

State of Vermont
Department of Labor

P.O. Box 488
Montpelier, VT 05601
www.labor.vermont.gov

[telephone] 802-828-4301
[fax] 802-828-4022

T E S T I M O N Y

To: Senate Economic Development, Housing and General Affairs
From: Mathew Barewicz, Director of Economic & Labor Market Information,
Department of Labor
Date: February 12, 2021
Subject: Testimony on Impacts to Trust Fund Based on UI Proposals

The Economic and Labor Market Information Division has prepared the following information. The table and graph below model the Administration's proposal for freezing the taxable wage base (TWB) for one year, freezing the tax rate schedule (TRS) for one year and limiting an increase to the tax rate schedule to a maximum of two schedules in any subsequent year. This information is directly comparable to the basic Unemployment Insurance (UI) Trust Fund (TF) forecast prepared and submitted as part of the 2021 annual legislative report on the status of the UITF.



Unemployment Insurance Trust Fund Forecast - 2020-2031

Jan-2021

Proposed Change - freeze Sch I; limit 2 sch increase; freeze TWB \$14.1k;

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	\$196.5	\$158.3	\$550	\$108.3	I	\$14,100
2022	\$210.2	\$118.8	\$569	\$126.7	III	\$14,100
2023	\$292.9	\$83.1	\$589	\$158.4	V	\$14,600
2024	\$421.1	\$74.8	\$610	\$193.2	V	\$15,100
2025	\$543.9	\$75.6	\$631	\$187.4	IV	\$15,600
2026	\$658.1	\$76.3	\$653	\$178.1	IV	\$16,100
2027	\$764.0	\$77.1	\$676	\$169.2	III	\$16,700
2028	\$851.9	\$77.9	\$700	\$150.7	III	\$14,700
2029	\$933.0	\$78.6	\$725	\$143.2	II	\$15,200
2030	\$1,007.4	\$79.4	\$750	\$136.0	II	\$15,700
2031	\$1,075.0	\$80.2	\$776	\$129.2	I	\$16,200

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

