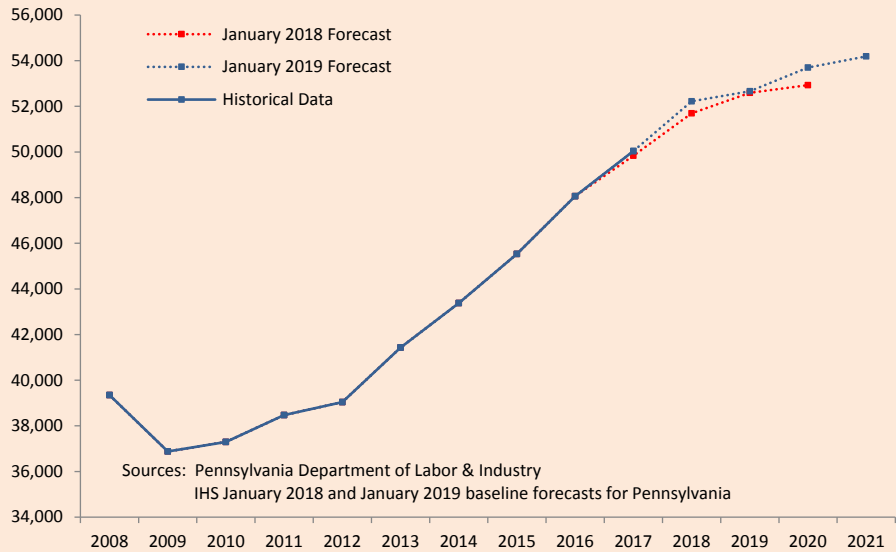
The remaining 2 percent of employers are reimbursable employers. Examples of reimbursable employers are political subdivisions and non-profit organizations. These employers, given the option under UC law to use the contributory or reimbursable method, have elected to reimburse the UC Trust Fund dollar-for-dollar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



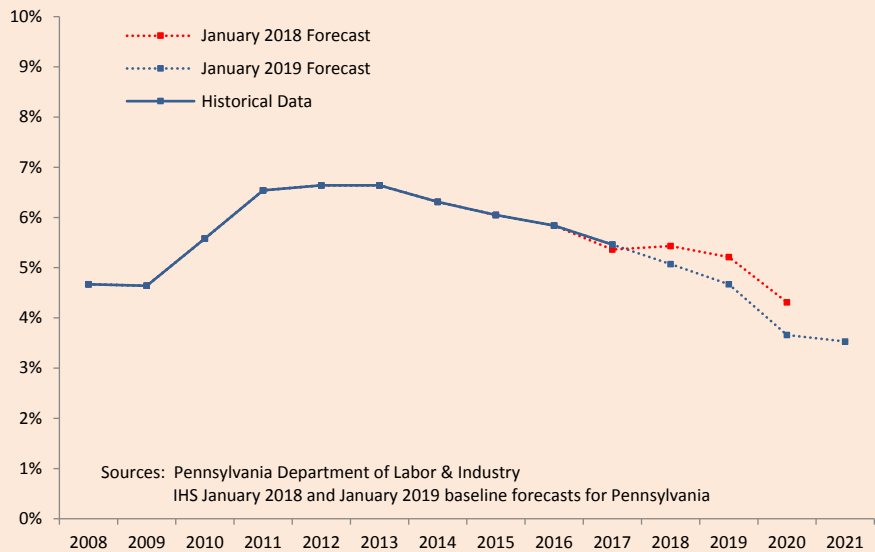
UC total wages are projected to increase from an estimated \$317.8 billion in 2018 to \$330.6 billion in 2019, \$344.8 billion in 2020, and \$358.2 billion in 2021.

**Figure 2.5: PA UC Taxable Wages (in millions)**



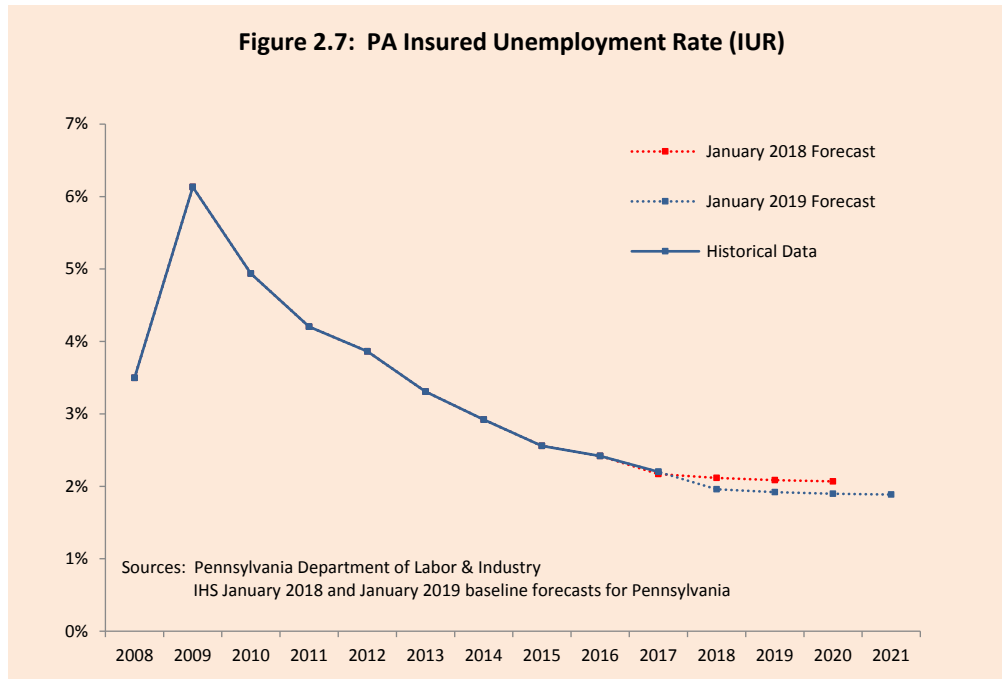
UC taxable wages are projected to increase from an estimated \$52.2 billion in 2018 to \$52.7 billion in 2019, \$53.7 billion in 2020, and \$54.2 billion in 2021.

