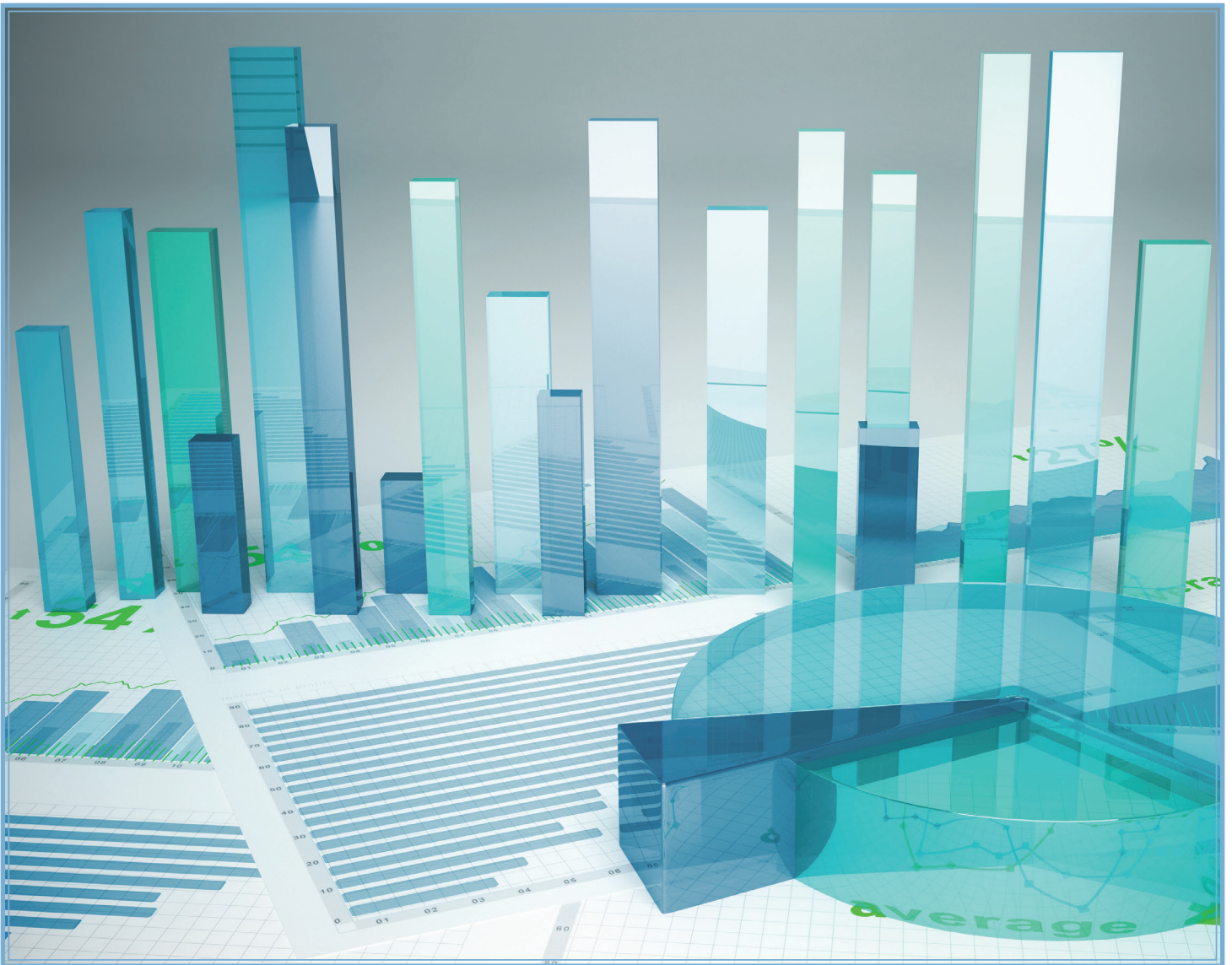


Actuarial Evaluation 2017

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 2017 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 2018 IHS Baseline Forecast of economic activity.

The report analyzes Pennsylvania's UC Trust Fund activity in 2017 and provides a forecast for 2018 through 2020. 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 2018 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: 2017 in Review	2
Figure 1.1: January 2017 Forecast Compared to Actual Data	6
Figure 1.2: IHS Forecast Comparison – January 2017 and January 2018	7
Section 2: Outlook for 2018-2020	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: Average UC Employer Tax Rate	12
Figure 2.9: PA Insured Unemployment Rate (IUR)	13
Figure 2.10: PA UC Employer and Employee Contributions	14
Figure 2.11: PA UC Net Benefits Paid	15
Figure 2.12: Average Weekly Benefit Amount	15
Figure 2.13: 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 2017-2020 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)	24
Appendix A: Statistical Appendix	27
Appendix B: Recipient Demographics	53
Appendix C: State Comparisons	55

Executive Summary

Pennsylvania's annual average total unemployment rate decreased from 5.4 percent in 2016 to 4.9 percent in 2017. Annual average resident employment was steady at approximately 6.1 million for both years.

In 2017, 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 2017.

The status of the UC program in Pennsylvania for 2017 is summarized below. Program details and projections for 2018 through 2020 are included later in this report.

Benefit costs

- Annual benefit costs decreased from \$2.17 billion in 2016 to \$1.87 billion in 2017.
- The number of individuals who received UC benefits decreased from 471,410 in 2016 to 423,990 in 2017.
- The average duration of benefits decreased from 16.4 weeks in 2016 to 15.8 weeks in 2017.
- The average weekly benefit amount decreased from \$391.57 in 2016 to \$381.99 in 2017.
- The minimum weekly benefit amount for 2017 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 \$2.6 billion in 2016 to \$2.5 billion in 2017.
- The average tax rate for employers was 5.5 percent for the first nine months of 2017, compared to 5.8 percent for 2016. Due to a six-month lag in reporting of taxable wages, the average tax rate for all of 2017 is not yet available.
- The interest tax rate for 2017 was 1.1 percent. Revenue from the interest tax was used for repayment of UC bonds.
- The employee tax rate for 2017 was 0.07 percent and will be reduced to 0.06 percent for 2018.

UC Trust Fund

- The UC Trust Fund balance increased by \$671 million in 2017, from a beginning balance of \$1.4 billion to the year-end balance of \$2.1 billion. The Trust Fund balance is expected to continue to increase in 2018.
- No federal loans were needed in 2017, and none are expected for 2018.
- 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 \$1.47 billion at the beginning of 2017 to \$1.01 billion at the end of the year. The bond balance is projected to decrease to just under \$521 million at the end of 2018.
- The Trust Fund solvency percentage – i.e., the Trust Fund balance minus the outstanding bond balance – as of June 30, 2017 was 45 percent, and is projected to increase to 99 percent on June 30, 2018. Solvency measures are expected to be in effect for 2018 through 2020, and will continue until the solvency percentage reaches 250 percent.

Section 1: 2017 in Review

Population, Labor Force, and Unemployment Rate

In 2017, Pennsylvania's annual average total unemployment rate (TUR) was 4.9 percent, down from 5.4 percent in 2016. Employment in Pennsylvania was approximately 6.1 million in both 2016 and 2017. Unemployment decreased, from 348,000 in 2016 to 316,000 in 2017. The civilian labor force decreased from 6.45 million in 2016 to 6.43 million in 2017.

Table A-12 shows population and labor force data for calendar years 1998 through 2017, as well as a monthly breakdown for 2017 and definitions for each field in the table.

Covered Employment and Wages

As of Dec. 31, 2017, there were 291,479 active employers in Pennsylvania, of which 284,762 were contributory employers and 6,717 were reimbursable employers. This is a decrease of 8,620 from the 300,099 active employers at the end of 2016. For the first nine months of 2017, the average monthly covered employment was 5.7 million, a small increase from 2016. Total wages for the first nine months of 2017 were \$226 billion and taxable wages were \$45.4 billion.

Table A-9 shows covered employment and wages for calendar years 1998 through 2017. Employment and wage information for 2017 reflects data from January through September only, due to a six-month lag in reporting.

Claims Data

Initial UC claims decreased from 981,000 in 2016 to 856,000 in 2017. Weeks claimed decreased from 7.1 million in 2016 to 6.4 million in 2017. The annual average insured unemployment rate (IUR), which reflects the ratio of regular UC claims to covered employment, fell from 2.4 percent in 2016 to 2.2 percent for 2017. (The 2017 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 1998 through 2017.

Payment Data

Regular UC benefit costs decreased from \$2.17 billion in 2016 to \$1.87 billion in 2017. The number of weeks paid decreased from 6 million in 2016 to 5.3 million in 2017. The average weekly benefit amount decreased from \$391.57 in 2016 to \$381.99 in 2017.

The number of individuals who received regular UC benefits decreased from 471,410 in 2016 to 423,990 in 2017. The number of first payments decreased from 367,839 in 2016 to 337,228 in 2017.

Claimants who received first payments in 2017 had an estimated average duration of 15.8 weeks of benefits, a decrease from the 2016 average duration of 16.4 weeks.

Non-monetary determinations decreased from 310,964 in 2016 to 270,303 in 2017.

Table A-3 contains payment data for 1998 through 2017. Table A-4 is a breakdown by county of UC benefit recipients for 2017. Table A-5 is a breakdown by industry sector of UC benefit recipients for 2017. Table A-6 shows nonmonetary determinations for 1998 through 2017.

