

# Actuarial Evaluation 2020

Financial Operations of the  
Pennsylvania Unemployment Compensation Program



Commonwealth of Pennsylvania  
Tom Wolf, Governor

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## **Introduction**

The 2020 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 IHS Markit's January 2021 baseline forecast of economic activity (January 2021 IHS Baseline Forecast).

The report analyzes Pennsylvania's UC Trust Fund activity in 2020 and provides a forecast for 2021 through 2023. 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 2021 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.

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## Executive Summary

Pennsylvania's annual average total unemployment rate increased from 4.5 percent in 2019 to 9.1 percent in 2020. Annual average resident employment decreased from 6.2 million in 2019 to 5.8 million in 2020.

In 2020, a maximum of 26 weeks of regular UC benefits were available to qualified claimants. Extended benefits (EB) and federal Pandemic Emergency Unemployment Compensation (PEUC) benefits were both available for an additional 13 weeks of 100 percent federally funded benefits.

The status of the UC program in Pennsylvania for 2020 is summarized below. Program details and projections for 2021 through 2023 are included later in this report.

### **Benefit costs**

- Annual benefit costs increased from \$1.76 billion in 2019 to \$6.62 billion in 2020.
- The number of individuals who received UC benefits increased from 389,448 in 2019 to 1,430,306 in 2020.
- The average duration of benefits increased from 14.9 weeks in 2019 to 15.7 weeks in 2020.
- The average weekly benefit amount decreased from \$393.94 in 2019 to \$347.98 in 2020.
- The minimum weekly benefit amount for 2020 was \$68 and the maximum benefit amount was \$572. 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 increased slightly from \$2.3 billion in 2019 to \$2.5 billion in 2020.
- The average tax rate for employers was 3.6 percent for 2020, compared to 4.9 percent for 2019.
- The interest tax rate for 2020 was 0 percent, reduced from 1.1 percent in 2019 after the UC bond was paid off in January 2020. As of January 31, 2021, a balance of over \$160 million was available in the Debt Service Fund, which is enough to cover projected federal loan interest obligations through 2029.
- The employee tax rate for 2020 was 0.06 percent.

### **UC Trust Fund**

- The UC Trust Fund balance decreased by \$3.37 billion in 2020, from a beginning balance of \$3.44 billion to the year-end balance of \$66 million.
- Pennsylvania took out a total of \$821.5 million in federal loans in 2020.
- The UC bonds were paid off in 2019 and no additional bonds were issued in 2020.
- The Trust Fund solvency percentage – i.e., the Trust Fund balance minus the outstanding bond balance – on June 30, 2020, was 50 percent. The solvency is expected to drop to 0 percent in 2021 and remain there for several years until the trust fund can recover from the surge in benefit costs due to the COVID-19 pandemic.

## **Additional Unemployment Programs for Pandemic Relief**

On March 27, 2020, President Donald J. Trump signed the Coronavirus Aid, Relief, and Economic Security Act (CARES) which implemented several new unemployment programs due to the unprecedented surge in job losses from the COVID-19 pandemic. The Continued Assistance for Unemployed Workers Act of December 2020 extended these programs for an additional 11 weeks. With President Joseph R. Biden's signing of the American Rescue Plan Act (ARPA), March 11, 2021, these programs were extended 29 additional weeks.

### **Pandemic Emergency Unemployment Compensation (PEUC)**

Eligible claimants who exhausted regular UC benefits could collect up to an additional 13 weeks of 100 percent federally funded benefits with PEUC in 2020. The first effective claims began, March 29, 2020 and program is set to expire for any weeks after Sept. 4, 2021. With the 11- and 29-week extensions, eligible claimants can receive up to a total of 53 weeks.

### **Pandemic Unemployment Assistance (PUA)**

PUA provided for up to 39 weeks of benefits to individuals who are self-employed, seeking part-time employment, or otherwise would not qualify for regular UC, EB, or PEUC in 2020. Coverage also included individuals who exhausted all rights to regular UC, EB, or PEUC benefits. The first effective claims began, Feb. 2, 2020 and the program is set to expire after Sept. 4, 2021. With the 11- and 29-week extensions, eligible claimants can receive up to a total of 79 weeks, minus any weeks that the individual received regular UC and EB during the pandemic assistance period.

### **Federal Pandemic Unemployment Compensation (FPUC)**

This program provided an additional \$600 per week to individuals who were collecting any regular UC, PEUC, PUA, EB, Short-Time Compensation (STC), Trade Readjustment Allowances (TRA), Disaster Unemployment Assistance (DUA), or Self-Employment Assistance (SEA) benefits for any weeks starting after March 28, 2020, and ending on July 25, 2020. Under the Continued Assistance Act, FPUC was re-instated for weekly payments of \$300 per week of unemployment beginning after Dec. 26, 2020. The American Rescue Plan Act extended these payments through Sept. 4, 2021.

### **Extended Benefits (EB)**

Eligible claimants who exhausted both regular UC and PEUC benefits can collect up to an additional 13 weeks of 100 percent federally funded benefits with EB in 2020. Extended benefits became available in Pennsylvania on May 12, 2020 and remained available throughout the rest of 2020. The Continued Assistance for Unemployed Workers Act and the American Rescue Plan Act extended 100 percent federal funding for EB through Sept. 4, however, Pennsylvania's EB period ended, on May 15, 2021 after EB provisions triggered "off." The rule requiring a wait of 14 weeks between EB periods was eliminated during 2021. If EB happens to trigger back on, any benefits paid after Sept. 4, 2021 will be 50 percent federally funded and 50 percent funded by Pennsylvania.

## **Section 1: 2020 in Review**

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

In 2020, Pennsylvania's annual average total unemployment rate (TUR) was 9.1 percent, up from 4.5 percent in 2019. Employment in Pennsylvania decreased from 6.2 million in 2019 to 5.8 million in 2020. Unemployment increased from 290,000 in 2019 to 580,000 in 2020. The civilian labor force decreased from 6.5 million in 2019 to 6.4 million in 2020.

*Table A-16 shows population and labor force data for calendar years 2001 through 2020, as well as a monthly breakdown for 2020 and definitions for each field in the table.*

### **Covered Employment and Wages**

As of Dec. 31, 2020, there were 329,160 active employers in Pennsylvania, of which 322,336 were contributory employers and 6,824 were reimbursable employers. This is an increase of 16,886 from the 312,274 active employers at the end of 2019. The average monthly covered employment decreased from 5.8 million in 2019 to 5.4 million in 2020. Total wages in 2020 were \$333 billion and taxable wages were \$50.2 billion.

*Table A-11 shows covered employment and wages for calendar years 2001 through 2020.*

### **Claims Data**

Initial UC claims increased from 777,000 in 2019 to 2,744,000 in 2020. Weeks claimed increased from 5.6 million in 2019 to 26.1 million in 2020. The annual average insured unemployment rate (IUR), which reflects the ratio of regular UC claims to covered employment, rose from 1.9 percent in 2019 to 9.3 percent for 2020.

*Table A-2 contains claims data and IUR values for 2001 through 2020.*

### **Payment Data**

Regular UC benefit costs increased from \$1.76 billion in 2019 to \$6.62 billion in 2020. The number of weeks paid increased from 4.7 million in 2019 to 21.4 million in 2020. The average weekly benefit amount decreased from \$393.94 in 2019 to \$347.98 in 2020.