**Figure 2.6: Average UC Employer Tax Rate**

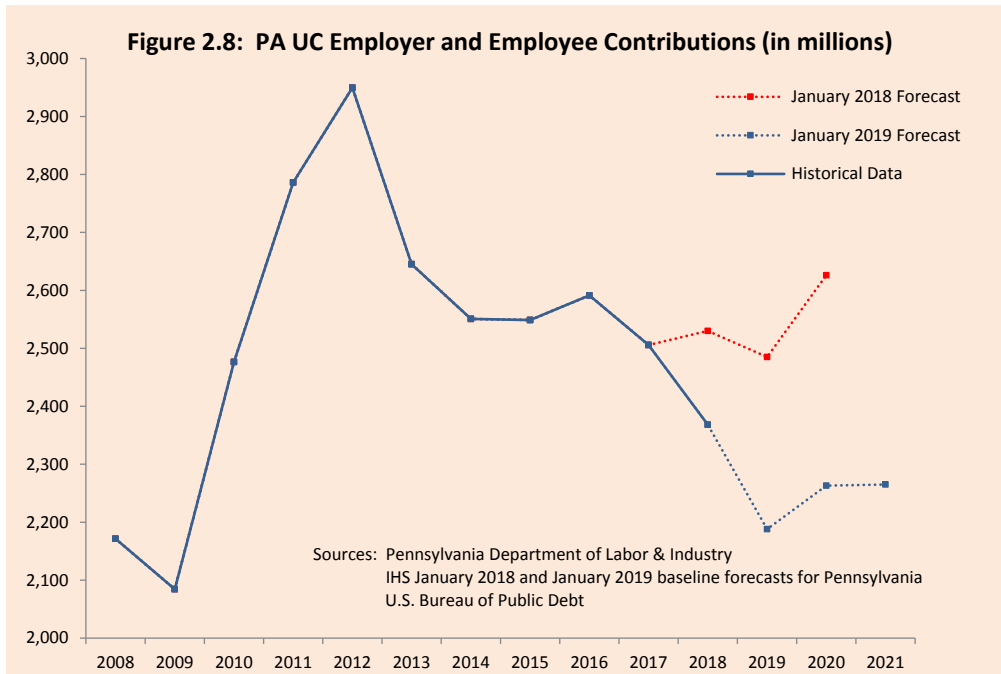


The average UC employer tax rate is projected to decrease from 5.1 percent in 2018 to 4.7 percent in 2019, 3.7 percent in 2020, and 3.5 percent in 2021.

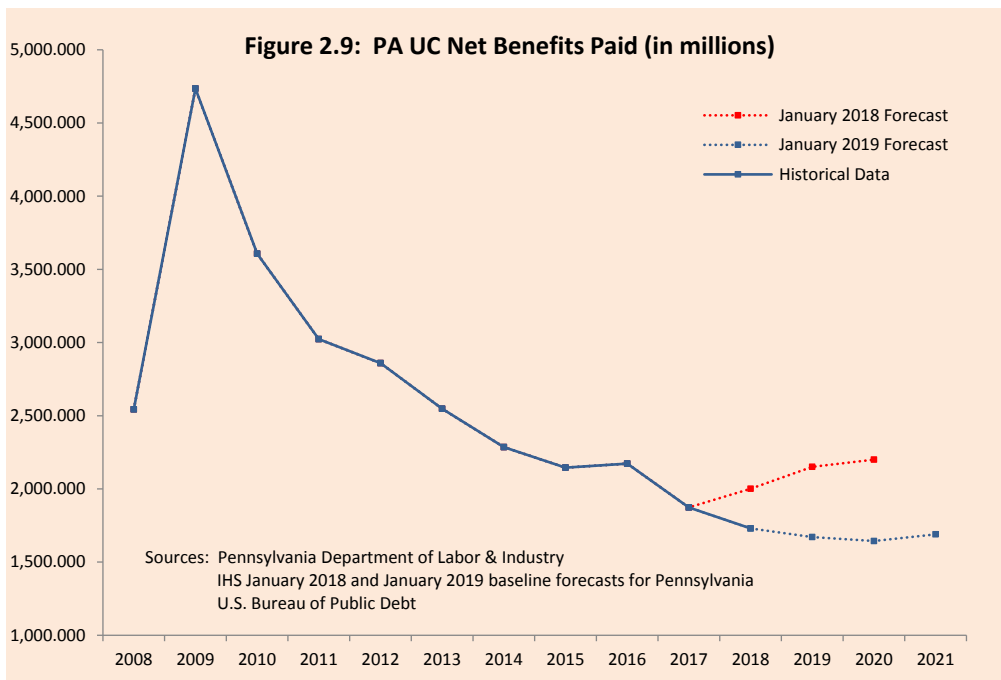
## Insured Unemployment Rate (IUR), Benefits Paid, and Contributions



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 2018 is estimated based on UC covered employment for the first nine months of the year. The estimated IUR for 2018 is 2 percent and is projected to decrease to 1.9 percent in 2019 and remain at 1.9 percent for 2020 and 2021.

