

T E S T I M O N Y

To: House Commerce and Economic Development
From: Vermont Department of Labor
Date: April 23, 2021
Subject: Updated UI TF Proposal Impacts

The information below has been prepared for the House Committee on Commerce and Economic Development by the Economic and Labor Market Information Division to forecast the impact various proposals may have on employer contributions, benefit payments, and the balance of the Unemployment Insurance Trust Fund.

“Base” refers to the baseline forecast presented in the 2021 annual report of the Unemployment Insurance Trust Fund.

“Ign2020” refers to ignoring 2020 from the annual Tax Rate Schedule calculation. Please note: these numbers also include an interest calculation corrected from the April 21 version of the table presented. This impacts section [a] only.

“Ign’20+D” refers to ignoring 2020 from the annual Tax Rate Schedule calculation and includes the dependent benefit as passed out of the Senate in S.10.

** This is a corrected version of the UI TF reports initially submitted on April 22. Please reference this report which includes updated information.*

CORRECTED - Unemployment Insurance (UI) Trust Fund (TF) - Comparison of Three Forecasts

4/23/2021

Year	UI TF Balance [a]			Benefits [b]			Contributions [c]			Tax Rate Sch. [d]			Taxable Wage Base [e]		
	Base	Ign2020	Ign'20+D	Base	Ign2020	Ign'20+D	Base	Ign2020	Ign'20+D	Base	Ign2020	Ign'20+D	Base	Ign2020	Ign'20+D
2020	\$241.7	\$241.7	\$241.7	\$387.4	\$387.4	\$387.4	\$117.3	\$117.3	\$117.3	I	I	I	\$16,100	\$16,100	\$16,100
2021	\$234.8	\$219.3	\$213.4	\$158.3	\$158.3	\$164.2	\$146.6	\$131.4	\$131.4	V	III	III	\$14,100	\$14,100	\$14,100
2022	\$305.1	\$264.7	\$246.0	\$118.8	\$118.8	\$131.6	\$183.3	\$159.0	\$159.0	V	IV	IV	\$14,600	\$14,600	\$14,600
2023	\$420.0	\$336.1	\$310.5	\$83.1	\$83.1	\$90.1	\$190.6	\$147.8	\$147.8	V	III	III	\$15,100	\$15,100	\$15,100
2024	\$536.0	\$396.6	\$380.5	\$74.8	\$74.8	\$80.0	\$181.1	\$127.0	\$141.8	IV	II	III	\$15,600	\$13,100	\$13,100
2025	\$643.4	\$444.1	\$439.0	\$75.6	\$75.6	\$80.7	\$172.0	\$114.3	\$130.5	IV	I	II	\$16,100	\$13,600	\$13,600
2026	\$743.0	\$473.3	\$487.0	\$76.3	\$76.3	\$78.8	\$163.4	\$96.2	\$117.4	III	I	I	\$16,700	\$11,600	\$14,100
2027	\$826.0	\$504.4	\$518.5	\$77.1	\$77.1	\$77.1	\$146.3	\$98.6	\$99.0	III	I	I	\$14,700	\$12,000	\$12,100
2028	\$902.2	\$538.2	\$552.7	\$77.9	\$77.9	\$77.9	\$138.9	\$101.0	\$101.5	II	I	I	\$15,200	\$12,400	\$12,500
2029	\$972.1	\$574.7	\$589.7	\$78.6	\$78.6	\$78.6	\$132.0	\$103.6	\$104.0	II	I	I	\$15,700	\$12,800	\$12,900
2030	\$1,035.8	\$613.9	\$629.4	\$79.4	\$79.4	\$79.4	\$125.4	\$106.1	\$106.6	I	I	I	\$16,200	\$13,200	\$13,400
2031	\$1,084.3	\$655.5	\$671.5	\$80.2	\$80.2	\$80.2	\$110.1	\$108.8	\$109.3	I	I	I	\$14,200	\$13,700	\$13,900

Definitions

"Base" - refers to Baseline forecast presented in 2021 annual report of the UITF dated 1/31/21