The number of individuals who received regular UC benefits increased from 389,448 in 2019 to 1,430,306 in 2020. The number of first payments increased from 316,041 in 2019 to 1,364,333 in 2020.

Claimants who received first payments in 2020 had an estimated average duration of 15.7 weeks of benefits, an increase from the 2019 average duration of 14.9 weeks.

Monetary determinations, or determinations of whether claimants had sufficient wages to be eligible for UC benefits, increased from 434,454 in 2019 to 2,055,418 in 2020. Nonmonetary determinations decreased from 311,310 in 2019 to 234,246 in 2020.

*Table A-3 contains payment data for 2001 through 2020. Table A-4 is a breakdown by county of UC benefit recipients for 2020. Table A-5 is a breakdown by industry sector of UC benefit recipients for 2020. Table A-7 shows monetary determinations for 2001 through 2020. Table A-8 shows nonmonetary determinations for 2001 through 2020.*

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

For 2020, 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 \$572 required base year earnings of at least \$23,076, and high quarter earnings of \$14,538 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 2020, 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 increased from \$2.3 billion in 2019 to \$2.5 billion in 2020. The average tax rate for employers decreased from 4.9 percent in 2018 to 3.6 percent in 2019.

Under current PA law, the taxable wage base is fixed at \$10,000 beginning in 2018, so it was unchanged from 2019 to 2020. Since the UC bonds were paid off at the end of 2019, there was no interest tax in effect in 2020.

The employee tax rate remained at 0.06 percent for 2020. The service and infrastructure improvement fund received \$24.2 million from the employee tax revenues in 2020. Contributions to the reemployment fund, which had ceased at the end of 2017, were reauthorized by Act 42 of 2018. For 2020, these contributions totaled \$9.7 million. This represents 5 percent of the employee tax revenues that were received in 2020.

*Table A-9 includes the taxable wage base and the average tax rate for calendar years 2001 through 2020. Table A-10 is a summary of tax rates by industry sector for 2020. Table A-13 includes employer and employee contributions for calendar years 2001 through 2020.*



## UC Trust Fund

The UC Trust Fund balance decreased from \$3.4 billion at the end of 2019 to \$66 million at the end of 2020. For the first time since 2011, employer and employee contributions did not exceed benefit payments.

The solvency percentage calculated, June 30, 2019, was 181 percent. Since the solvency percentage was less than 250 percent, solvency measures were activated for 2020 at the rates calculated in 2017 to meet the dollar amounts specified by state UC law. The following solvency measures were in effect for 2020:

- Employer surcharge of 5.4 percent (yielded about \$81 million in contributions due)
- Employer additional tax of 0.5 percent (yielded about \$237 million in contributions due)
- Employee tax of 0.06 percent (yielded about \$197 million in contributions due)
- Benefit reduction of 2.4 percent (yielded about \$163 million in savings)

*Table A-13 is a summary of the UC Trust Fund from 2001 through 2020. Table A-12 shows the solvency measure rates and amounts due, as well as the solvency percentages for 2001 through 2020. 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

UC bonds were paid off by the end of 2019 and no additional bonds were issued in 2020. Due to the increase in unemployment benefits caused by the COVID-19 pandemic in 2020, the UC Trust Fund became insolvent by the end of the year. Pennsylvania began to borrow from the federal government to pay benefits beginning in September.

*Table A-13 includes bond and loan balances for 2001 through 2020.*

## COVID-19 Federal Aid

Several federal relief bills were passed to assist the unprecedented surge of unemployment benefits brought on by the epidemic of COVID-19. Each program introduced was 100 percent federally funded in 2020 and provided the same weekly benefit amount (WBA) as regular UC.

### **Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Signed by President, March 27, 2020**

- Pandemic Emergency Unemployment Compensation (PEUC)
  - Provides 13 weeks of benefits added to the end of regular UC
  - Claims were eligible within the dates of March 29, 2020 through Dec. 31, 2020
- Extended Benefits (EB)
  - Extended benefits are 100 percent federally funded in 2020 as opposed to the usual 50 percent
  - EB triggered “on” in Pennsylvania on May 12, 2020 and remained active through the rest of 2020
- Pandemic Unemployment Assistance (PUA)
  - Provides 39 weeks of benefits for individuals not eligible for regular UC, extended benefits (EB), or Pandemic Emergency Unemployment Compensation (PEUC), including exhaustees
  - Eligible claims are within the dates of Feb. 2, 2020 through Dec. 31, 2020
- Federal Pandemic Unemployment Compensation (FPUC)
  - Provides an additional \$600 per week for any claimant collecting benefits through regular UC, EB, PEUC, PUA, STC, TRA, DUA, or SEA
  - Eligible weeks start on March 29, 2020 and end on July 25, 2020
- Provides 50 percent federal funding for any benefits paid by reimbursable nonprofits and government entities

### **Continued Assistance for Unemployed Workers Act Signed by President on Dec. 27, 2020**

- Pandemic Emergency Unemployment Compensation (PEUC)
  - Extends PEUC availability by 11 weeks for a maximum of 24 total weeks of benefits
  - The 11 additional weeks extend the program through March 13, 2021
- Extended Benefits (EB)
  - The 100 percent federal funding of EB is extended through March 13, 2021
  - Eliminates the rule requiring a wait of 14 weeks between EB “off” periods through Dec. 31, 2021
- Pandemic Unemployment Assistance (PUA)
  - Extends PUA availability by 11 weeks for a maximum of 50 total weeks of benefits
  - The 11 additional weeks extend the program through March 13, 2021
  - The additional weeks can be backdated for weeks in December, but not before Dec. 1, 2020
- Federal Pandemic Unemployment Compensation (FPUC)
  - Provides an additional \$300 per week for any claimant collecting benefits through regular UC, EB, PEUC, PUA, STC, TRA, DUA, or SEA.
  - Eligible weeks start, Dec. 27, 2020 and end, March 13, 2021

**American Rescue Plan Act (ARPA) Signed by President on March 11, 2021**

- Pandemic Emergency Unemployment Compensation (PEUC)
  - Extends PEUC availability by 29 weeks for a maximum of 53 total weeks of benefits
  - The additional weeks extend the program through Sept. 4, 2021
- Extended Benefits (EB)
  - The 100 percent federal funding of EB is extended through Sept. 4, 2021
- Pandemic Unemployment Assistance (PUA)
  - Extends PUA availability by 29 weeks for a total of 79 total weeks of benefits
  - The additional weeks extend the program through Sept. 4, 2021 and cannot be backdated before March 14, 2021
- Federal Pandemic Unemployment Compensation (FPUC)
  - Extends the FPUC benefit of \$300 per week until Sept. 4, 2021.
- Extends federal funding for reimburses and increases the rate from 50 percent to 75 percent for any weeks from April 4, 2021 through Sept. 4, 2021

*Table A-14 includes claims activity for PEUC and EB. Table A-15 includes payment activity for PEUC and EB. Both tables include historical EUC and EB data when they were active during the recession of 2008.*

## Forecast Comparisons

Figure 1.1 compares the IHS July 2020 forecast that was used to prepare the 2019 Actuarial Evaluation to actual results from 2020. Figure 1.2 compares the January 2021 forecast to the July 2020 forecast.