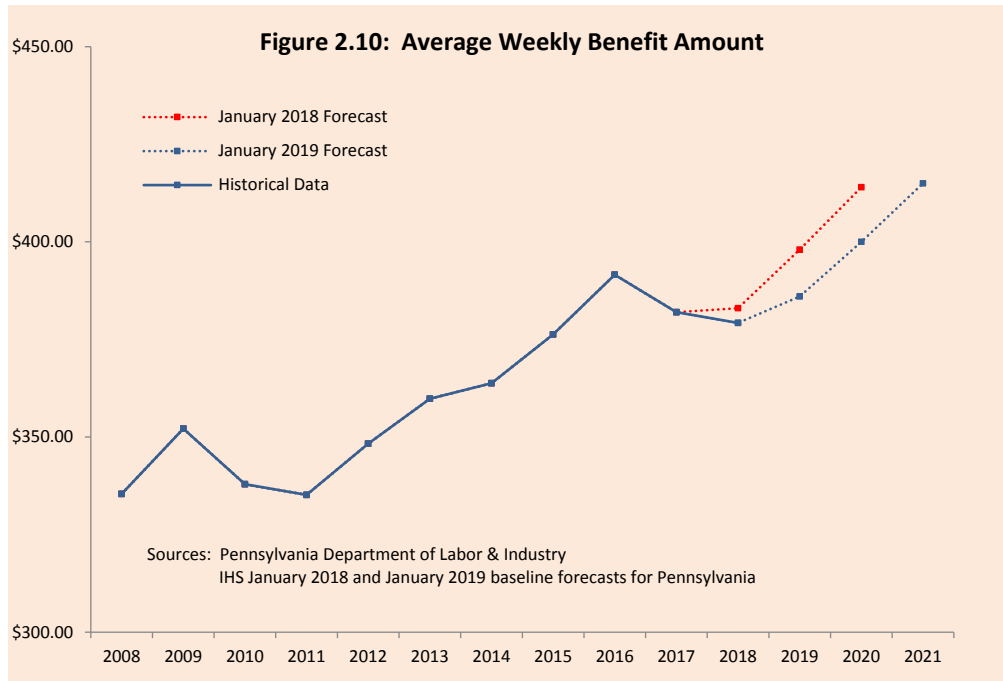


Employer and employee contributions are projected to decrease from \$2.4 billion in 2018 to \$2.2 billion in 2019, then to increase to \$2.3 billion in 2020 and 2021.



UC net benefits paid were approximately \$1.7 billion in 2018. They are predicted to hold steady at about \$1.7 billion in 2019, decrease to \$1.6 billion in 2020, and increase slightly to \$1.7 billion in 2021.





The average weekly benefit amount (based on weeks paid for total unemployment) is forecast to increase from \$379.25 in 2018 to \$386 in 2019, \$400 in 2020 and \$415 in 2021.

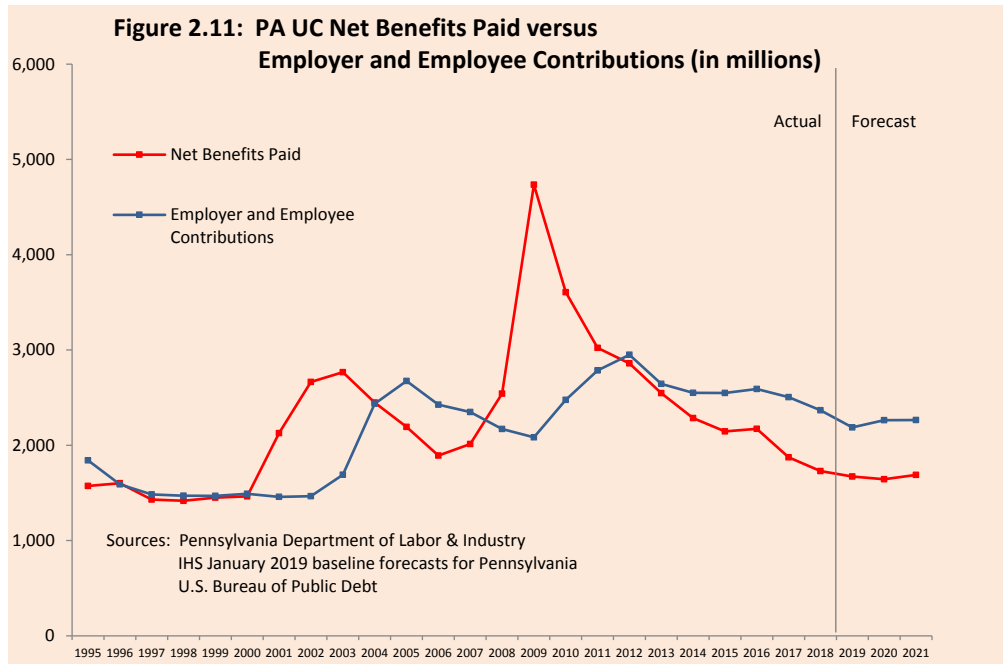


Figure 2.11 illustrates the relationship between benefits and contributions and shows how the solvency trigger mechanism causes employer and employee contributions to rise as a delayed response to an increase in benefits during periods of higher unemployment. Contributions increased following the 2009 recession, have exceeded benefits paid since 2012, and are expected to remain greater than benefits paid through 2021.

### **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 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 re-determined to derive a targeted annual dollar amount for each solvency measure. Rates are re-determined based on the prior calendar year's benefit and contribution activity and are effective in the following calendar year. Rates for 2018-2022 were re-determined in 2017 based on contribution and benefit activity for 2016.

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

	<b>Target Amount</b>	<b>Rate</b>
Employer surcharge	\$100,000,000	5.4%
Employer additional contributions	\$225,000,000	0.5%
Employee tax	\$166,666,667	0.06%
Benefit reduction	\$52,000,000	2.4%

Act 60 of 2012 also specifies that the target amounts for the employer surcharge, employer additional contributions, employee tax, and benefit reductions will increase beginning with the year after all UC debt is paid off. This debt includes the UC bonds, along with any federal loans that are incurred before the UC bonds are paid off. Since the UC bonds will be paid off in 2019 and no additional federal loans are expected before the loan balance is reduced to zero, the target amounts are projected to increase for 2020, resulting in higher rates for all the solvency measures.

#### **Solvency Measures for 2020 and 2021 (based on projected contribution and benefit activity for 2016)**

	<b>Target Amount</b>	<b>Rate</b>
Employer surcharge	\$138,000,000	7.4%
Employer additional contributions	\$310,000,000	0.7%
Employee tax	\$230,000,000	0.08%
Benefit reduction	\$72,000,000	3.3%

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.

<b>Projected Revenue from Solvency Measures (millions)</b>			
	<b>2019</b>	<b>2020</b>	<b>2021</b>
Employer surcharge	\$85	\$111	\$107
Employer additional contributions	\$235	\$336	\$339
Employee tax	\$198	\$276	\$287
Benefit reduction	\$41	\$56	\$58