Weekly Benefit Rates and Earning Requirements

For 2017, 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 2017, 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 decreased from \$2.6 billion in 2016 to \$2.5 billion in 2017. The average tax rate for employers decreased from 5.8 percent in 2016 to 5.5 percent in 2017. The average tax rate for 2017 reflects data from January through September due to a six-month delay in reporting of taxable wages.

The taxable wage base increased from \$9,500 in 2016 to \$9,750 in 2017. The interest tax rate for 2017 was 1.1 percent, the same as it was in 2016. Interest tax revenue was used for UC bond payments.

The employee tax was 0.07 percent for both 2016 and 2017. Five percent of employee tax revenue, or approximately \$10.6 million, was paid to the reemployment fund in 2017, and \$15 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 1998 through 2017. Table A-8 is a summary of tax rates by industry sector for 2017.

UC Trust Fund

The UC Trust Fund balance increased from \$1.4 billion at the end of 2016 to \$2.1 billion at the end of 2017. Employer and employee contributions exceeded benefit payments for the sixth straight year.

Due to an outstanding bond balance that exceeded the balance in the Trust Fund, the solvency percentage calculated on June 30, 2016, was 0 percent. Since the solvency percentage was less than 250 percent, solvency measures were activated for 2017 at the rates calculated in 2012 to meet the dollar amounts specified by state UC law. The following solvency measures were in effect for 2017:

- Employer surcharge of 5.1 percent (yielded about \$89 million in contributions due)
- Employer additional tax of 0.65 percent (yielded about \$297 million in contributions due)
- Employee tax of 0.07 percent (yielded about \$211 million in contributions due)
- Benefit reduction of 1.7 percent (yielded about \$32 million in savings)

Table A-11 is a summary of the UC Trust Fund from 1998 through 2017. Table A-10 shows the solvency measure rates and amounts due, as well as the solvency percentages for 1998 through 2017. 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 \$1.47 billion at the end of 2016 to \$1.01 billion at the end of 2017. Pennsylvania made bond principal repayments of \$303 million on July 1, 2017, and \$154 million on Jan. 1, 2018. The interest rate on the bond balance was 1.29 percent, compared to 2.22 percent interest on federal loans in 2017. Pennsylvania did not obtain any federal loans in 2017.

Revenue for repayment of the UC bonds was generated through the interest factor, which was set at 1.1 percent in 2017.

Table A-11 includes bond and loan balances for 1998 through 2017.

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 2017 forecast that was used to prepare the 2016 Actuarial Evaluation to actual results from 2017. Figure 1.2 compares the January 2018 forecast to the January 2017 forecast.

Figure 1.1: January 2017 Forecast Compared to Actual Data for 2017
(Dollars in Millions)

	Forecast	Actual
Beginning Trust Fund Balance	\$1,413	\$1,413
Beginning Federal Loan Balance	0	0
Beginning Bond Balance	1,470	1,470
Revenue	2,736	2,547
Employer and Employee Trust Fund Contributions	2,699	2,506
Other Trust Fund Revenues ¹	37	41
Interest Factor Contributions	515	522
Disbursements	2,200	1,876
Benefit Payments	2,200	1,874
Other ²	0	2
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 ³	0	0
Title XII Federal Loan Interest Due on September 30	0	0
Bonds ⁴	0	0
Bond Repayment	450	456
Ending Trust Fund Balance	1,948	2,084
Ending Federal Loan Balance	0	0
Ending Bond Balance	1,020	1,014
Trust Fund Balance as of June 30	2,099	2,099
Three-year Average Benefit Cost as of June 30	2,167	2,125
Solvency Percentage as of June 30 ⁵	43%	45%
Sources:	Pennsylvania Department of Labor & Industry U.S. Bureau of Public Debt IHS January 2017 Baseline Forecast for Pennsylvania	

¹ 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.

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

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

⁴ 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.

⁵ 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 2017 and January 2018

January 2018 IHS Forecast				
	2017	2018	2019	2020
United States				
Gross Domestic Product (billions)	\$17,091.6	\$17,546.7	\$17,995.1	\$18,363.4
Percent Change	2.2%	2.7%	2.6%	2.0%
National Total Unemployment Rate	4.4%	3.9%	3.7%	3.8%
Pennsylvania				
Industrial Production Index (2012=100)	97.51	100.03	102.89	105.24
Percent Change	-0.2%	2.6%	2.9%	2.3%
Total Non-ag. Employment (thousands)	5,951.2	6,015.2	6,070.9	6,089.8
Growth Rate	1.1%	1.1%	0.9%	0.3%
Average Annual Wage, total non-ag (thousands)	\$53.4	\$55.0	\$57.1	\$59.4
Growth Rate	1.2%	3.0%	3.9%	4.1%
State Total Unemployment Rate	4.9%	4.2%	3.9%	3.9%

Source: IHS January 2018 baseline forecasts for the United States and Pennsylvania

January 2017 IHS Forecast				
	2017	2018	2019	2020¹
United States				
Gross Domestic Product (billions)	\$17,033.4	\$17,482.8	\$17,883.3	
Percent Change	2.3%	2.6%	2.3%	
National Total Unemployment Rate	4.6%	4.3%	4.1%	
Pennsylvania				
Industrial Production Index (2012=100)	101.49	104.62	106.72	
Percent Change	1.2%	3.1%	2.0%	
Total Non-ag. Employment (thousands)	5,925.2	5,964.4	6,004.2	
Growth Rate	0.6%	0.7%	0.7%	
Average Annual Wage, total non-ag (thousands)	\$55.3	\$57.7	\$60.1	
Growth Rate	3.8%	4.3%	4.2%	
State Total Unemployment Rate	5.3%	4.7%	4.4%	

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

¹ Projected data for 2020 were not included in the 2016 Actuarial Evaluation.

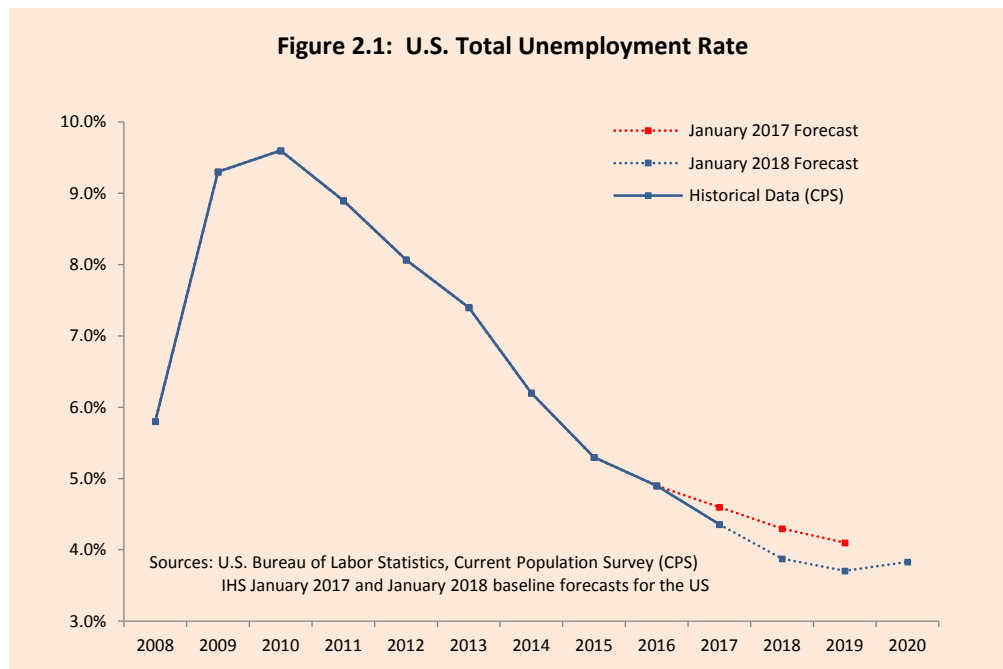
Section 2: Outlook for 2017-2019

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.

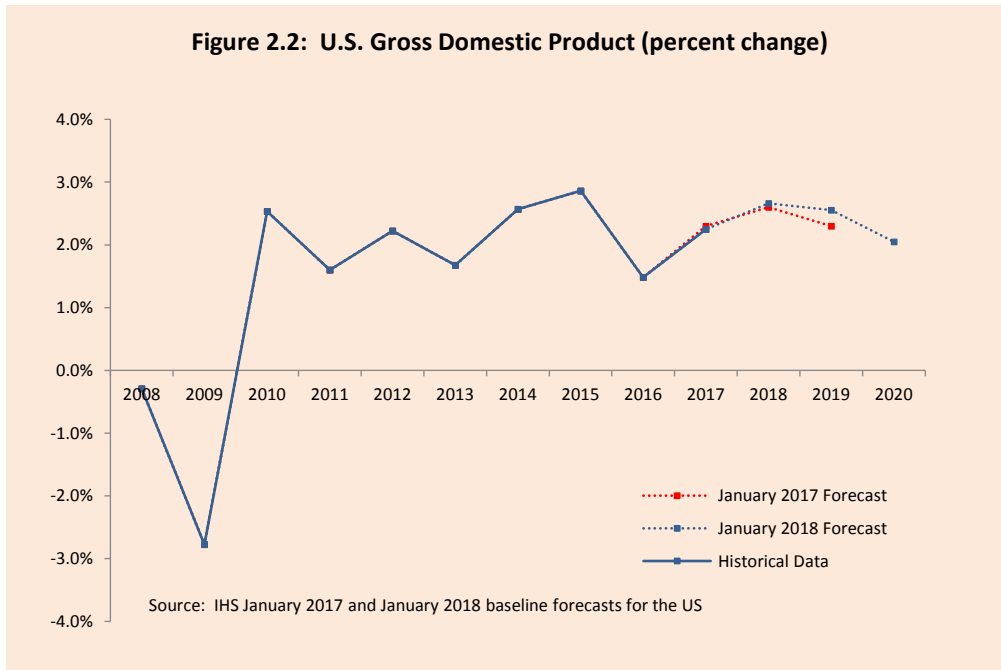
The outlook for 2018-2020 UC activity provided in this report is based on the January 2018 baseline forecast for the nation and Pennsylvania (referred to as the January 2018 IHS forecast). Figures 2.1 through 2.11 provide a comparison of the economic forecast indicators under the January 2018 IHS forecast versus the January 2017 IHS forecast used for the 2016 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 2018 through 2020.