	Forecast	Actual
Beginning Trust Fund Balance	\$3,435	\$3,435
Beginning Federal Loan Balance	0	0
Beginning Bond Balance	0	0
Revenue	3,874	3,585
Employer and Employee Trust Fund Contributions	2,580	2,475
Other Trust Fund Revenues <sup>1</sup>	1,294	1,110
Interest Factor Contributions	0	0
Disbursements	7,309	6,954
Benefit Payments	7,309	6,620
Other <sup>2</sup>	0	334
Title XII Federal Loans	1,252	822
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	0	0
Ending Trust Fund Balance	0	66
Ending Federal Loan Balance	1,252	822
Ending Bond Balance	0	0
Trust Fund Balance as of June 30	1,294	1,345
Three-year Average Benefit Cost as of June 30	2,689	2,684
Solvency Percentage as of June 30 <sup>5</sup>	48%	50%
Sources:	Pennsylvania Department of Labor & Industry U.S. Bureau of Public Debt IHS July 2020 Baseline Forecast for Pennsylvania	

<sup>1</sup> Includes Title XII federal loans and other deposits to the Trust Fund, such as special Reed Act distributions from the federal government, interest earnings on Trust Fund reserves, and excess federal minimum tax base (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 – July 2020 and January 2021**

<b>January 2021 IHS Forecast</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>United States</b>				
Total Non-ag. Employment (thousands)	142,253.7	146,530.0	151,374.7	152,538.9
Growth Rate	-5.8%	3.0%	3.3%	0.8%
National Total Unemployment Rate	8.1%	5.2%	3.9%	4.1%
<b>Pennsylvania</b>				
Total Non-ag. Employment (thousands)	5,619.6	5,799.2	5,998.6	6,036.6
Growth Rate	-7.3%	3.2%	3.4%	0.6%
Average Annual Wage, total non-ag (thousands)	\$62.0	\$63.7	\$64.7	\$66.6
Growth Rate	6.8%	2.8%	1.6%	3.0%
State Total Unemployment Rate	9.2%	5.6%	4.4%	4.5%

Source: IHS January 2021 baseline forecasts for the United States and Pennsylvania.  
Average annual wage is not available for the United States.

<b>July 2020 IHS Forecast</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023<sup>1</sup></b>
<b>United States</b>				
Total Non-ag. Employment (thousands)	143,004.7	149,466.7	152,519.7	
Growth Rate	-5.3%	4.5%	2.0%	
National Total Unemployment Rate	8.6%	6.3%	5.3%	
<b>Pennsylvania</b>				
Total Non-ag. Employment (thousands)	5,603.8	5,854.5	6,012.4	
Growth Rate	-7.6%	4.5%	2.7%	
Average Annual Wage, total non-ag (thousands)	\$60.2	\$61.8	\$63.2	
Growth Rate	3.8%	2.7%	2.3%	
State Total Unemployment Rate	9.5%	6.7%	5.6%	

Source: IHS July 2020 baseline forecasts for the United States and Pennsylvania.  
Average annual wage is not available for the United States.

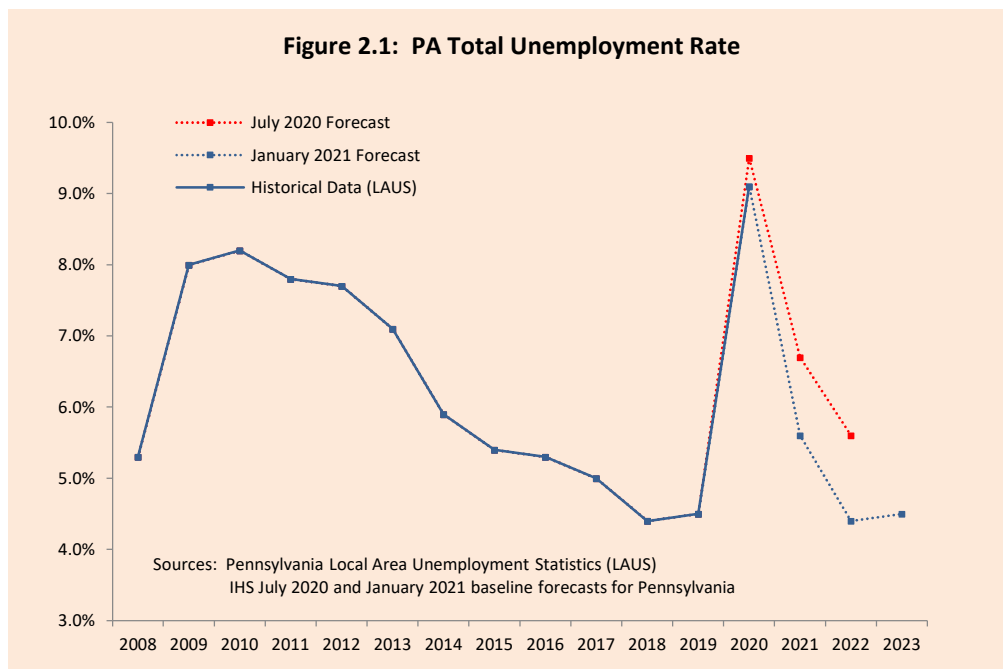
<sup>1</sup> Projected data for 2023 were not included in the 2019 Actuarial Evaluation.

## Section 2: Outlook for 2021-2023

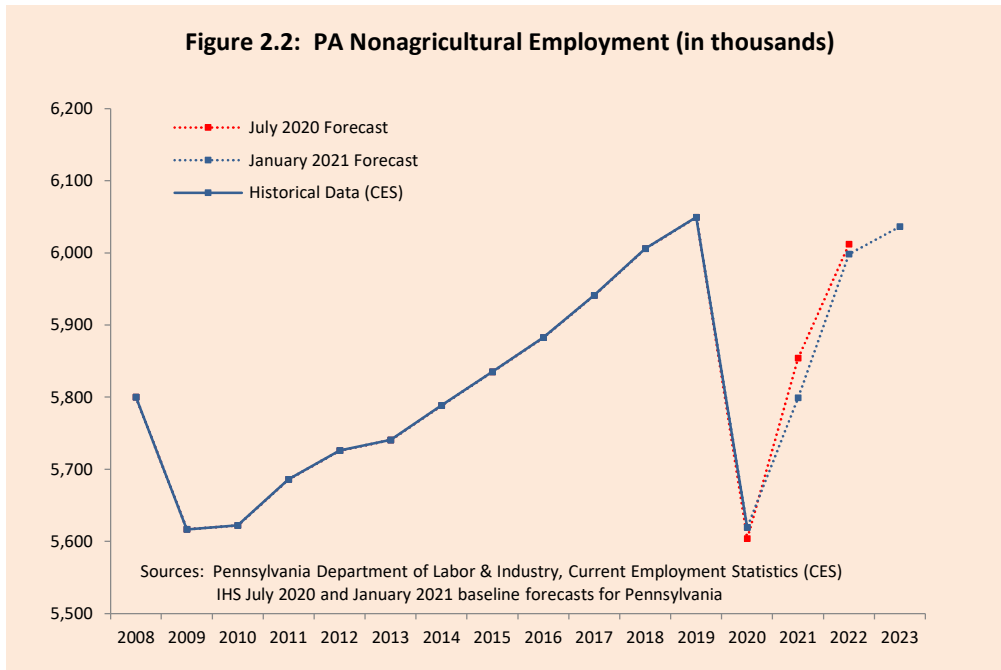
The Pennsylvania Department of Labor & Industry uses IHS Markit's economic projections for Pennsylvania and the United States as the basis for projections of UC Trust Fund activity. The key economic forecast indicators used to determine UC benefit costs are Pennsylvania's total unemployment rate and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

The outlook for 2021-2023 UC activity provided in this report is based on the January 2021 baseline forecast for Pennsylvania (referred to as the January 2021 IHS forecast). Figures 2.1 through 2.11 provide a comparison of the economic forecast indicators under the January 2021 IHS forecast versus the July 2020 IHS forecast used for the 2019 Actuarial Evaluation of the UC Trust Fund.

