

Comparison of the UI trust fund - Governor's proposal versus current law (November Trust fund forecast)

Unemployment-insurance trust fund: November BASELINE forecast -Social Tax of .050%-2021, Social tax of .75%-2022, Social tax of .80%-2023, Social Tax of .85%-2024, Social tax of .90%-2025. No Solvency Tax 2021-2025 + 5-year window for experience tax (2022), Minimum Weekly Benefit Amount increased to 20% of AWW (2021); Relief of benefit charges (March 22 – May 2)							
(based on reported in the November 12th, 2020 Washington State Economic and Revenue Forecast Council)							
Taxes	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025
Average experience tax rate (percent)	0.93%	0.86%	0.86%	1.24%	1.43%	1.45%	1.58%
Experience tax contributions	\$ 933.7	\$ 939.4	\$ 969.5	\$1,427.6	\$1,692.1	\$1,765.5	\$1,978.8
Flat social tax rate (percent)	0.16%	0.25%	0.50%	0.75%	0.80%	0.85%	0.90%
Social tax contributions	\$ 160.4	\$ 178.4	\$ 349.1	\$ 574.5	\$ 669.2	\$ 733.6	\$ 811.8
Solvency tax rate (percent)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Solvency tax contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total average tax rate (experience tax + social tax)	1.08%	1.03%	1.17%	1.74%	1.99%	2.05%	2.23%
Total tax contributions	\$ 1,094.1	\$ 1,117.8	\$ 1,318.6	\$ 2,002.1	\$ 2,361.4	\$ 2,499.1	\$ 2,790.6
Benefits							
Weeks compensated (in millions) - regular benefits	2.1	11.0	5.3	2.8	2.6	2.6	2.5
Average weekly benefit amount	\$477.84	\$476.66	\$596.65	\$625.80	\$645.58	\$667.21	\$692.27
Regular benefit payments	\$ 1,010.6	\$ 5,110.9	\$ 3,163.9	\$ 1,761.7	\$ 1,699.6	\$ 1,719.3	\$ 1,738.3
Total benefit liability	\$ 949.9	\$ 4,819.2	\$ 3,124.1	\$ 1,656.0	\$ 1,597.6	\$ 1,616.2	\$ 1,634.0
Reimbursable benefit payments	\$ 60.6	\$ 306.7	\$ 189.8	\$ 105.7	\$ 102.0	\$ 103.2	\$ 104.3
Total benefit payments	\$ 1,010.6	\$ 5,125.9	\$ 3,313.9	\$ 1,761.7	\$ 1,699.6	\$ 1,719.3	\$ 1,738.3
Trust fund							
Beginning trust fund balance	\$ 4,731.1	\$ 4,988.3	\$ 1,367.1	\$ (418.2)	\$ (71.5)	\$ 700.7	\$ 1,612.8
Trust fund interest	\$ 113.0	\$ 80.3	\$ 20.3	\$ 0.5	\$ 8.5	\$ 29.2	\$ 54.4
Total tax contributions	\$ 1,094.1	\$ 1,117.8	\$ 1,318.6	\$ 2,002.1	\$ 2,361.4	\$ 2,499.1	\$ 2,790.6
Reimbursements from reimbursables	\$ 60.6	\$ 306.7	\$ 189.8	\$ 105.7	\$ 102.0	\$ 103.2	\$ 104.3
Total benefit payments	\$ 1,010.6	\$ 5,125.9	\$ 3,313.9	\$ 1,761.7	\$ 1,699.6	\$ 1,719.3	\$ 1,738.3
Ending trust fund balance (as of 12/31)	\$ 4,988.3	\$ 1,367.1	\$ (418.2)	\$ (71.5)	\$ 700.7	\$ 1,612.8	\$ 2,823.8
Months of benefits available (as of 9/30)	15.0	6.6	0.7	0.2	2.1	4.4	7.1
Unemployment-insurance trust fund: November 2020 Baseline Forecast							
(based on actual through September 16th, 2020 Washington State Economic and Revenue Forecast Council)							
Taxes	CY 2019	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025
Average experience tax rate (percent)	0.93%	0.86%	0.97%	1.52%	1.73%	1.75%	1.49%
Experience tax contributions	\$ 933.7	\$ 939.4	\$1,085.9	\$1,743.9	\$2,047.3	\$2,130.8	\$1,868.1
Flat social tax rate (percent)	0.16%	0.25%	1.22%	1.22%	0.60%	0.60%	0.40%
Social tax contributions	\$ 160.4	\$ 178.4	\$ 829.0	\$1,012.2	\$ 597.3	\$ 540.2	\$ 385.6
Solvency tax rate (percent)	0.00%	0.00%	0.20%	0.20%	0.20%	0.00%	0.00%
Solvency tax contributions	\$ -	\$ -	\$ 194.1	\$ 229.9	\$ 236.7	\$ 33.4	\$ -
Total average tax rate (experience tax + social tax)	1.08%	1.03%	1.88%	2.60%	2.43%	2.22%	1.80%
Total tax contributions	\$1,094.1	\$1,117.8	\$2,109.0	\$2,985.9	\$2,881.3	\$2,704.5	\$2,253.7
Benefits							
Weeks compensated (in millions) - regular benefits	2.1	11.0	5.3	2.8	2.6	2.6	2.5
Average weekly benefit amount	\$477.84	\$476.66	\$559.28	\$566.34	\$584.28	\$603.86	\$626.49
Regular benefit payments	\$1,010.6	\$5,110.9	\$2,965.8	\$1,594.3	\$1,538.2	\$1,556.1	\$1,573.1
Total benefit liability	\$949.9	\$4,819.2	\$2,937.8	\$1,498.6	\$1,445.9	\$1,462.7	\$1,478.8
Reimbursable benefit payments	\$60.6	\$306.7	\$177.9	\$95.7	\$92.3	\$93.4	\$94.4
Total benefit payments	\$1,010.6	\$5,125.9	\$3,115.8	\$1,594.3	\$1,538.2	\$1,556.1	\$1,573.1
Trust fund							
Beginning trust fund balance	\$4,731.1	\$4,988.3	\$1,367.1	\$566.2	\$2,083.9	\$3,589.0	\$4,936.6
Trust fund interest	\$113.0	\$80.3	\$28.0	\$30.4	\$69.7	\$105.8	\$136.0
Total tax contributions	\$1,094.1	\$1,117.8	\$2,109.0	\$2,985.9	\$2,881.3	\$2,704.5	\$2,253.7
Reimbursements from reimbursables	\$60.6	\$306.7	\$177.9	\$95.7	\$92.3	\$93.4	\$94.4
Total benefit payments	\$1,010.6	\$5,125.9	\$3,115.8	\$1,594.3	\$1,538.2	\$1,556.1	\$1,573.1
Ending trust fund balance (as of 12/31)	\$ 4,988.3	\$ 1,367.1	\$ 566.2	\$ 2,083.9	\$ 3,589.0	\$ 4,936.6	\$ 5,847.5
Months of benefits available (as of 9/30)	15.0	6.6	2.8	5.5	9.5	12.8	15.0