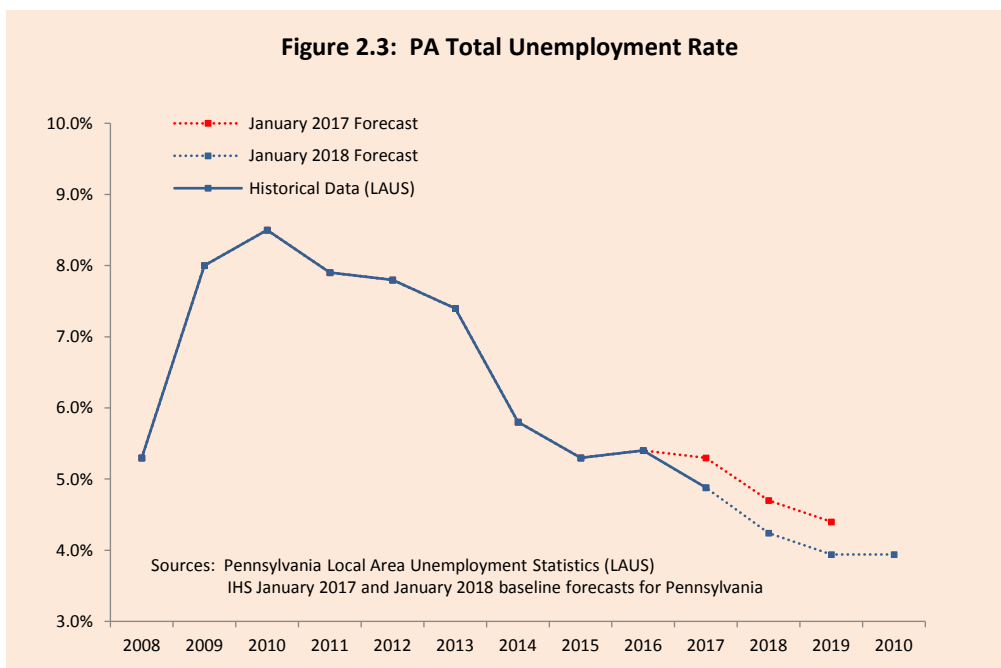


The U.S. total unemployment rate is projected to decrease to 3.9 percent in 2018 and 3.7 percent in 2019, and then to increase to 3.8 percent in 2020.

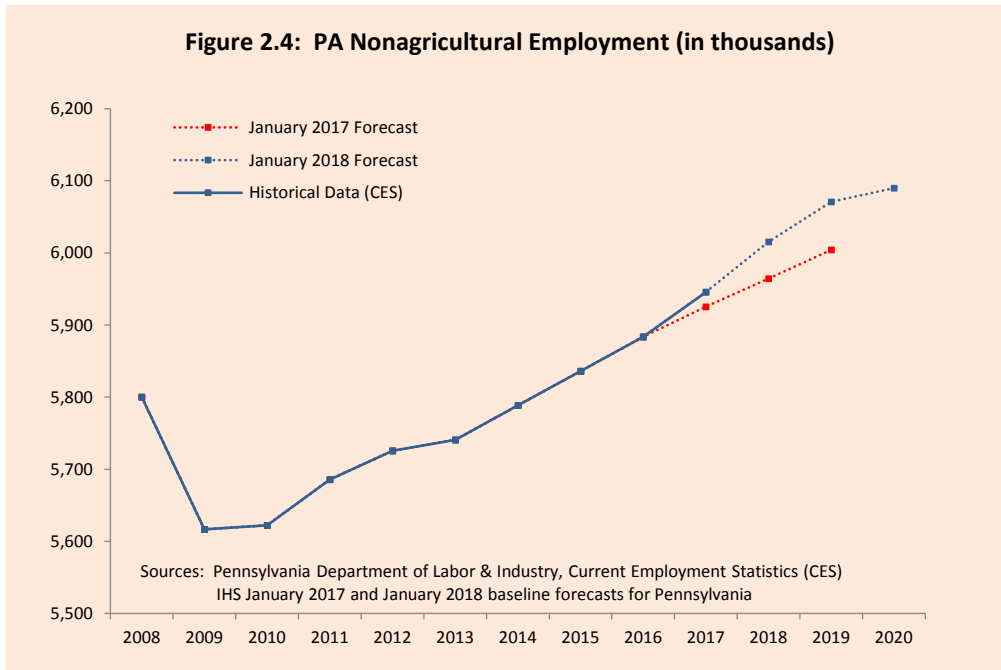


The U.S. gross domestic product is expected to increase by 2.7 percent in 2018, by 2.6 percent in 2019, and by 2.0 percent in 2020.

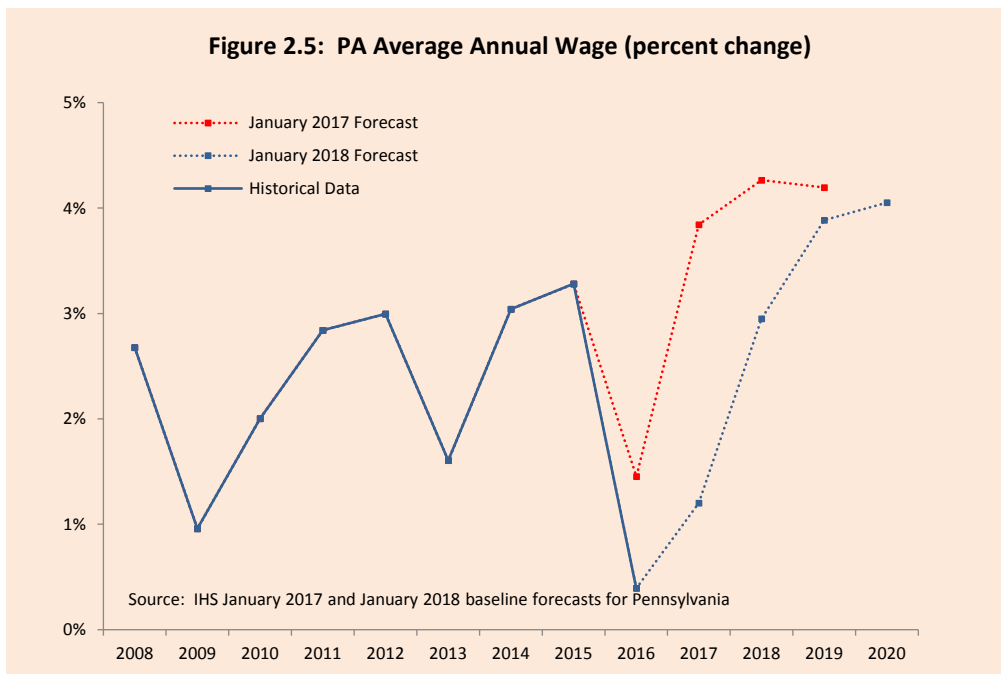
Economic Indicators for Pennsylvania



Pennsylvania's total unemployment rate is projected to decrease from 4.9 percent in 2017 to 4.2 percent in 2018 and continue to decrease, to 3.9 percent in 2019 and 2020.



Pennsylvania’s nonagricultural employment is projected to increase from an estimated 5.95 million in 2017 to 6.02 million in 2018, 6.07 million in 2019, and 6.09 million in 2020.



Pennsylvania’s estimated average annual wage for 2017 is \$53,400. It is projected to increase by 2.9 percent in 2018, by 3.9 percent in 2019, and by 4.1 percent in 2020.