"Ign2020" - refers to ignoring 2020 from the annual Tax Rate Schedule calculation

"Ign'20+D" - refers to ignoring 2020 from the annual Tax Rate Schedule calculation and includes dependent benefit as described in S.10

Notes

[a] in millions of dollars as of the end of the year; includes interest

[b] in millions of dollars; does not include benefits paid by federal USDOL

[c] in millions of dollars

[d] annual determination effective in July

[e] annual determination effective in January

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Unemployment Insurance Trust Fund Forecast - 2020-2031

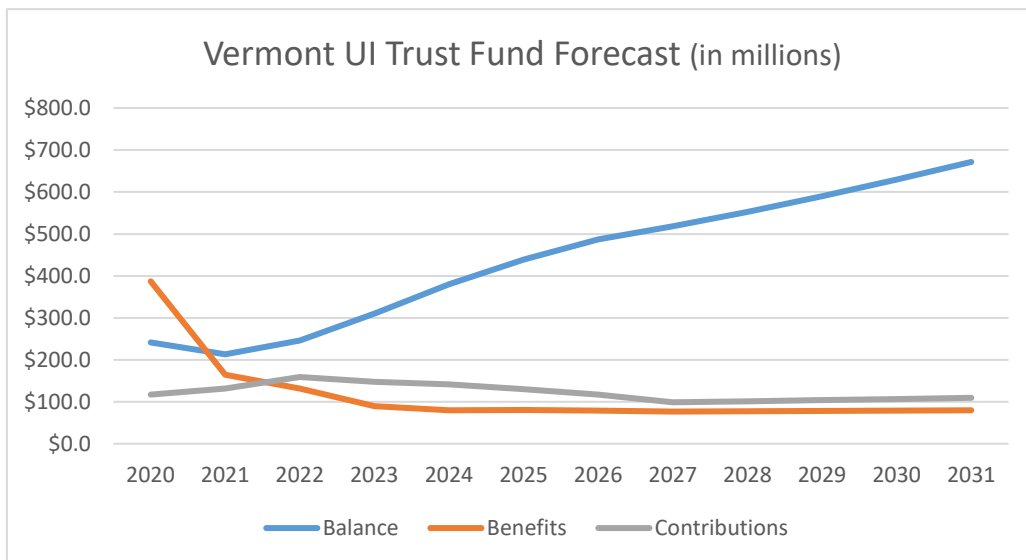
Apr-2021

Proposed Change - Ignore 2020 & Dependent Benefit for 5 years

Year	UI TF Balance	CLAIMANTS		EMPLOYERS		
		Benefits Paid	Maximum Weekly Benefit	Contributions	Tax Rate Schedule	Taxable Wage Base
	[a]	[b]	[c]	[d]	[e]	[f]
2020	\$241.7	\$387.4	\$531	\$117.3	I	\$16,100
2021	\$213.4	\$164.2	\$550	\$131.4	III	\$14,100
2022	\$246.0	\$131.6	\$569	\$159.0	IV	\$14,600
2023	\$310.5	\$90.1	\$589	\$147.8	III	\$15,100
2024	\$380.5	\$80.0	\$610	\$141.8	III	\$13,100
2025	\$439.0	\$80.7	\$631	\$130.5	II	\$13,600
2026	\$487.0	\$78.8	\$653	\$117.4	I	\$14,100
2027	\$518.5	\$77.1	\$676	\$99.0	I	\$12,100
2028	\$552.7	\$77.9	\$700	\$101.5	I	\$12,500
2029	\$589.7	\$78.6	\$725	\$104.0	I	\$12,900
2030	\$629.4	\$79.4	\$750	\$106.6	I	\$13,400
2031	\$671.5	\$80.2	\$776	\$109.3	I	\$13,900

Notes

- [a] in millions of dollars as of the end of the year; includes interest
- [b] in millions of dollars; does not include benefits paid by federal USDOL
- [c] amount adjusted every July
- [d] in millions of dollars
- [e] annual determination effective in July
- [f] annual determination effective in January



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