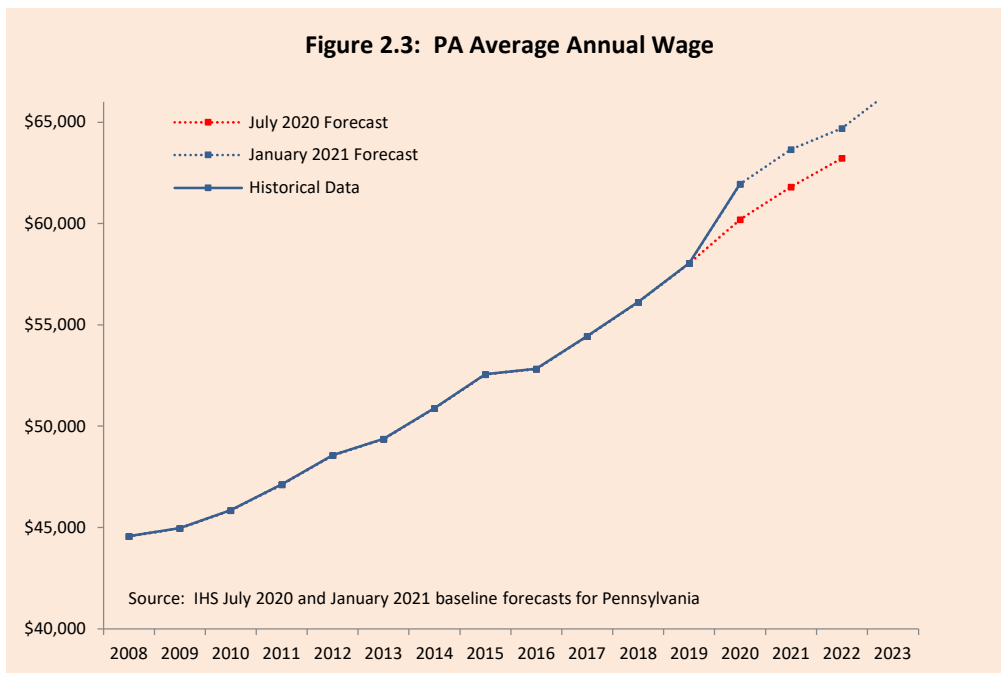
### Economic Indicators for Pennsylvania



Pennsylvania's total unemployment rate is projected to decrease from 9.1 percent in 2020 to 5.6 percent in 2021. It is then projected to decrease to 4.4 percent in 2022 and then increase to 4.5 percent in 2023.



Pennsylvania’s nonagricultural employment was 5.62 million in 2020. It is projected to increase to 5.80 million in 2021, 6.00 million in 2022, and 6.04 million in 2023.



Pennsylvania’s estimated average annual wage for 2020 is \$61,960. It is projected to increase to \$63,668 in 2021, \$64,698 in 2022, and \$66,637 in 2023.

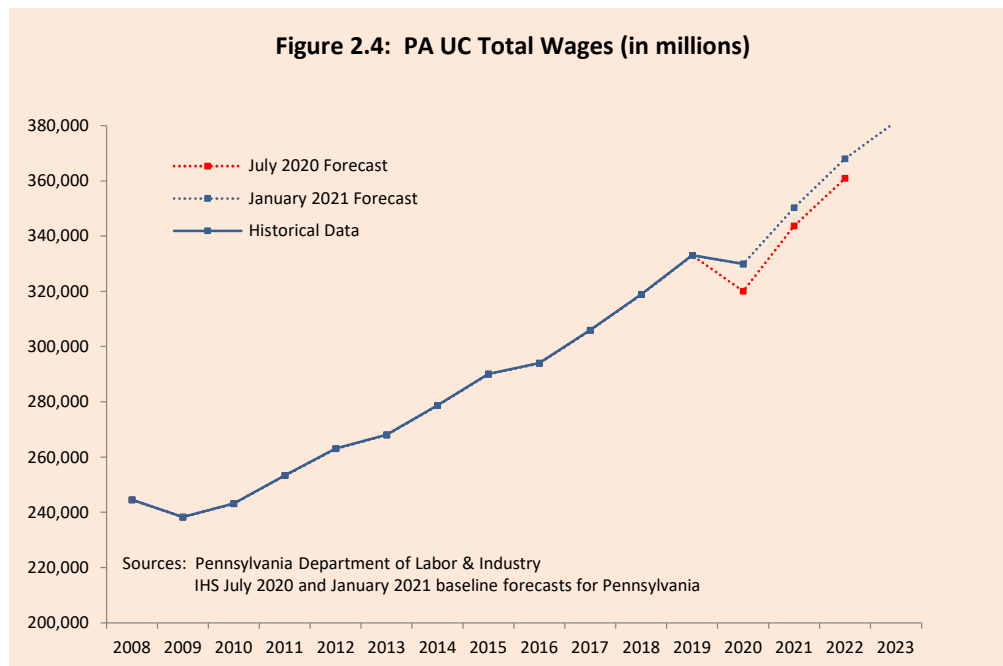
## UC Wages

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 2020 was \$10,000.

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.

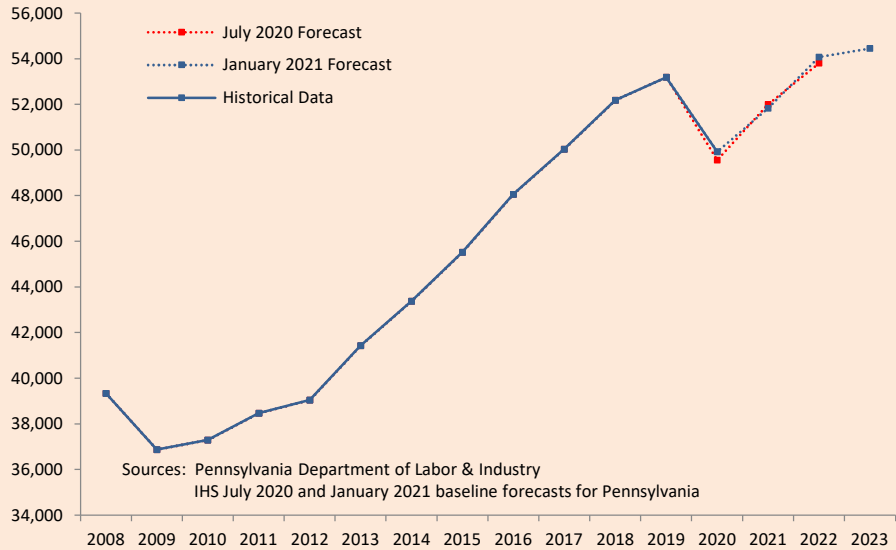
All employees who work for employers that are subject to Pennsylvania's UC law must pay the employee tax whenever solvency measures are in effect. The employee tax is assessed on UC total wages.