UC Wages

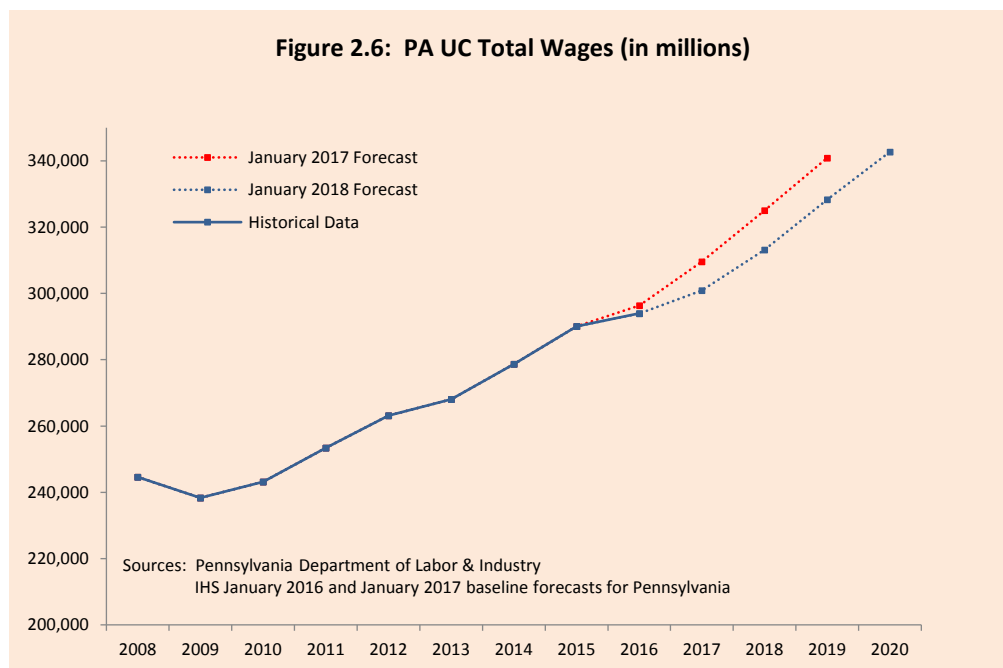
UC total wages are all wages paid by employers that are subject to Pennsylvania's UC law, which includes most employers, with few exceptions. UC taxable wages are wages paid by contributory employers, up to the taxable wage base for each employee. The taxable wage base for 2017 was \$9,750. It will increase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

Wages for 2017 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.

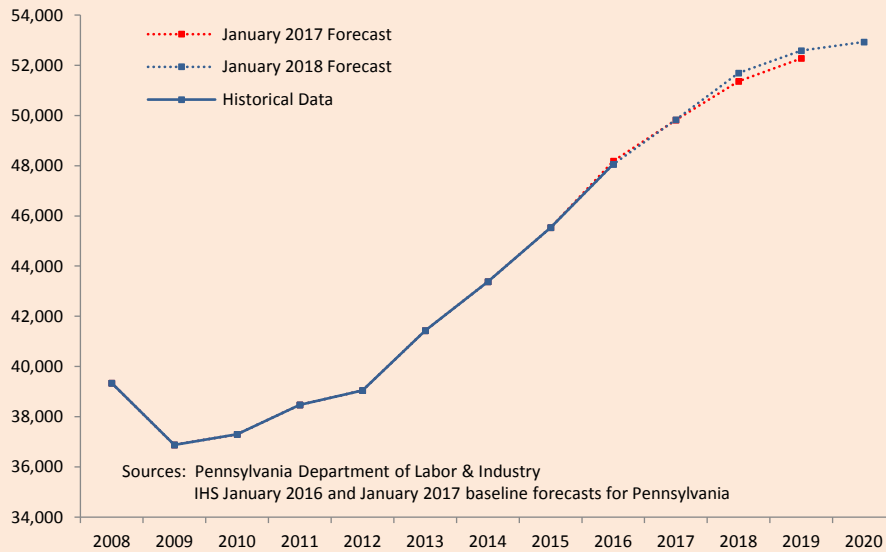
The remaining 2 percent of employers are reimbursable employers. Examples of reimbursable employers are political subdivisions and non-profit organizations. These employers, given the option under UC law to use the contributory or reimbursable method, have elected to reimburse the UC Trust Fund dollar-for-dollar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



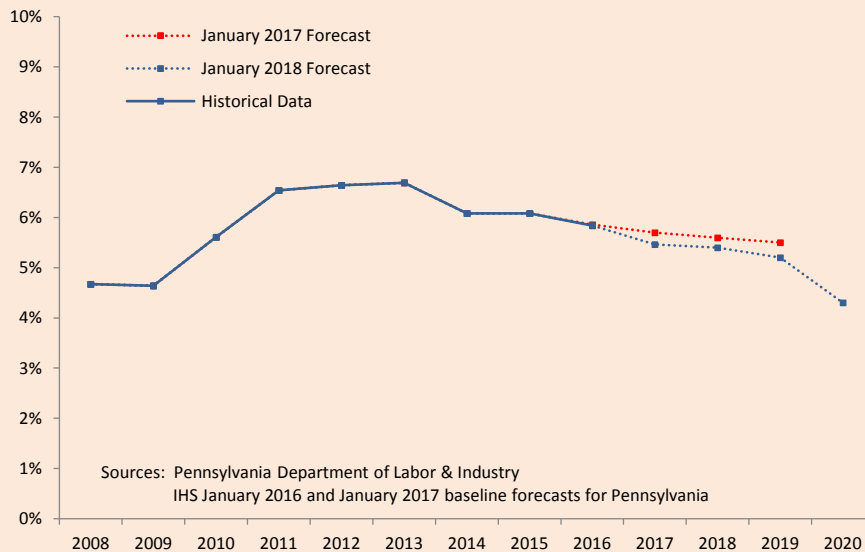
UC total wages are projected to increase from an estimated \$300.9 billion in 2017 to \$313.1 billion in 2018, \$328.4 billion in 2019, and \$342.7 billion in 2020.

Figure 2.7: PA UC Taxable Wages (in millions)



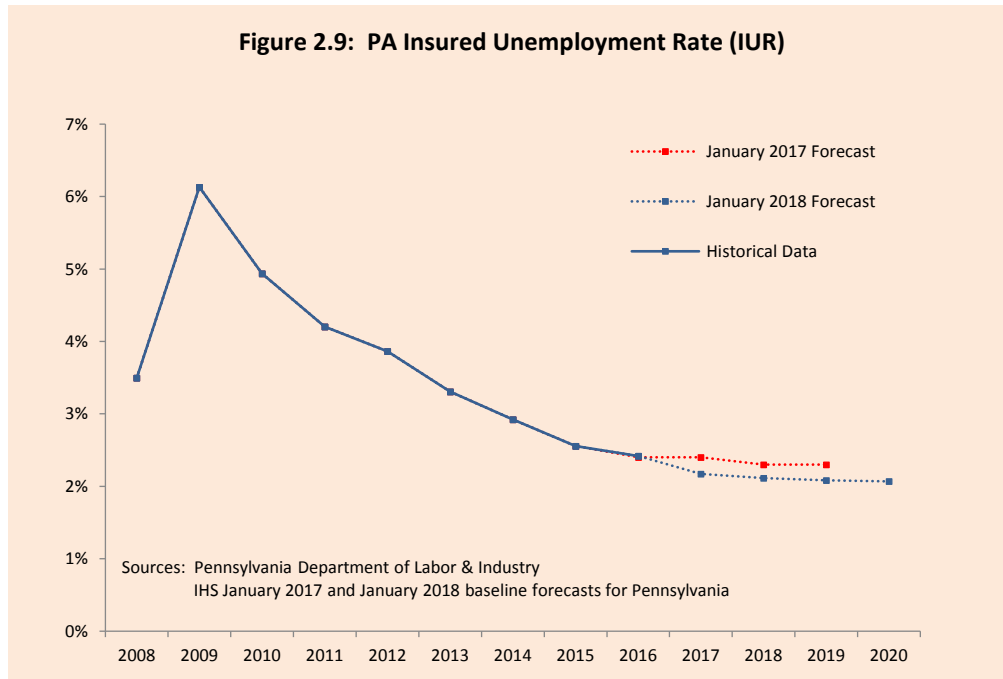
UC taxable wages are projected to increase from an estimated \$49.8 billion in 2017 to \$51.7 billion in 2018, \$52.6 billion in 2019, and \$52.9 billion in 2020.

Figure 2.8: Average UC Employer Tax Rate

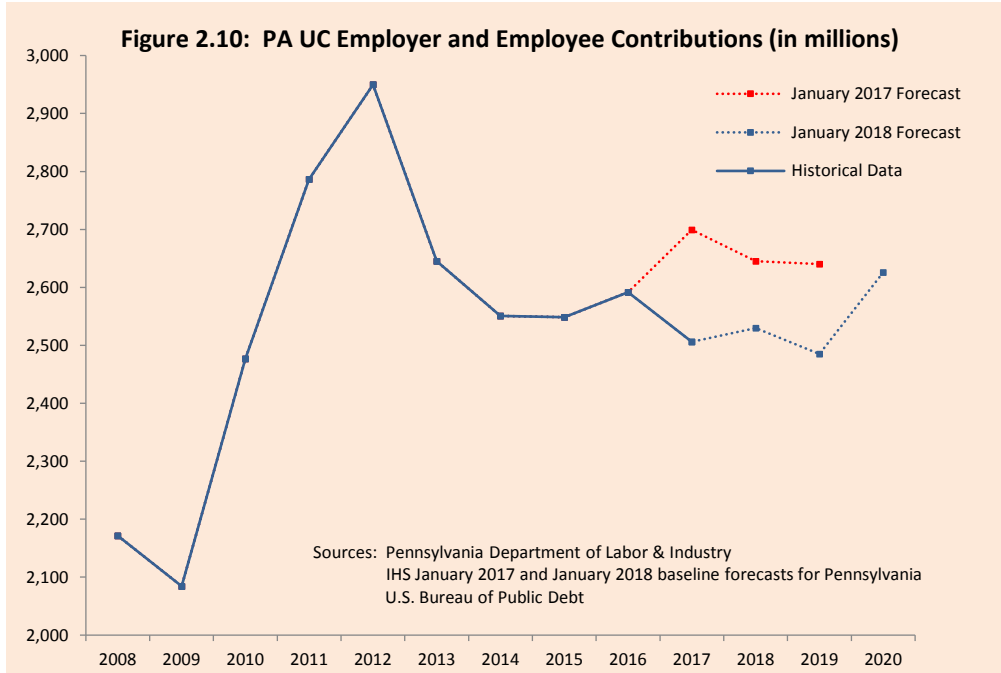


The average UC employer tax rate is projected to decrease from 5.5 percent in 2017 to 5.4 percent in 2018, 5.2 percent in 2019, and 4.3 percent in 2020.