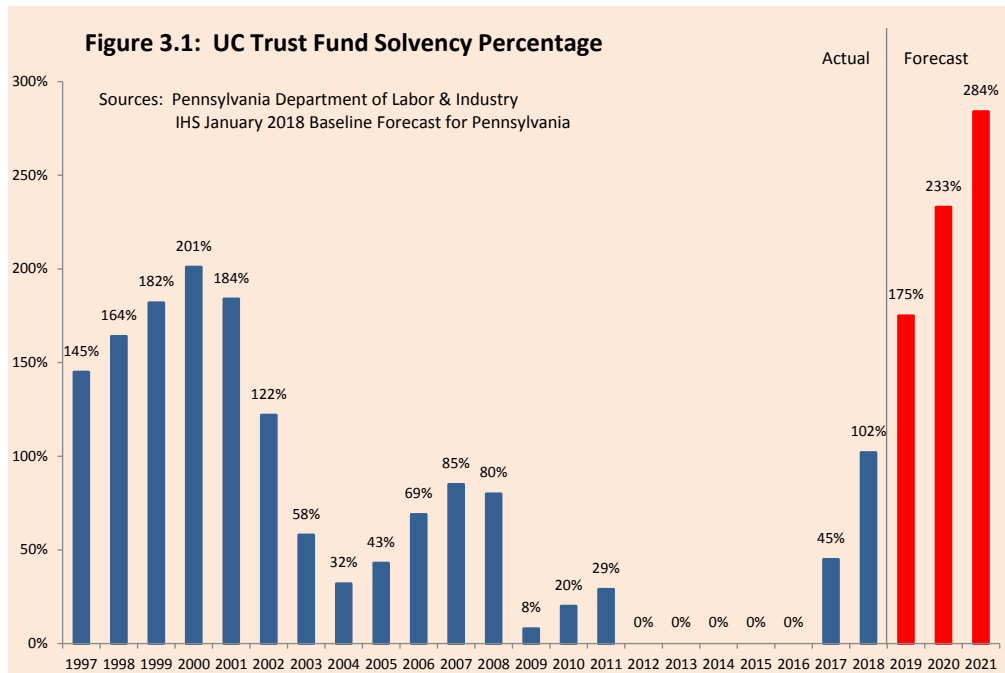
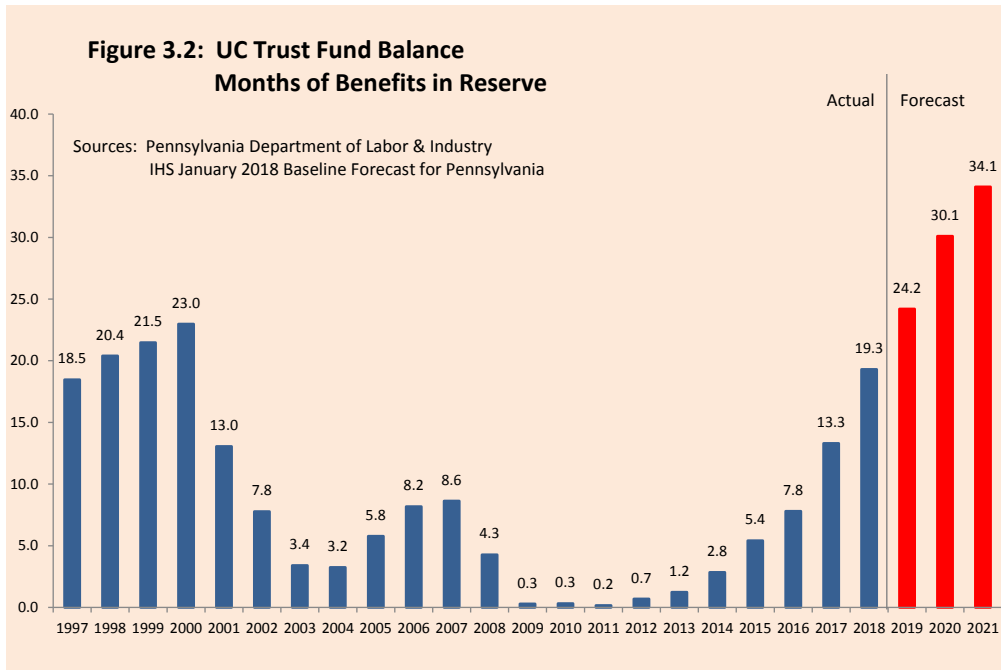


Figure 3.1 shows the annual UC Trust Fund solvency percentage. The solvency percentage for each year is the UC Trust Fund balance on June 30 divided by the three-year average for net benefits paid ending the same day. Per Act 60, starting in 2012 the amount of outstanding bonds or federal loans is subtracted 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 2018-2021 Cash Flow  
(Dollars in Millions)**

	Actual	Forecast		
	2018	2019	2020	2021
Beginning Trust Fund Balance	\$2,084	\$2,779	\$3,366	\$4,124
Beginning Federal Loan Balance	0	0	0	0
Beginning Bond Balance	1,013	511	0	0
Employer and Employee Trust Fund Contributions	2,368	2,188	2,263	2,265
Trust Fund Interest Earned	57	71	86	103
Interest Factor Contributions <sup>1</sup>	544	616	0	0
Benefit Payments	1,730	1,671	1,644	1,690
Other Withdrawals <sup>2</sup>	0	0	0	0
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>3</sup>	0	0	0	0
Title XII Federal Loan Interest Due on September 30	0	0	0	0
Bonds <sup>4</sup>	0	0	0	0
Bond Repayment	502	511	0	0
Ending Trust Fund Balance	2,779	3,366	4,124	4,801
Ending Federal Loan Balance	0	0	0	0
Ending Bond Balance	511	0	0	0
Trust Fund Balance as of June 30	2,765	3,378	4,017	4,759
Three-year Average Benefit Cost as of June 30	2,003	1,828	1,722	1,674
Solvency Percentage as of June 30 <sup>5</sup>	102%	175%	233%	284%

Sources: Pennsylvania Department of Labor & Industry  
U.S. Bureau of Public Debt  
IHS January 2019 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> 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 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 UCTS during calendar year 2018:

- Provided UC services to over 301,632 active employers
- Responded to 92,314 customer telephone calls
- Processed 1,138,204 quarterly tax returns
- Received 33,129 new employer registrations
- Issued 14,733 clearance certifications
- Revised 7,255 employer contribution rates
- Established 1,790 payment plans
- Filed 7,990 liens
- Completed 256,590 tasks in UCMS
- Initiated 28 injunctions
- Deposited approximately \$2.368 billion in UC tax contributions into the UC Fund, representing timely and delinquent payments
- Deposited \$7.3 million in interest and \$4.8 million in penalties to the Special Administrative Fund.
- Received 99.5 percent of all filed reports electronically for third quarter 2018.
- Received over 98.3 percent of all dollars electronically for all quarters of 2018
- Issued 6,333 refunds to employers for a total of \$8.5 million
- Completed 3,368 employer audits on gross payroll of \$4.81 billion
- Discovered 22,044 misclassified or unreported workers and \$8.6 million in underreported taxes
- Recommended 585 writs of execution against bank accounts and 629 were successfully closed with a total amount collected of \$3.7 million
- Processed 753 offsets totaling \$772,352 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
- Collected, through an agreement with the Philadelphia District Attorney’s office, \$1.5 million in tax payments, 51 UC Tax reports, and established 56 payment plans
- Closed 15 SUTA Dumping cases, discovered and billed for \$5.3 million in additional contributions and \$1.5 million in interest