UC total wages were \$329.9 billion in 2020. They are projected to increase to \$350.3 billion in 2021, \$368.1 billion in 2022, and \$381.5 billion in 2023.

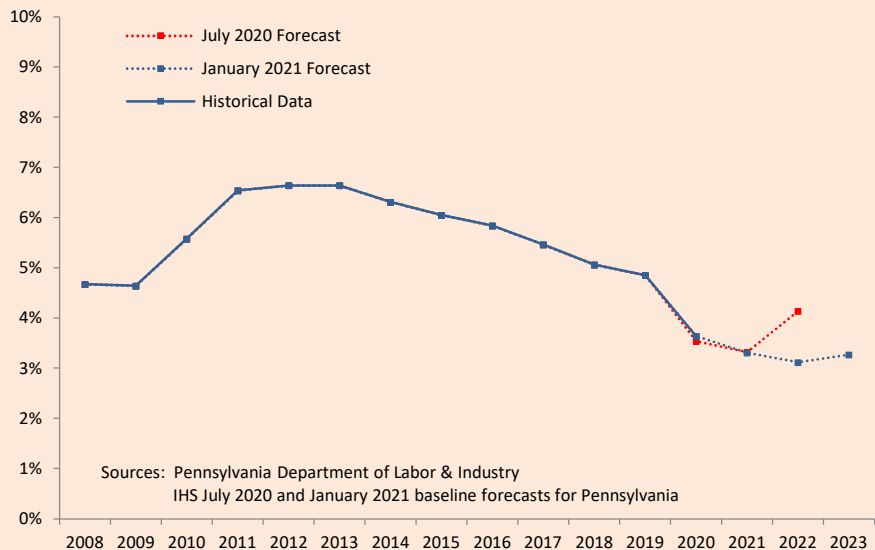


**Figure 2.5: PA UC Taxable Wages (in millions)**



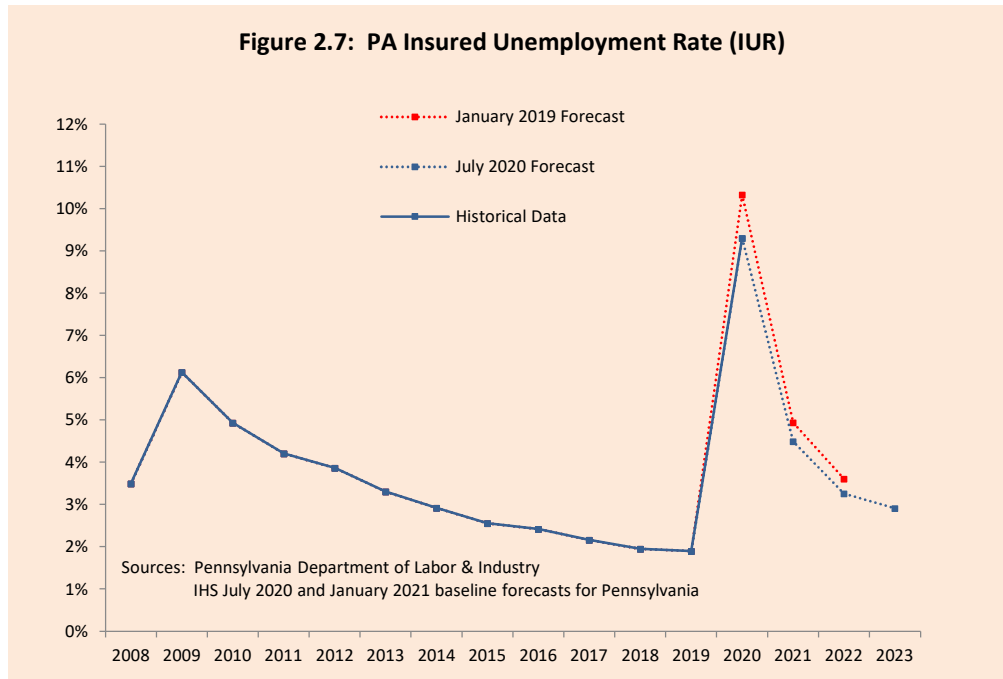
UC taxable wages were \$49.9 billion in 2020. They are projected to increase to \$51.8 billion in 2021, \$54.1 billion in 2022, and \$54.5 billion in 2023.

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

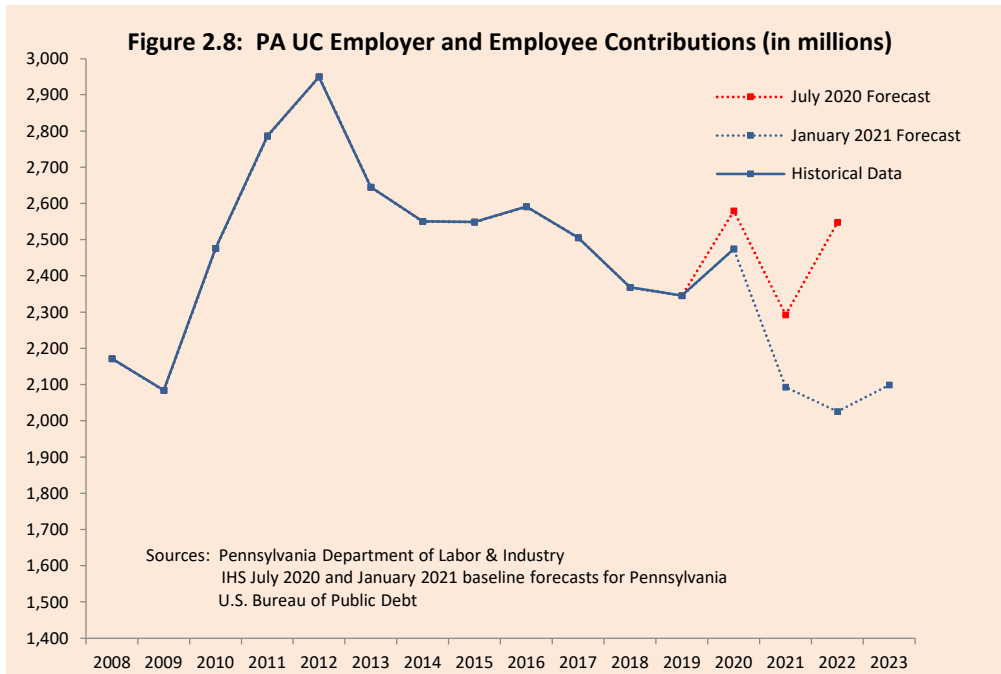


The average UC employer tax rate is projected to decrease from 3.6 percent in 2020 to 3.3 percent in 2021, 3.1 percent in 2022, and then increase to 3.3 percent in 2023.