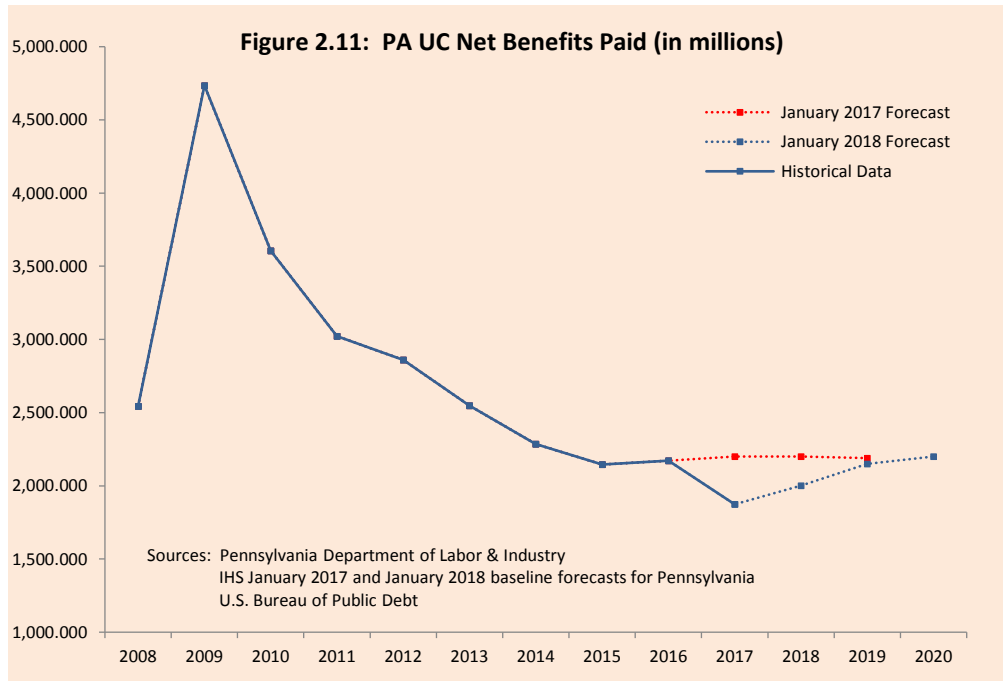
Insured Unemployment Rate (IUR), Benefits Paid, and Contributions



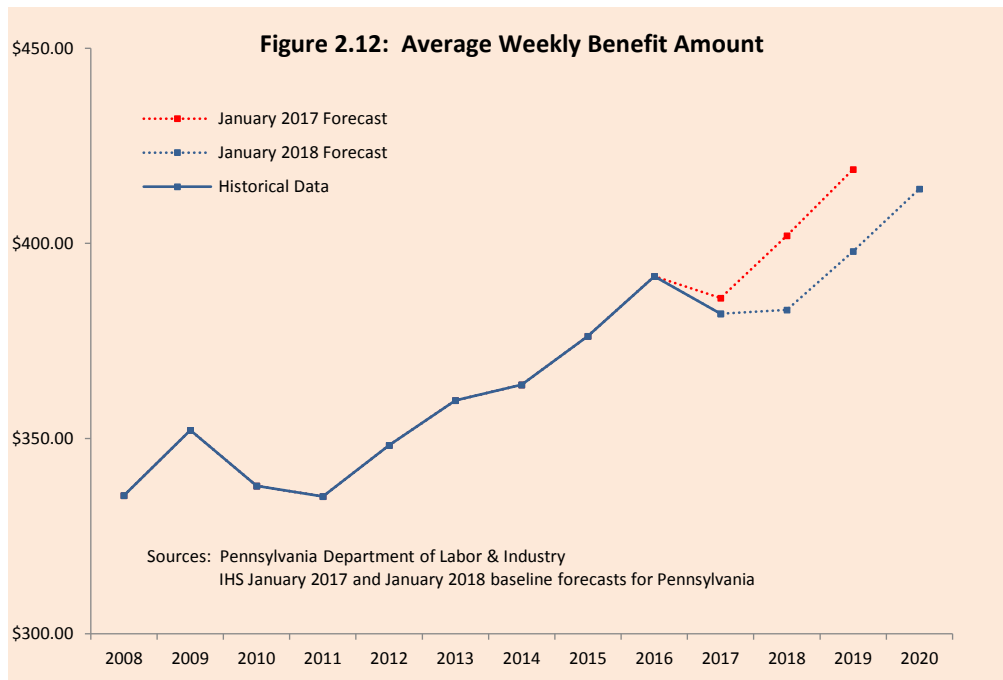
The insured unemployment rate (IUR) is the ratio of average annual weekly UC continued claims to average annual covered employment. Due to a six-month lag in reporting, the IUR for 2017 is estimated based on UC covered employment for the first nine months of the year. The estimated IUR for 2017 is 2.2 percent and is projected to decrease to 2.1 percent in 2018 and remain at 2.1 percent for 2019 and 2020.



Employer and employee contributions are projected to remain steady at \$2.5 billion for 2017 through 2019, and then to increase to \$2.6 billion in 2020.



UC net benefits paid are projected to increase from \$1.9 billion in 2017 to \$2.0 billion in 2018, and \$2.2 billion in 2019 and 2020.



The average weekly benefit amount (based on weeks paid for total unemployment) is forecast to increase from \$381.99 in 2017 to \$383 in 2018, \$398 in 2019 and \$414 in 2020.

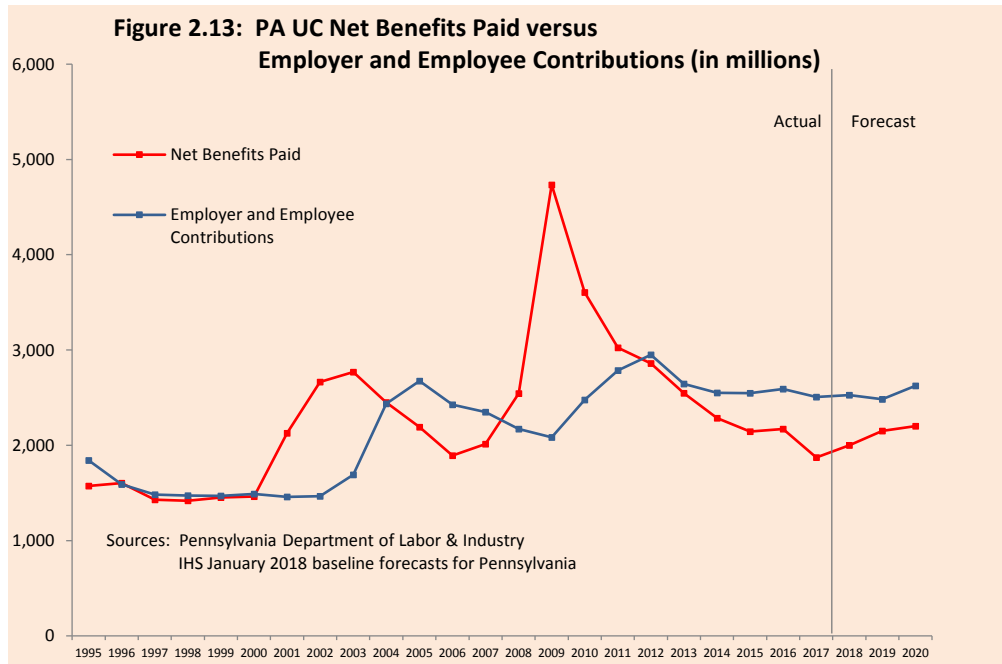


Figure 2.12 illustrates the relationship between benefits and contributions and shows how the solvency trigger mechanism causes employer and employee contributions to rise as a delayed response to an increase in benefits during periods of higher unemployment. Contributions increased following the 2009 recession, have exceeded benefits paid since 2012, and are expected to remain greater than benefits paid through 2020.

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 2018 and 2019 (based on contribution and benefit activity for 2016)

	Target Amount	Rate
Employer surcharge	\$100,000,000	5.4%
Employer additional contributions	\$225,000,000	0.5%
Employee tax	\$166,666,666	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 (based on projected contribution and benefit activity for 2016)

	Target Amount	Rate
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.