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

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

By implementing the State Information Data Exchange System (SIDES), the Department is electronically transmitting UC information requests to participating employers instead of sending them in the mail. As of January 2019, 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, Sedgwick CMS, UC Alternative, UI Steward, Alphastaff Inc., Sheakley Uniservice, Emptech, and HIRETech. These third-party administrators handle over 11,000 employer accounts. There are currently over 12,400 employers enrolled in the SIDES E-Response system that interacts directly with employers, including Labor & Industry. During 2018, 189,781 electronic requests for information were sent through SIDES or SIDES E-Response, representing a quarter of new and additional claim applications. 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. U.S. Department of Labor approved Pennsylvania's two Shared-Work grant modification requests designed to implement enhancements and promote awareness of the program. The terms of the grant have been extended to Dec. 31, 2020. In 2018, the department accomplished several goals, as outlined in the grants. As of November 2018, the final features of the Shared-Work Web Application (SHWA) were finished. Center for Workforce Information and Analysis (CWIA) now automatically receives statistical reporting through the SHWA eliminating the need for manual tracking. Throughout 2018, detailed business rules and architecture for the Shared-Work portion of the UC modernization project were compiled and refined. In 2018, 348 employees participated in a Shared-Work plan.

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

During 2018, Labor & Industry recovered approximately \$12.8 million from claimants' federal income tax refunds. Since the program's inception in 2011, Labor & Industry has recouped approximately \$115.4 million in fraudulent UC and EB overpayments via TOP.

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

During 2018, Pennsylvania allocated \$197,356 in claimants' UC benefits towards their out-of-state overpayments. Pennsylvania also applied \$309,075 in claimants' out-of-state benefits towards their overpayments in Pennsylvania.

### **Pennsylvania New Hire Program**

During calendar year 2018, the department's new hire cross-match, which includes the State Directory of New Hires (SDNH) and National Directory of New Hires (NDNH), detected 4,459 overpayments in UC benefits. There was a total of \$2.88 million dollars written in overpayments and \$1.66 million dollars recovered during 2018. As the department also continues to recoup overpayments established in prior years, the recouped dollar amount may be higher than the established dollar amount in any given calendar year.



**Trade Adjustment Assistance (TAA)**

TAARA 2015 extends the TAA program through June 30, 2021. During 2018, 53 new petitions were certified under the TAARA 2015 program and 10,352 individuals were notified of potential eligibility. The total amount of TRA cash benefits paid for the year was approximately \$21,740,133.

In addition, many TAA eligible individuals over 50 worked new full-time jobs but since the new job paid less than their previous employment, they were eligible for RTAA payments. During 2018, 536 individuals were paid RTAA. The total amount of RTAA benefits paid was approximately \$1,873,849.

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

In 2018, Pennsylvania's OUCSC:

- Completed a total of 759,178 telephone calls
- Processed 797,134 initial claims
- Processed 5,858,042 continued claims
- Issued 310,764 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 can utilize both internet and telephone applications to open claims and file for UC benefits. In 2018, 77,632 Spanish initial claims were filed, and 65,878 Spanish 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 2018, OUCSC/OUCBP used language services for 25,460 calls in 57 different languages. Additionally, three bi-lingual service center agents are available to assist Spanish-speaking claimants.

### **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. Cumulatively from 2011 through 2018, 3,107 calls were handled from the deaf community. In 2018, OUCSC answered 384 videophone calls.

### **The UC Role in Rapid Response Services**

The department's Rapid Response Services is a collaboration between OUCSC and the Bureau of Workforce Development Partnership. When separations become necessary, Rapid Response Services can help by explaining UC and other reemployment services. The sooner the process can begin with a Rapid Response meeting, the sooner the effects of the layoff can be diminished.

To illustrate, here are the number of meetings held by Rapid Response Services in recent years:

Year	Rapid Response Meetings	Rapid Response Meeting Attendees
2014	460	8,911
2015	507	9,592
2016	449	8,899
2017	270	4,775
2018	335	5,722

### The OUCSC Role with Employers

OUCSC supports Labor & Industry’s speaker bureau by explaining the UC program to employers in various interactive settings. Workforce Development Representatives (WDRs) located throughout the commonwealth at each of the service centers conduct presentations that explain all the basic issues relating to employers as well as specific topics. Experts from UC Tax Services and the UC Board of Review also participate to help employers better understand UC and, in turn, help keep their UC costs at a minimum. Labor & Industry has increased efforts to educate employers in understanding the many new laws and procedures enacted to restore UC Trust Fund solvency and reduce UC costs for all employers.<sup>1</sup>

Year	Employee Seminars	Attendees
2014	101	1,995
2015	83	1,127
2016	71	965
2017	33	483
2018	47	567

<sup>1</sup> The PA Commonwealth budget impasse necessitated the cessation of most employer seminars as of October 1, 2015. Budgetary issues have reduced Labor & Industry’s ability to provide UC seminars to employers.

[This page intentionally left blank]

## 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	Recipient Demographics	37
Table A-7	Unemployment Compensation Monetary Determinations	39
Table A-8	Unemployment Compensation Nonmonetary Determinations	41
Table A-9	Employer Contribution Factors	43
Table A-10	Summary of Tax Rates by Industry	45
Table A-11	Covered Employment and Wages	47
Table A-12	Unemployment Compensation Solvency Measures	49
Table A-13	Unemployment Compensation Trust Fund Summary	51
Table A-14	Population and Labor Force Data	53

## Appendix B: State Comparisons

		Page
Table B-1	Comparison of State UC Data	55
Table B-1A	Comparison of State UC Data (Pennsylvania and Neighboring States Only)	56

## **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	
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%
2017	68	1,688-1,712	2,718	561	14,263	22,640 <sup>3</sup>	1.7%
2018	68	1,688-1,712	2,718	561	14,263	22,640 <sup>3</sup>	2.4%

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> For calendar years 2013 through 2016, at least 49.5 percent of wages must be earned outside of the high quarter.