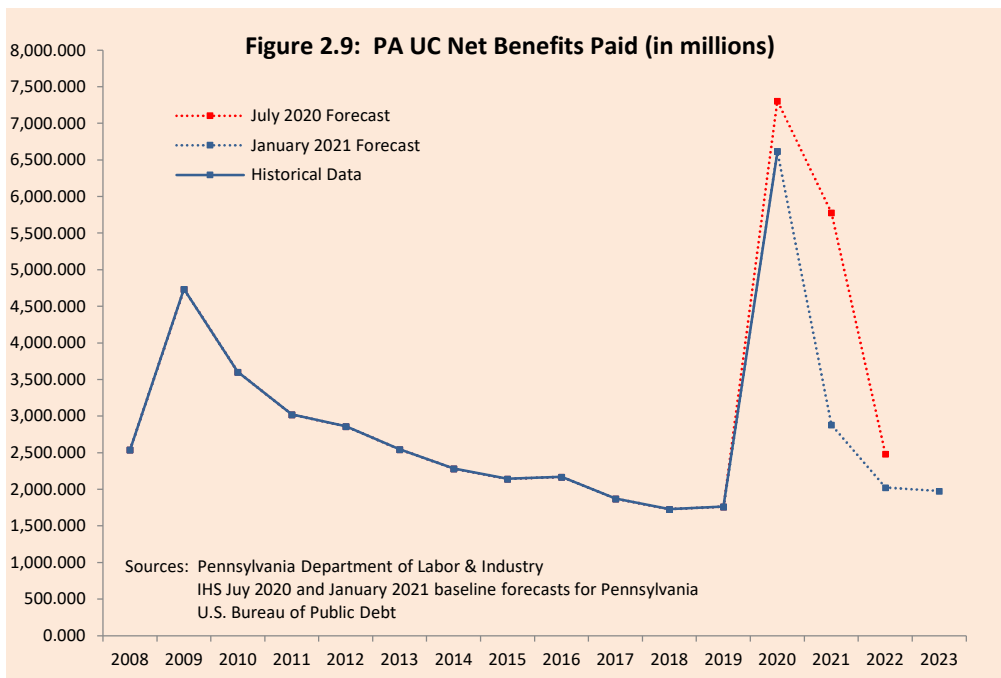
## Insured Unemployment Rate (IUR), Benefits Paid, and Contributions



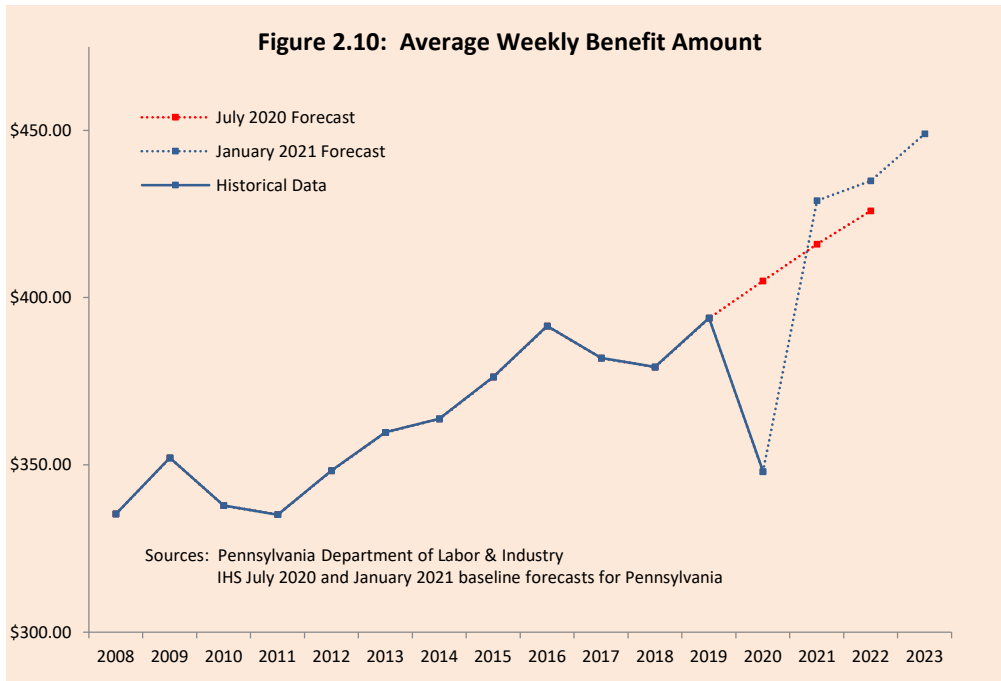
The insured unemployment rate (IUR) is the ratio of average annual weekly UC continued claims to average annual covered employment. The IUR for 2020 was 9.3 percent. It is projected to decrease to 4.5 percent in 2021, 3.3 percent in 2022, and 2.9 percent in 2023.



Employer and employee contributions are projected to decrease from \$2.47 billion in 2020 to \$2.09 billion in 2021, \$2.03 billion in 2022, and then increase to \$2.10 billion in 2023.



UC net benefits paid were \$6.62 billion in 2020. They are predicted to decrease to \$2.88 billion in 2021, \$2.03 billion in 2022, and \$1.98 billion in 2023.



The average weekly benefit amount (based on weeks paid for total unemployment) was \$348 in 2020. It is forecasted to increase to \$429 in 2021, \$435 in 2022 and \$449 in 2023.

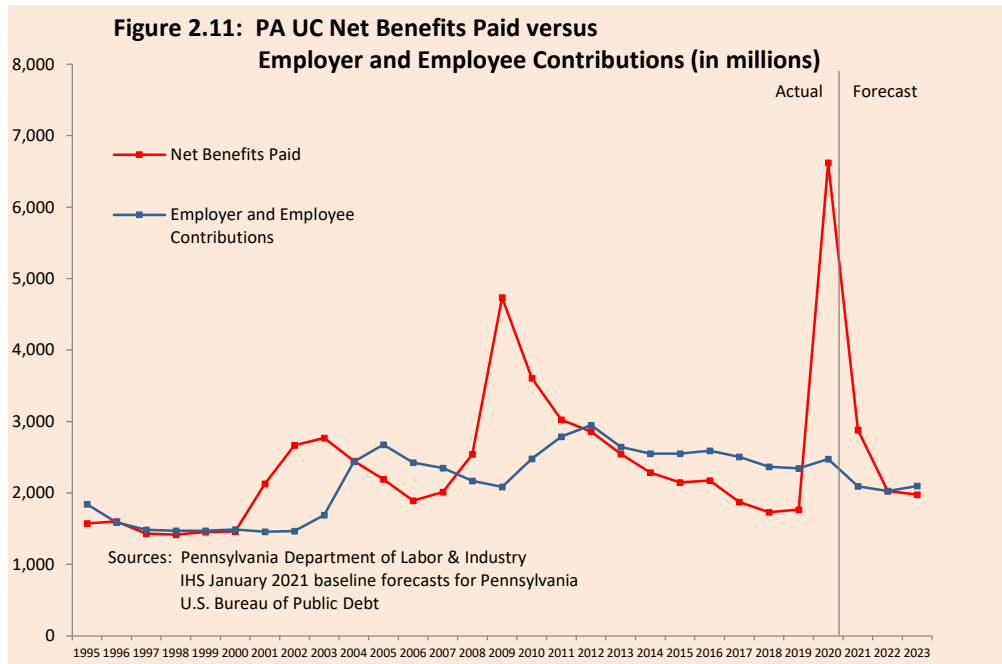


Figure 2.11 illustrates the relationship between benefits and contributions and shows how the solvency trigger mechanism causes employer and employee contributions to rise as a delayed response to an increase in benefits during periods of higher unemployment. Contributions increased following the 2009 recession and exceeded benefits paid in 2012 through 2019. Benefits were substantially higher than contributions for 2020. Benefits are not forecasted to be lower than contributions until 2023.