Projected Revenue from Solvency Measures (millions)			
	2018	2019	2020
Employer surcharge	\$103	\$99	\$133
Employer additional contributions	\$237	\$241	\$339
Employee tax	\$188	\$197	\$274
Benefit reduction	\$49	\$53	\$75

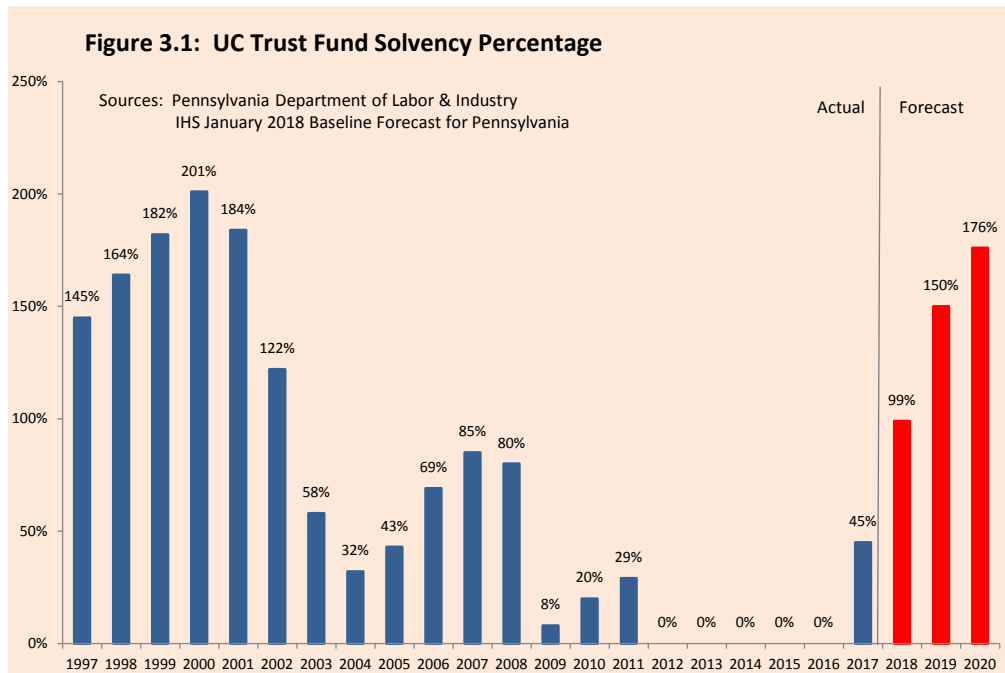
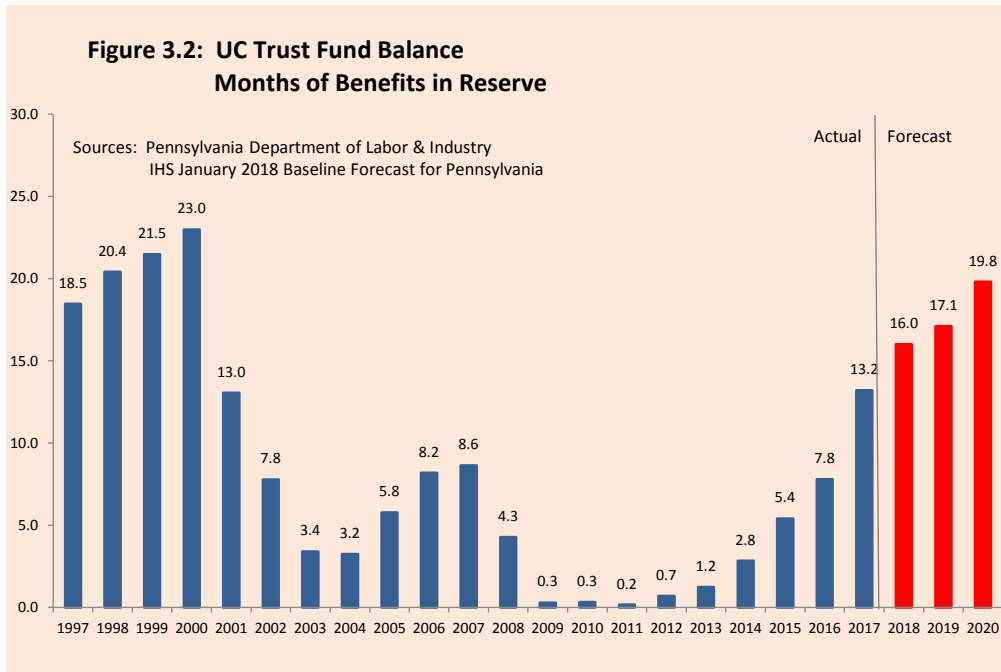


Figure 3.1 shows the annual UC Trust Fund solvency percentage. The solvency percentage for each year is the UC Trust Fund balance on June 30 divided by the three-year average for net benefits paid ending the same day. Per Act 60, starting in 2012 the amount of outstanding bonds or federal loans is subtracted 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 2017-2020 Cash Flow
(Dollars in Millions)**

	Actual	Forecast		
	2017	2018	2019	2020
Beginning Trust Fund Balance	\$1,413	\$2,084	\$2,661	\$3,056
Beginning Federal Loan Balance	0	0	0	0
Beginning Bond Balance	1,470	1,014	521	0
Employer and Employee Trust Fund Contributions	2,506	2,526	2,483	2,625
Trust Fund Interest Earned	41	53	63	74
Interest Factor Contributions ¹	522	535	616	0
Benefit Payments	1,874	2,001	2,151	2,200
Other Withdrawals ²	2	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 ³	0	0	0	0
Title XII Federal Loan Interest Due on September 30	0	0	0	0
Bonds ⁴	0	0	0	0
Bond Repayment	456	492	521	0
Ending Trust Fund Balance	2,084	2,661	3,056	3,615
Ending Federal Loan Balance	0	0	0	0
Ending Bond Balance	1,014	521	0	0
Trust Fund Balance as of June 30	2,099	2,721	3,186	3,638
Three-year Average Benefit Cost as of June 30	2,125	2,048	2,004	2,071
Solvency Percentage as of June 30 ⁵	45%	99%	150%	176%

Sources: Pennsylvania Department of Labor & Industry
U.S. Bureau of Public Debt
IHS January 2018 Baseline Forecast for Pennsylvania

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

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

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

⁴ 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.

⁵ 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 2017:

- Provided UC services to over 304,089 active employers
- Responded to 97,717 customer telephone calls
- Processed 1,137,229 quarterly tax returns
- Received 32,035 new employer registrations
- Issued 14,316 clearance certifications
- Revised 13,251 employer contribution rates
- Established 1,642 payment plans
- Filed 4,548 liens
- Completed 184,915 tasks in UCMS
- Initiated 22 injunctions
- Deposited \$2.506 billion in UC tax contributions into the UC Trust Fund and \$522 million into the Debt Service Fund, representing timely and delinquent payments
- Deposited \$7.5 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 2017
- Received over 97.6 percent of all dollars electronically for all quarters of 2017
- Issued 1,595 refunds to employers for a total of \$27.3 million
- Completed 3,931 employer audits on gross payroll of \$3.56 billion
- Discovered 22,169 misclassified or unreported workers and \$9.3 million in underreported taxes.
- Recommended 683 writs of execution against bank accounts, of which 549 were successfully closed with a total amount collected of \$3.1 million
- Processed 1,033 offsets totaling \$1.07 million 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
- Closed eight SUTA Dumping cases, discovered and billed for \$2.2 million in additional contributions and \$675,000 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 2018, 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. There are currently over 11,000 employers enrolled in the SIDES E-Response system that interacts directly with employers and Labor & Industry. Between January and November 2017, just over 245,000 electronic requests for information were sent through SIDES or SIDES E-Response, representing over one-third 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. On Jan. 29, 2015, U.S. 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 2017, the department accomplished several goals, as outlined in the grants. In 2017, we worked with a dedicated team of developers on Phase 1 of the project. Phase 1 was completed on June 21, 2017. Employers can now go online to apply for Shared-Work and manage their plans electronically. There is no longer a need to use a paper application or track plans and statistics manually. In 2017, 10 unique companies and 539 employees participated in the Shared-Work program.

Treasury Offset Program (TOP)

During 2017, Labor & Industry recovered approximately \$24.5 million from claimants' federal income tax refunds for tax year 2016. The total amount recovered from claimants' refunds for tax years 2011 through 2016 was approximately \$102.5 million.

Interstate Reciprocal Overpayment Recovery Arrangement (IRORA)

During 2017, Pennsylvania allocated \$193,000 in claimants' UC benefits towards their out-of-state overpayments. Pennsylvania also applied \$319,000 in claimants' out-of-state benefits towards their overpayments in Pennsylvania.

Pennsylvania New Hire Program

During calendar year 2017, the department's new hire cross-match, which includes the State Directory of New Hires (SDNH) and National Directory of New Hires (NDNH), detected 2,809 overpayments in UC benefits totaling approximately \$1.7 million.

Trade Adjustment Assistance (TAA)

TAARA 2015 extends the TAA program through June 30, 2021. During 2017, 69 new petitions were certified under the TAARA 2015 program and 11,635 individuals were notified of potential eligibility. The total amount of TRA cash benefits paid for the year was approximately \$44.2 million.

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 either RTAA or ATAA payments. During 2017, 455 individuals were paid RTAA and 176 were paid ATAA benefits for a combined total of approximately \$2.5 million.

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

In 2017, Pennsylvania's OUCSC:

- Completed a total of 811,520 telephone calls
- Processed a total of 856,471 initial claims
- Processed a total of 6,406,955 continued claims, including approximately 70 percent filed via the internet
- Issued 270,303 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 2017, 6,991 Spanish initial claims were filed, and 55,740 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.

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 2017, OUCSC/OUCBP used language services for 22,436 calls in 58 different languages. Additionally, three 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 \$24,728 from Jan. 1, 2017 to Dec. 31, 2017.