<sup>3</sup> For calendar years beginning with 2017, at least 37 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**

Year	IUR	Initial Claims	New Claims	Weeks Claimed	Waiting Weeks
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%	981,496	538,860	7,092,608	478,529
2017	2.2%	856,471	476,496	6,406,955	445,322
2018	2.0% <sup>1</sup>	797,134	448,186	5,858,042	416,486

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> Preliminary rate based on actual 2018 claims activity and a 2018 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)
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
2017 <sup>2</sup>	423,990	337,228	94,426	5,324,053	1,873,644,000	381.99	15.8
2018 <sup>2</sup>	396,249	315,458	85,992	4,923,006	1,730,327,000	379.25	15.6

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**  
**2018 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	2,522	\$8,646,000	Lackawanna	7,081	\$29,113,000
Allegheny	35,038	154,606,000	Lancaster	13,789	52,051,000
Armstrong	2,959	12,440,000	Lawrence	3,118	13,758,000
Beaver	5,653	23,565,000	Lebanon	4,181	15,320,000
Bedford	1,754	7,106,000	Lehigh	11,860	52,026,000
Berks	12,299	53,329,000	Luzerne	13,373	54,440,000
Blair	3,888	14,234,000	Lycoming	4,462	18,641,000
Bradford	1,542	6,105,000	McKean	1,204	4,479,000
Bucks	14,327	69,648,000	Mercer	3,396	12,741,000
Butler	5,790	25,879,000	Mifflin	1,615	6,330,000
Cambria	4,695	18,207,000	Monroe	4,708	19,810,000
Cameron	287	692,000	Montgomery	18,623	95,711,000
Carbon	2,490	10,802,000	Montour	461	1,791,000
Centre	2,535	11,451,000	Northampton	8,380	36,521,000
Chester	9,897	49,175,000	Northumberland	4,009	15,623,000
Clarion	1,280	5,107,000	Perry	1,479	5,523,000
Clearfield	3,210	13,083,000	Philadelphia	44,581	197,826,000
Clinton	1,688	6,781,000	Pike	1,018	4,120,000
Columbia	2,700	10,572,000	Potter	603	2,349,000
Crawford	2,648	10,571,000	Schuylkill	5,665	22,752,000
Cumberland	5,377	22,674,000	Snyder	1,464	5,362,000
Dauphin	7,486	30,763,000	Somerset	2,999	12,551,000
Delaware	13,065	63,923,000	Sullivan	194	827,000
Elk	1,111	3,531,000	Susquehanna	1,015	4,356,000
Erie	8,904	35,314,000	Tioga	1,559	5,699,000
Fayette	5,371	22,575,000	Union	1,126	4,042,000
Forest	183	707,000	Venango	1,611	6,304,000
Franklin	3,491	12,911,000	Warren	1,090	4,055,000
Fulton	349	1,469,000	Washington	6,775	29,396,000
Greene	1,124	4,485,000	Wayne	1,461	6,684,000
Huntingdon	2,054	8,324,000	Westmoreland	12,736	53,993,000
Indiana	2,983	12,413,000	Wyoming	1,002	4,517,000
Jefferson	1,664	6,843,000	York	13,027	49,016,000
Juniata	1,016	3,966,000	Out of state	25,204	140,703,000
			<b>Total</b>	<b>396,249</b>	<b>\$1,730,327,000</b>

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**  
**2018 Benefit Recipients by Industry Sector**

Industry Sector	Benefit Recipients	Amount Paid
Natural Resources and Mining	5,814	\$ 28,831,000
Construction	73,179	370,568,000
Manufacturing	48,791	196,668,000
Trade, Transportation, and Utilities	75,669	293,687,000
Information	4,819	28,084,000
Financial Activities	14,609	82,366,000
Professional and Business Services	68,683	316,220,000
Education and Health Service	44,974	193,791,000
Leisure and Hospitality	37,314	119,726,000
Other Services	8,511	36,680,000
Local Government	9,839	43,525,000
Unclassified Industry	4,047	20,181,000
<b>Total</b>	<b>396,249</b>	<b>\$1,730,327,000</b>

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

## Definitions for Table A-6 Recipient Demographics

### Recipient Demographics

Breakdown by percentage of various characteristics of UC recipients who reside in Pennsylvania. The characteristics included in Table A-6 are base year wages, age, education level, race, gender, and number of dependents.



**Table A-6  
2018 Recipient Demographics**

<b>Base Year Wages</b>		<b>Age</b>	
Less than \$10,000	7%	16 – 19	1%
\$10,000 - \$19,999	22%	20-24	7%
\$20,000 - \$29,999	20%	25-34	23%
\$30,000 - \$39,999	16%	35-44	20%
\$40,000 - \$49,999	11%	45-54	23%
\$50,000 - \$59,999	9%	55-64	20%
\$60,000 - \$74,999	8%	65 and older	7%
\$75,000 and over	6%		

<b>Education Level</b>		<b>Race</b>	
Less than High School	9%	White	74%
High School	57%	Black	14%
Some College, including Associate Degree	17%	Hispanic	7%
Bachelor’s Degree or Higher	16%	Asian or Pacific Islander	1%
		American Indian or Alaskan	<1%
		Unknown	3%

<b>Gender</b>		<b>Number of Dependents</b>	
Male	59%	Zero	65%
Female	41%	One	17%
		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 Table A-7**

### **Unemployment Compensation Monetary Determinations**

#### **Monetary Determinations**

Decisions relative to a claimant's financial eligibility for UC benefits. All claimants must earn sufficient wages to qualify for benefits.