### **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. In 2022, the rates will be re-determined for 2023-2027 based on contribution and benefit activity for 2021.

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. Although the UC bonds have been paid in full, the high volume of benefits paid in 2020 has resulted in depletion of the UC Trust Fund and additional federal loans. Since these loans will not be paid off by July 1, 2022, the target amounts are not expected to change through 2023.

#### **Solvency Measures for 2021 and 2022 (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	\$255,000,000	0.5%
Employee tax	\$166,666,667	0.06%
Benefit reduction	\$52,000,000	2.4%

#### **Solvency Measures for 2023 (based on projected contribution and benefit activity for 2021)**

	<b>Target Amount</b>	<b>Rate</b>
Employer surcharge	\$100,000,000	7.3%
Employer additional contributions	\$255,000,000	0.45%
Employee tax	\$166,666,667	0.05%
Benefit reduction	\$52,000,000	1.8%

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)			
	2021	2022	2023
Employer surcharge	\$75	\$73	\$105
Employer additional contributions	\$245	\$256	\$232
Employee tax	\$210	\$221	\$191
Benefit reduction	\$71	\$50	\$49

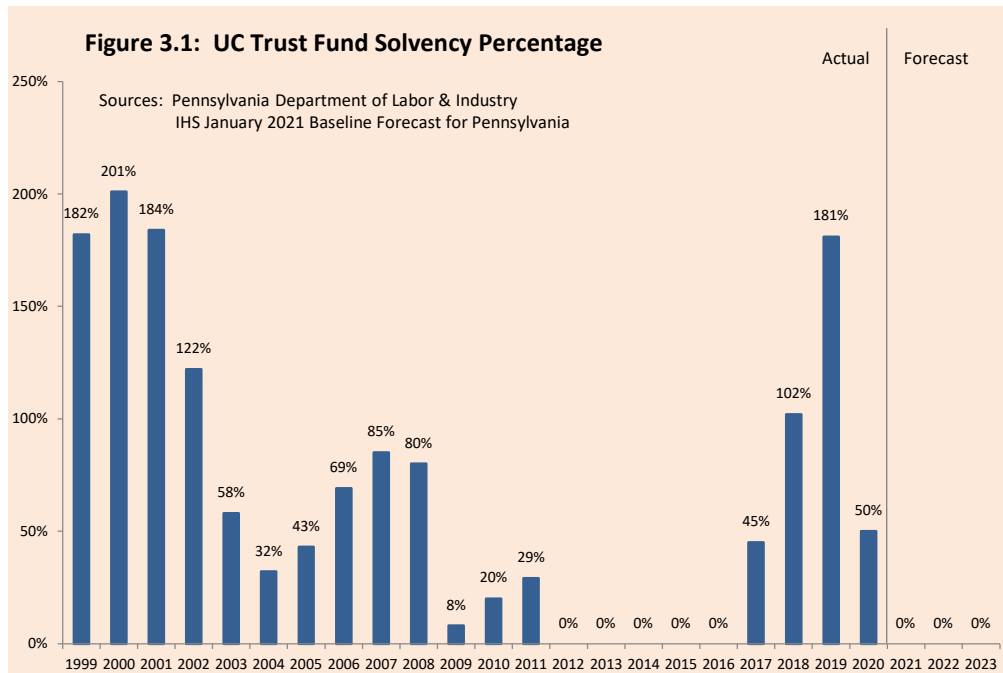
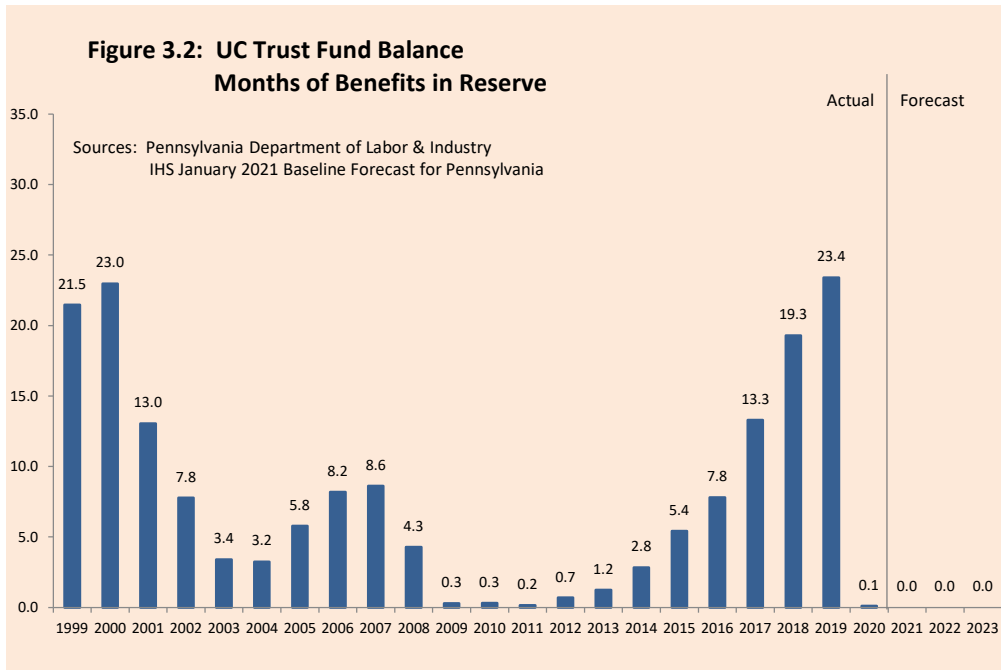


Figure 3.1 shows the annual UC Trust Fund solvency percentage. The solvency percentage for each year is the UC Trust Fund balance on June 30 divided by the three-year average for net benefits paid ending the same day. Per Act 60, starting in 2012 the amount of outstanding bonds or federal loans is subtracted 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. The Trust Fund was all but depleted in 2020 and is expected to be insolvent for the following 3 years.