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 2017, 2,724 calls were handled from the deaf community. In 2017, OUCSC answered 397 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 assists by explaining UC and other reemployment services. The sooner the process begins 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

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.¹

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

¹ 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	29
Table A-2	Unemployment Compensation Claim Activities	31
Table A-3	Unemployment Compensation Payment Activities	33
Table A-4	Benefit Recipients by County	35
Table A-5	Benefit Recipients by Industry Sector	37
Table A-6	Unemployment Compensation Nonmonetary Determinations	39
Table A-7	Employer Contribution Factors	41
Table A-8	Summary of Tax Rates by Industry	43
Table A-9	Covered Employment and Wages	45
Table A-10	Unemployment Compensation Solvency Measures	47
Table A-11	Unemployment Compensation Trust Fund Summary	49
Table A-12	Population and Labor Force Data	51

Appendix B: Recipient Demographics

		Page
Table B-1	Recipient Demographics	53

Appendix C: State Comparisons

		Page
Table C-1	Comparison of State UC Data	55
Table C-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 ¹	Earning Requirement		Weekly Benefit Rate ¹	Earning Requirement		
		High Quarter	Base Year		High Quarter	Base Year	
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 ²	1.7%
2014	70	1,688-1,712	3,391	573	14,263	28,292 ²	1.7%
2015	70	1,688-1,712	3,391	573	14,263	28,292 ²	1.7%
2016	70	1,688-1,712	3,391	573	14,263	28,292 ²	1.7%
2017	68	1,688-1,712	2,718	561	14,263	22,640 ³	1.7%

Source: Pennsylvania Department of Labor & Industry

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

² For calendar years 2013 through 2016, at least 49.5 percent of wages must be earned outside of the high quarter.

³ 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
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%	981,496	538,860	7,092,608	478,529
2017	2.2% ¹	856,471	476,496	6,406,955	455,322

Source: Pennsylvania Department of Labor & Industry

¹ Preliminary rate based on actual 2017 claims activity and a 2017 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 ¹	Average Duration (Weeks)
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 ²	576,520	461,257	139,872	7,671,548	2,192,245,000	291.89	16.6
2006 ²	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 ²	772,475	587,347	295,647	11,724,613	3,606,521,000	337.91	19.9
2011 ²	678,544	530,009	228,135	9,909,169	3,023,271,000	335.18	18.7
2012 ²	640,828	502,647	204,218	8,980,732	2,859,610,000	348.27	17.9
2013 ²	584,551	442,654	172,727	7,834,254	2,547,295,000	359.81	17.7
2014 ²	527,550	413,685	139,418	6,999,112	2,284,758,000	363.77	16.9
2015 ²	495,478	391,726	114,367	6,307,952	2,145,542,000	376.30	16.1
2016 ²	471,410	367,839	112,212	6,024,232	2,172,246,000	391.57	16.4
2017 ²	423,990	337,228	94,426	5,324,053	1,873,644,000	381.99	15.8

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

¹ The average weekly benefit amount calculation does not include partial payments.

² 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
2017 Benefit Recipients by County

County	Benefit Recipients	Amount Paid	County	Benefit Recipients	Amount Paid
Adams	2,616	\$9,429,000	Lackawanna	7,451	\$30,738,000
Allegheny	38,592	182,734,000	Lancaster	14,196	55,749,000
Armstrong	3,301	14,552,000	Lawrence	3,410	15,225,000
Beaver	6,701	30,219,000	Lebanon	4,269	14,610,000
Bedford	1,903	7,559,000	Lehigh	12,277	51,916,000
Berks	12,982	54,423,000	Luzerne	13,532	55,797,000
Blair	4,272	16,707,000	Lycoming	4,968	20,481,000
Bradford	1,693	6,648,000	McKean	1,498	6,385,000
Bucks	15,147	75,676,000	Mercer	3,718	14,361,000
Butler	6,557	29,978,000	Mifflin	1,695	6,516,000
Cambria	5,228	21,063,000	Monroe	4,649	19,318,000
Cameron	329	996,000	Montgomery	19,541	100,489,000
Carbon	2,695	10,788,000	Montour	484	1,810,000
Centre	2,692	12,131,000	Northampton	8,624	37,318,000
Chester	10,386	52,277,000	Northumberland	4,192	15,190,000
Clarion	1,616	6,157,000	Perry	1,568	6,190,000
Clearfield	3,516	14,514,000	Philadelphia	47,205	208,670,000
Clinton	1,810	7,119,000	Pike	991	4,089,000
Columbia	2,872	10,499,000	Potter	629	2,667,000
Crawford	3,102	12,284,000	Schuylkill	6,037	24,766,000
Cumberland	5,799	24,819,000	Snyder	1,621	5,605,000
Dauphin	8,298	34,304,000	Somerset	3,317	13,791,000
Delaware	13,849	67,971,000	Sullivan	197	883,000
Elk	1,282	4,524,000	Susquehanna	1,093	4,851,000
Erie	10,594	43,326,000	Tioga	1,637	6,332,000
Fayette	5,897	25,067,000	Union	1,326	4,260,000
Forest	178	730,000	Venango	1,957	7,553,000
Franklin	3,956	14,634,000	Warren	1,289	5,398,000
Fulton	463	1,664,000	Washington	7,612	34,983,000
Greene	1,212	5,172,000	Wayne	1,490	6,571,000
Huntingdon	2,215	8,843,000	Westmoreland	13,961	61,302,000
Indiana	3,161	13,411,000	Wyoming	1,049	4,737,000
Jefferson	1,892	7,742,000	York	13,796	54,750,000
Juniata	1,010	3,899,000	Out of state	24,895	138,484,000
			Total	423,990	\$1,873,644,000

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
2017 Benefit Recipients by Industry Sector

Industry Sector	Benefit Recipients	Amount Paid
Natural Resources and Mining	6,190	\$29,940,000
Construction	73,145	381,936,000
Manufacturing	56,069	231,738,000
Trade, Transportation, and Utilities	81,301	328,687,000
Information	5,237	34,305,000
Financial Activities	14,918	84,713,000
Professional and Business Services	73,116	342,464,000
Education and Health Service	46,966	200,964,000
Leisure and Hospitality	39,396	126,015,000
Other Services	9,011	39,624,000
Local Government	11,162	50,379,000
Unclassified Industry	4,489	22,879,000
Total	423,990	\$1,873,644,000

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
1998 ¹	546,432	249,510	296,922
1999 ¹	470,807	219,703	251,104
2000 ¹	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

Source: Pennsylvania Department of Labor & Industry

¹ 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**

Year	Taxable Wage Base	Average Tax Rate	Portion Experience Rated	Portion Not Experience Rated
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	5.84%	50%	50%
2017	9,750	5.46% ¹	47% ¹	53% ¹

Source: Pennsylvania Department of Labor & Industry

¹Based 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 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 2017, the taxable wage base was \$9,750.

Contributions Due

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

Table A-8
2017 Summary of Tax Rates by Industry (Dollars in Millions)¹

Industry Sector	Number of Contributory Employers	Average Tax Rate	Total Payroll	Taxable Payroll	Contributions Due
Natural Resources and Mining	3,343	6.7%	\$ 2,362	\$ 584	\$ 39
Construction	29,510	8.7%	11,632	3,134	271
Manufacturing	13,645	6.2%	29,130	6,344	391
Trade, Transportation, and Utilities	57,513	4.9%	37,190	10,938	540
Information	3,780	5.7%	4,855	849	48
Financial Activities	19,501	5.0%	21,300	3,498	177
Professional and Business Services	57,638	5.6%	37,216	7,893	443
Education and Health Service	46,704	4.7%	17,755	5,705	270
Leisure and Hospitality	28,567	4.7%	8,507	4,694	222
Other Services	30,415	4.5%	4,179	1,550	70
Local Government	1,215	5.1%	638	200	10
Total	291,831	5.5%	\$174,763	\$45,388	\$2,480

Source: Pennsylvania Department of Labor & Industry

¹ 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 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 2017 was \$9,750.

Table A-9
Covered Employment and Wages

Year	Active Employers ¹	Average Covered Employment	Total Wages	Taxable Wages
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	5,641,066	293,988,620,582	48,064,662,662
2017	291,479	5,679,169 ²	225,822,796,425 ²	45,388,126,776 ²

Source: Pennsylvania Department of Labor & Industry

¹ As of Dec. 31 of each year. Includes contributory and reimbursable employers.

² 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 ¹	Solvency Percentage ²	Employer Surcharge		Employer Additional Tax		Employee Tax		Benefit Reduction	
		Rate	Amount Due ³	Rate	Amount Due ³	Rate	Amount Due ³	Rate	Amount Due ³
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
2017	45%	5.1%	89	0.65%	297	0.07%	211	1.7%	32

Source: Pennsylvania Department of Labor & Industry

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

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

³ 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-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**

Year	Employer and Employee Contributions Deposited	Net Benefits Paid	UC Trust Fund Balance¹	Title XII Federal Loan Balance	UC Bond Balance
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
2017	2,505,843,000	1,873,644,000	2,083,619,000	0	1,013,290,000

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

¹ 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 ¹	Civilian Labor Force	Resident Employment	Resident Unemployment	Unemployment Rate
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	12,743	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	6,396	6,021	375	5.9%
2015	12,791	6,421	6,080	340	5.3%
2016	12,787	6,453	6,105	348	5.4%
2017	12,806	6,427	6,112	316	4.9%

2017 Monthly Data (in thousands, seasonally adjusted)

Month	Civilian Labor Force	Resident Employment	Resident Unemployment	Unemployment Rate
January	6,445	6,107	338	5.2%
February	6,443	6,112	331	5.1%
March	6,440	6,115	324	5.0%
April	6,435	6,117	318	4.9%
May	6,429	6,116	313	4.9%
June	6,424	6,115	309	4.8%
July	6,420	6,113	307	4.8%
August	6,418	6,111	307	4.8%
September	6,418	6,110	308	4.8%
October	6,418	6,109	309	4.8%
November	6,418	6,109	309	4.8%
December	6,418	6,108	310	4.8%

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. 9, 2018 revision.