**Table A-7**  
**Unemployment Compensation Monetary Determinations**

<b>Year</b>	<b>Total</b>	<b>Insufficient Wage Credits</b>	<b>Sufficient Wage Credits</b>
1999	547,138	58,401	488,737
2000	564,914	59,489	505,425
2001	705,347	64,385	640,962
2002	741,918	65,388	676,530
2003	752,479	81,184	671,295
2004	688,371	83,740	604,631
2005	656,440	81,387	575,053
2006	631,916	76,793	555,123
2007	637,906	109,659	528,247
2008	769,697	135,614	634,083
2009	991,271	151,433	839,838
2010	818,753	156,418	662,335
2011	793,348	177,134	616,214
2012	770,646	175,289	595,357
2013	706,156	218,248	487,908
2014	568,890	143,100	425,790
2015	566,215	121,546	444,669
2016	516,726	103,591	413,135
2017	464,411	72,126	392,285
2018	432,612	65,558	368,054

Source: Pennsylvania Department of Labor & Industry

## **Definitions for Table A-8**

### **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-8**  
**Unemployment Compensation Nonmonetary Determinations**

<b>Year</b>	<b>Total</b>	<b>Ineligible</b>	<b>Eligible</b>
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
2017	270,303	167,760	102,543
2018	310,764	188,814	121,950

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-9 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 ratio of any flat tax to the average tax rate.

**Table A-9  
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>
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	5.84%	50%	50%
2017	9,750	5.45%	48%	52%
2018	10,000	5.07% <sup>1</sup>	52% <sup>1</sup>	48% <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-10**

### **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 that are 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 that 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 2018, the taxable wage base was \$10,000.

**Contributions Due**

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



**Table A-10**  
**2018 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	3,362	6.5%	\$ 2,538	\$ 618	\$ 40
Construction	29,710	8.3%	12,514	3,330	275
Manufacturing	13,608	5.8%	30,701	6,650	387
Trade, Transportation, and Utilities	56,099	4.5%	37,731	11,239	509
Information	4,070	5.2%	5,494	903	47
Financial Activities	19,652	4.5%	22,490	3,626	165
Professional and Business Services	58,943	5.2%	38,629	8,194	430
Education and Health Services	45,254	4.3%	18,376	5,991	255
Leisure and Hospitality	28,880	4.4%	8,881	4,854	212
Other Services	30,658	4.2%	4,454	1,638	69
Local Government	1,238	4.5%	626	204	9
<b>Total</b>	<b>291,474</b>	<b>5.1%</b>	<b>\$182,434</b>	<b>\$47,248</b>	<b>\$2,398</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-11 Covered Employment and Wages**

### **Active Employers**

Employers that 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 2018 was \$10,000.

**Table A-11  
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>
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	5,641,066	293,988,620,582	48,064,662,662
2017	291,479	5,702,015	305,940,521,178	50,039,671,784
2018	301,632	5,748,554 <sup>2</sup>	235,829,937,547 <sup>2</sup>	47,248,738,622 <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-12**

### **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-12**  
**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>
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
2017	45%	5.1%	89	0.65%	297	0.07%	211	1.7%	32
2018	102%	5.4%	95	0.50%	233	0.06%	191	2.4%	43

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 because of contributions due for a quarter being received in the subsequent quarter.

## **Definitions for Table A-13**

### **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-13**  
**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>
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
2017	2,505,843,000	1,873,644,000	2,083,619,000	0	1,013,290,000
2018	2,368,335,000	1,730,327,000	2,778,535,000	0	511,375,000

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-14 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-14  
Population and Labor Force Data (in thousands)**

Year	Total Population <sup>1</sup>	Civilian Labor Force	Resident Employment	Resident Unemployment	Unemployment Rate
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	12,743	6,396	5,889	507	7.9%
2012	12,768	6,463	5,957	506	7.8%
2013	12,778	6,442	5,968	475	7.4%
2014	12,790	6,392	6,018	374	5.9%
2015	12,791	6,416	6,076	340	5.3%
2016	12,787	6,450	6,103	347	5.4%
2017	12,806	6,425	6,111	314	4.9%
2018	12,807	6,424	6,149	276	4.3%

**2018 Monthly Data (in thousands, seasonally adjusted)**

Month	Civilian Labor Force	Resident Employment	Resident Unemployment	Unemployment Rate
January	6,403	6,108	295	4.6%
February	6,401	6,112	289	4.5%
March	6,402	6,119	283	4.4%
April	6,404	6,126	277	4.3%
May	6,406	6,133	274	4.3%
June	6,411	6,139	272	4.2%
July	6,419	6,148	270	4.2%
August	6,428	6,158	270	4.2%
September	6,440	6,170	270	4.2%
October	6,449	6,179	270	4.2%
November	6,451	6,181	270	4.2%
December	6,450	6,180	271	4.2%

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 Mar. 8, 2019 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.

## Definitions for Tables B-1 and B-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 B-1**  
**Comparison of State UC Data for October 2017 through September 2018**

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	3.9%	25 (tie)	\$152,336	31	\$222.00	47	\$8,000	44 (tie)	1.39%	32	0.30%	43
Alaska	6.9%	1	99,135	40	266.14	40	39,500	3	1.69%	24	1.07%	6
Arizona	4.7%	4 (tie)	227,715	25	230.22	46	7,000	47 (tie)	2.27%	13	0.43%	35
Arkansas	3.7%	30 (tie)	114,875	38	267.89	39	10,000	35 (tie)	1.64%	25	0.50%	27
California	4.2%	17 (tie)	5,092,409	1	327.57	31	7,000	47 (tie)	4.30%	2	0.62%	19
Colorado	3.0%	40 (tie)	387,393	16	427.81	7	12,600	29	1.74%	22	0.47%	32
Connecticut	4.4%	10 (tie)	661,779	12	392.24	12	15,000	20 (tie)	3.45%	3	0.83%	9 (tie)
Delaware	4.1%	20 (tie)	64,236	47	260.50	42	16,500	19	1.49%	29	0.49%	28 (tie)
Florida	3.7%	30 (tie)	359,058	18	247.40	45	7,000	47 (tie)	0.89%	45 (tie)	0.17%	50
Georgia	4.0%	22 (tie)	306,799	19	289.87	37	9,500	37 (tie)	1.53%	28	0.34%	40
Hawaii	2.1%	50	160,348	30	504.94	2	45,900	2	1.04%	41	0.72%	15
Idaho	2.8%	44 (tie)	82,653	43	319.80	33	38,200	5	1.02%	42	0.69%	16
Illinois	4.4%	10 (tie)	1,745,895	6	380.14	13	12,960	28	2.67%	10	0.65%	18
Indiana	3.3%	35 (tie)	252,004	24	291.94	36	9,500	37 (tie)	1.85%	20	0.45%	34
Iowa	2.7%	47 (tie)	369,474	17	397.74	10	29,900	12	1.44%	31	0.78%	13
Kansas	3.3%	35 (tie)	149,133	32	378.69	15	14,000	23 (tie)	1.24%	34	0.49%	28 (tie)
Kentucky	4.3%	15 (tie)	299,476	21	339.75	25	10,200	34	2.21%	14	0.59%	22 (tie)
Louisiana	4.7%	4 (tie)	143,197	35	212.28	49	7,700	46	1.54%	27	0.32%	42
Maine	3.0%	40 (tie)	83,088	42	330.61	30	12,000	31 (tie)	1.80%	21	0.57%	24
Maryland	4.2%	17 (tie)	471,297	13	347.51	21	8,500	43	2.14%	15	0.40%	36
Massachusetts	3.5%	32 (tie)	1,485,036	7	514.92	1	15,000	20 (tie)	2.85%	7	0.75%	14
Michigan	4.3%	15 (tie)	739,287	11	307.67	35	9,000	40 (tie)	3.24%	5	0.67%	17
Minnesota	3.0%	40 (tie)	792,894	10	455.30	5	32,000	9 (tie)	1.22%	36	0.59%	22 (tie)
Mississippi	4.7%	4 (tie)	69,280	45	207.37	50	14,000	23 (tie)	0.60%	49	0.23%	47
Missouri	3.4%	34	271,425	23	265.11	41	12,500	30	1.23%	35	0.37%	38 (tie)
Montana	3.9%	25 (tie)	103,095	39	345.66	23	32,000	9 (tie)	1.19%	37	0.79%	12
Nebraska	2.8%	44 (tie)	69,664	44	334.41	27	9,000	40 (tie)	0.91%	44	0.22%	48 (tie)
Nevada	4.7%	4 (tie)	288,708	22	347.25	22	30,500	11	2.02%	17	1.14%	4
New Hampshire	2.6%	49	49,231	48	333.71	28	14,000	23 (tie)	0.89%	45 (tie)	0.24%	45 (tie)
New Jersey	4.4%	10 (tie)	1,994,131	4	449.23	6	33,700	8	1.87%	19	0.83%	9 (tie)
New Mexico	5.1%	3	138,274	36	332.37	29	24,200	14	1.06%	40	0.56%	25 (tie)
New York	4.4%	10 (tie)	2,144,588	2	342.11	24	11,100	33	2.70%	9	0.48%	30 (tie)
North Carolina	4.1%	20 (tie)	175,165	28	258.43	44	23,500	15	0.84%	47	0.37%	38 (tie)
North Dakota	2.7%	47 (tie)	98,700	41	467.45	4	35,500	6	1.70%	23	1.01%	7
Ohio	4.5%	9	872,917	9	371.56	16	9,500	37 (tie)	2.49%	11	0.56%	25 (tie)
Oklahoma	3.8%	28 (tie)	217,957	26	362.94	18	17,600	17 (tie)	0.95%	43	0.38%	37
Oregon	4.0%	22 (tie)	463,959	14	393.99	11	39,300	4	2.13%	16	1.29%	2
Pennsylvania	4.4%	10 (tie)	1,818,383	5	378.71	14	10,000	35 (tie)	5.21%	1	1.11%	5
Rhode Island <sup>2</sup>	4.2%	17 (tie)	144,969	34	356.64	20	23,000	16	2.76%	8	1.17%	3
South Carolina	3.8%	28 (tie)	166,490	29	258.68	43	14,000	23 (tie)	1.37%	33	0.48%	30 (tie)
South Dakota	3.2%	37 (tie)	26,010	50	334.83	26	15,000	20 (tie)	0.63%	48	0.24%	45 (tie)
Tennessee	3.5%	32 (tie)	205,449	27	215.03	48	7,000	47 (tie)	1.12%	38	0.22%	48 (tie)
Texas	3.9%	25 (tie)	2,140,480	3	398.16	9	9,000	40 (tie)	2.31%	12	0.46%	33
Utah	3.1%	39	147,342	33	404.28	8	34,300	7	0.56%	50	0.33%	41
Vermont	2.8%	44 (tie)	64,635	46	361.11	19	17,600	17 (tie)	3.38%	4	1.33%	1
Virginia	3.2%	37 (tie)	300,394	20	309.77	34	8,000	44 (tie)	1.45%	30	0.25%	44
Washington	4.6%	8	947,199	8	476.50	3	47,300	1	1.07%	39	0.60%	20 (tie)
West Virginia	5.3%	2	136,486	37	288.30	38	12,000	31 (tie)	2.90%	6	0.94%	8
Wisconsin	2.9%	43	401,229	15	320.03	32	14,000	23 (tie)	1.89%	18	0.60%	20 (tie)
Wyoming	4.0%	22 (tie)	49,008	49	370.95	17	24,700	13	1.55%	26	0.80%	11

Source: U.S. Department of Labor

<sup>1</sup> Average tax data is for April 1, 2017 through March 31, 2018.

<sup>2</sup> The taxable wage base for Rhode Island is \$24,500 for some employers.

**Table B-1A**  
**Comparison of State UC Data for October 2017 through September 2018**  
**(Pennsylvania and Neighboring States Only)**

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
Delaware	4.1%	7	\$ 64,236	8	\$260.50	8	\$16,500	2	1.49%	7	0.49%	5
Maryland	4.2%	6	471,297	5	347.51	4	8,500	7	2.14%	5	0.40%	7
New Jersey	4.4%	3 (tie)	1,994,131	2	449.23	1	33,700	1	1.87%	6	0.83%	3
New York	4.4%	3 (tie)	2,144,588	1	342.11	5	11,100	4	2.70%	3	0.48%	6
Ohio	4.5%	2	872,917	4	371.56	3	9,500	6	2.49%	4	0.56%	4
Pennsylvania	4.4%	3 (tie)	1,818,383	3	378.71	2	10,000	5	5.21%	1	1.11%	1
Virginia	3.2%	8	300,394	6	309.77	6	8,000	8	1.45%	8	0.25%	8
West Virginia	5.3%	1	136,486	7	288.30	7	12,000	3	2.90%	2	0.94%	2

Source: U.S. Department of Labor

<sup>1</sup> Average tax data is for April 1, 2017 through March 31, 2018.

[This page intentionally left blank]

[This page intentionally left blank]

[This page intentionally left blank]



*Auxiliary aids and services are available upon request to individuals with disabilities.  
Equal Opportunity Employer/Program*