¹ 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.

[This page intentionally left blank]

Table B-1
2017 Recipient Demographics

Base Year Wages		Age	
Less than \$10,000	7%	16 – 19	<1%
\$10,000 - \$19,999	22%	20-24	6%
\$20,000 - \$29,999	20%	25-34	23%
\$30,000 - \$39,999	16%	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	5%		

Education		Race	
Less than High School	9%	White	75%
High School	57%	Black	14%
Some College, including Associate Degree	17%	Hispanic	6%
Bachelor’s Degree or Higher	16%	Asian or Pacific Islander	1%
		American Indian or Alaskan	1%
		Unknown	3%

Gender		Number of Dependents	
Male	60%	Zero	65%
Female	40%	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 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 2017

State	Total Unemployment		Benefits Paid (thousands)		Average Weekly Benefit		Taxable Wage Base		Average Tax on Taxable Wages ¹		Average Tax on Total Wages ¹	
	Rate	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Rate	Rank	Rate	Rank
Alabama	5.2%	5 (tie)	\$167,789	32	\$221.13	48	\$8,000	44 (tie)	1.52%	33	0.34%	42
Alaska	6.8%	1	120,478	40	276.48	39	39,800	3	1.88%	24	1.19%	5
Arizona	5.0%	10 (tie)	251,913	26	226.98	47	7,000	48 (tie)	2.29%	15	0.44%	38
Arkansas	3.6%	38	132,313	38	264.08	40	12,000	31 (tie)	1.90%	23	0.62%	25 (tie)
California	5.0%	10 (tie)	5,332,453	1	322.46	31	7,000	48 (tie)	4.48%	2	0.66%	23
Colorado	2.6%	50	457,777	15	419.05	7	12,500	30	2.01%	20	0.55%	30
Connecticut	4.7%	16 (tie)	709,783	12	390.14	11	15,000	20 (tie)	3.62%	4	0.88%	11 (tie)
Delaware	4.6%	18 (tie)	71,661	47	261.06	41	18,500	17	1.59%	30	0.54%	31
Florida	4.4%	25 (tie)	383,380	18	245.09	45	7,000	48 (tie)	1.22%	38	0.24%	47 (tie)
Georgia	5.0%	10 (tie)	327,109	20	286.95	37	9,500	37 (tie)	1.73%	26	0.40%	39
Hawaii	2.7%	48 (tie)	166,485	33	488.29	2	44,000	2	1.01%	44	0.69%	21
Idaho	3.3%	41 (tie)	101,962	42	317.60	32	37,800	5	1.18%	40	0.82%	13
Illinois	5.1%	7 (tie)	1,887,369	6	373.90	16	12,960	29	2.93%	8	0.73%	15 (tie)
Indiana	3.7%	36 (tie)	282,853	24	279.88	38	9,500	37 (tie)	2.05%	19	0.52%	32 (tie)
Iowa	3.3%	41 (tie)	418,329	17	391.71	9	29,300	12	1.61%	29	0.88%	11 (tie)
Kansas	3.9%	32 (tie)	183,222	30	378.60	15	14,000	23 (tie)	1.14%	42	0.47%	36
Kentucky	5.1%	7 (tie)	291,411	22	322.48	30	10,200	35	2.74%	10	0.75%	14
Louisiana	5.6%	3	188,715	29	214.04	49	7,700	47	1.57%	31	0.33%	43
Maine	3.5%	39 (tie)	92,612	43	323.68	29	12,000	31 (tie)	1.92%	22	0.62%	25 (tie)
Maryland	4.1%	29 (tie)	519,125	13	338.59	22	8,500	43	2.37%	14	0.45%	37
Massachusetts	3.7%	36 (tie)	1,512,053	7	505.34	1	15,000	20 (tie)	2.68%	11 (tie)	0.73%	15 (tie)
Michigan	4.6%	18 (tie)	808,843	10	307.43	35	9,000	39 (tie)	3.45%	5	0.73%	15 (tie)
Minnesota	3.8%	34 (tie)	807,888	11	443.72	5	32,000	9	1.31%	37	0.64%	24
Mississippi	5.3%	4	83,265	44	206.20	50	14,000	23 (tie)	0.70%	49	0.28%	46
Missouri	4.0%	31	283,527	23	259.27	42	13,000	28	1.56%	32	0.48%	35
Montana	3.9%	32 (tie)	107,968	41	338.79	21	31,400	10	1.10%	43	0.73%	15 (tie)
Nebraska	3.0%	45 (tie)	73,134	46	326.04	26	9,000	39 (tie)	0.99%	45	0.24%	47 (tie)
Nevada	4.9%	14	303,439	21	335.91	24	29,500	11	2.00%	21	1.12%	6
New Hampshire	2.8%	47	53,762	49	324.64	27	14,000	23 (tie)	0.88%	46 (tie)	0.24%	47 (tie)
New Jersey	4.5%	22 (tie)	2,008,874	4	436.47	6	33,500	7	2.08%	18	0.92%	10
New Mexico	6.5%	2	161,837	34	331.17	25	24,300	14	1.84%	25	0.98%	8
New York	4.6%	18 (tie)	2,261,490	3	336.65	23	10,900	34	3.17%	6	0.57%	29
North Carolina	4.7%	16 (tie)	202,999	27	254.26	44	23,100	15	1.39%	36	0.61%	27
North Dakota	2.7%	48 (tie)	128,113	39	486.21	3	35,100	6	1.63%	28	1.02%	7
Ohio	5.1%	7 (tie)	924,069	9	360.42	18	9,000	39 (tie)	2.68%	11 (tie)	0.60%	28
Oklahoma	4.5%	22 (tie)	269,071	25	364.88	17	17,700	18	0.88%	46 (tie)	0.36%	41
Oregon	4.1%	29 (tie)	475,689	14	379.61	14	38,400	4	2.22%	17	1.34%	3
Pennsylvania	5.0%	10 (tie)	1,972,873	5	384.58	13	9,750	36	5.58%	1	1.20%	4
Rhode Island ²	4.5%	22 (tie)	151,954	37	352.39	20	22,400	16	3.16%	7	1.35%	2
South Carolina	4.2%	28	173,957	31	254.83	43	14,000	23 (tie)	1.45%	34	0.52%	32 (tie)
South Dakota	3.0%	45 (tie)	28,221	50	324.07	28	15,000	20 (tie)	0.74%	48	0.29%	45
Tennessee	4.3%	27	201,442	28	237.19	46	8,000	44 (tie)	1.16%	41	0.24%	47 (tie)
Texas	4.6%	18 (tie)	2,631,121	2	401.50	8	9,000	39 (tie)	2.49%	13	0.50%	34
Utah	3.3%	41 (tie)	161,136	35	390.71	10	33,100	8	0.66%	50	0.38%	40
Vermont	3.1%	44	68,800	48	353.99	19	17,300	19	3.74%	3	1.46%	1
Virginia	3.8%	34 (tie)	341,805	19	307.89	34	8,000	44 (tie)	1.69%	27	0.30%	44
Washington	4.8%	15	1,032,078	8	484.28	4	45,000	1	1.19%	39	0.68%	22
West Virginia	5.2%	5 (tie)	160,567	36	288.07	36	12,000	31 (tie)	2.82%	9	0.93%	9
Wisconsin	3.5%	39 (tie)	446,493	16	316.24	33	14,000	23 (tie)	2.28%	16	0.73%	15 (tie)
Wyoming	4.4%	25 (tie)	74,714	45	388.11	12	25,400	13	1.40%	35	0.73%	15 (tie)

Source: U.S. Department of Labor

¹ Average tax data is for April 1, 2016 through March 31, 2017.

² The taxable wage base for Rhode Island is \$23,900 for some employers.

Table C-1A
Comparison of State UC Data for 2017
(Pennsylvania and Neighboring States Only)

	Total Unemployment		Benefits Paid (thousands)		Average Weekly Benefit		Taxable Wage Base		Average Tax on Taxable Wages¹		Average Tax on Total Wages¹	
	Rate	Amount	Rank	Rank	Amount	Rate	Rank	Rank	Amount	Rate	Rank	Rank
Delaware	4.6%	4 (tie)	\$ 71,661	8	\$261.06	8	\$18,500	2	1.59%	8	0.54%	6
Maryland	4.1%	6	519,125	5	338.59	4	8,500	7	2.37%	5	0.45%	7
New Jersey	4.5%	5	2,008,874	2	436.47	1	33,500	1	2.08%	6	0.92%	3
New York	4.6%	4 (tie)	2,261,490	1	336.65	5	10,900	4	3.17%	2	0.57%	5
Ohio	5.1%	2	924,069	4	360.42	3	9,000	6	2.68%	4	0.60%	4
Pennsylvania	5.0%	3	1,972,873	3	384.58	2	9,750	5	5.58%	1	1.20%	1
Virginia	3.8%	7	341,805	6	307.89	6	8,000	8	1.69%	7	0.30%	8
West Virginia	5.2%	1	160,567	7	288.07	7	12,000	3	2.82%	3	0.93%	2

Source: U.S. Department of Labor

¹ Average tax data is for April 1, 2016 through March 31, 2017.

[This page intentionally left blank]



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