**Figure 3.3: UC Trust Fund 2020-2023 Cash Flow  
(Dollars in Millions)**

	<b>Actual</b>	<b>Forecast</b>		
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Beginning Trust Fund Balance	\$3,435	\$66	\$0	\$0
Beginning Federal Loan Balance	0	822	1,695	1,695
Beginning Bond Balance	0	0	0	0
Employer and Employee Trust Fund Contributions	2,475	2,093	2,026	2,099
Trust Fund Interest Earned	38	0	0	0
Interest Factor Contributions <sup>1</sup>	0	0	0	0
Benefit Payments	6,620	2,882	2,026	1,979
Other Withdrawals <sup>2</sup>	334	10	0	0
Title XII Federal Loans	822	1,969	1,244	1,204
Title XII Federal Loan Repayment from Trust Fund	0	1,096	1,244	1,324
Title XII Federal Loan Repayment from FUTA Credit Reduction <sup>3</sup>	0	0	0	121
Title XII Federal Loan Interest Due on September 30	0	17	38	36
Bonds <sup>4</sup>	0	0	0	0
Bond Repayment	0	0	0	0
Ending Trust Fund Balance	66	0	0	0
Ending Federal Loan Balance	822	1,695	1,695	1,453
Ending Bond Balance	0	0	0	0
Trust Fund Balance as of June 30	1,345	0	0	0
Three-year Average Benefit Cost as of June 30	2,683	3,626	3,809	2,952
Solvency Percentage as of June 30 <sup>5</sup>	50%	0%	0%	0%

Sources: Pennsylvania Department of Labor & Industry  
U.S. Bureau of Public Debt  
IHS January 2021 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 2020:

- Provided UC services to over 330,928 active employers
- Responded to 59,112 customer telephone calls
- Received 4,085 chat requests through UCTS BT, 1,413 chats were referred to a UCTS representative for additional assistance
- Received and responded to 10,250 UC News inquiries
- Processed 1,460,516 quarterly tax returns
- Received 34,562 new employer registrations
- Issued 14,008 clearance certifications
- Revised 5,419 employer contribution rates
- Established 683 payment plans for unpaid delinquencies
- Filed 2,356 liens covering \$19.1 million in contributions, interest, and penalties
- Completed 194,506 tasks in UCMS
- Initiated 26 injunctions
- Deposited approximately \$2.6 billion into the UC Fund, representing timely and delinquent payments from employers
- Deposited \$6.5 million in interest and \$4.7 million in penalties to the Special Administrative Fund
- Received 99.67 percent of all filed reports electronically for third quarter 2020
- Received over 98.9 percent of all dollars electronically for all quarters of 2020
- Issued 2,840 refunds for a total of \$7.4 million
- Completed 1,134 employer audits on gross payroll of \$1.1 billion
- Discovered 8,670 misclassified or unreported workers and \$2.3 million in underreported taxes
- Recommended 62 new writs of execution against employer bank accounts and 177 were successfully closed with \$810,830.87 collected of \$2.6 million sought
- Processed 855 offsets totaling \$1.3 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
- Initiated 195 prosecutions with the Philadelphia District Attorney's office and local Magistrates for employer delinquencies. 16 restitution orders were granted on \$473,604.11 in delinquent receivables, 19 UC Tax reports were collected, 4 UCTS payment plans, and 15 court payment plans were established. An additional \$45,859.14 was collected from employers as a result of filing the complaints
- Closed 13 SUTA Dumping cases resulting in \$1.9 million in additional contributions and \$1.3 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 February 2021, the following third-party administrators participate in SIDES: Equifax, ADP, Employers Edge, Personnel Planners, Paychex, 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, Employers Unity, Tilson HR, HIRETech, OneSource Employee Management, Degroot Management Services Inc, ValeU NSN, and US4U. These third-party administrators handle over 16,000 employer accounts. There are currently over 119,000 employers enrolled in the SIDES E-Response system that interacts directly with employers, including Labor & Industry. During 2020, 653,405 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. Pennsylvania was approved by the U.S. Department of Labor for a grant through Dec. 31, 2021, to promote and educate Pennsylvania employers about Shared-Work. Outreach was conducted by various methods throughout 2019 and 2020. Pamphlets were enclosed with the UC Monthly Notice of Compensation Charged that is sent to all Pennsylvania employers. Several different employer associations, trade organizations and chambers of commerce were also contacted. Many of these groups cooperated by disseminating information about Shared-Work to their member employers and industry groups. Modernization of the Shared-Work process continued in conjunction with the UC Modernization project via integration and application testing. Pennsylvania's Shared-Work marketing campaign ran July through November 2020 and included various digital, print, and out-of-home advertising assets. The campaign finished strong by achieving more than 18 million impressions, nearly 63,000 clicks to the Shared-Word website, and 4.5 million videos about Pennsylvania's Shared-Work program. In 2020, 11,291 employees participated in a Shared-Work plan.

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

During 2020, L&I recovered approximately \$7.7 million from claimants' federal income tax refunds. Since the program's inception in 2011, L&I has recouped approximately \$134.8 million in fraudulent UC and extended benefits (EB) overpayments via TOP.

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

During 2020, Pennsylvania allocated \$257,306 in claimants' UC benefits towards their out-of-state overpayments. Pennsylvania also applied \$640,776 in claimants' out-of-state benefits towards their overpayments in Pennsylvania.

**Pennsylvania New Hire Program**

During calendar year 2020, the department's new hire crossmatch, which includes the State Directory of New Hires (SDNH) and National Directory of New Hires (NDNH), detected 1,376 overpayments in UC benefits. There was a total of \$895,000 written in overpayments and \$2.98 million recovered during 2020. 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)**

The Trade Adjustment Assistance Reauthorization Act of 2015 (TAARA 2015) extends the TAA program through June 30, 2021. During 2020, 49 new petitions were certified under the TAARA 2015 program and 4,850 individuals were notified of potential eligibility. The total amount of TRA cash benefits paid for the year was approximately \$7,953,100.

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 Reemployment Trade Adjustment Assistance (RTAA) payments. During 2020, 365 individuals were paid RTAA. The total amount of RTAA benefits paid was approximately \$1,301,104.

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

In 2020, Pennsylvania's OUCSC:

- Completed a total of 1,007,555 telephone calls
- Processed 2,318,135 initial claims, including 2,066,948 submitted via the internet
- Processed 26,112,439 continued claims.
- Issued 234,246 nonmonetary 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 2020, 47,772 Spanish initial claims were filed, and 440,826 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 2020, OUCSC/OUCBP used language services for 31,852 calls in 55 different languages. There are 80 different languages available.

### **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 Harrisburg Overflow Center (HOC) and is available every Wednesday, from noon to 4 p.m. Cumulatively from 2011 through 2020, 5,927 calls were handled from the deaf community. In 2020, OUCSC answered 2,483 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
2019	272	8,766
2020	216	3,588

### 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
2019	71	1,838
2020	39	690

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

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## Appendix B: State Comparisons

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## **Definitions for Table A-1**

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

**Minimum Weekly Benefit Rate**

Lowest amount of weekly unemployment compensation 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	
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%
2019	68	1,688-1,712	2,718	561	14,263	22,640 <sup>3</sup>	2.4%
2020	68	1,688-1,712	2,718	572	14,538	23,076 <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
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%	797,134	448,186	5,858,042	416,486
2019	1.9%	776,774	445,994	5,648,315	416,629
2020	9.3%	2,743,957	2,039,195	26,112,439	164,689 <sup>1</sup>

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> Pennsylvania suspended the waiting week requirement in 2020, under the provisions of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

## **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)
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	576,520	461,257	139,872	7,671,548	2,192,245,000	291.89	16.6
2006	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	772,475	587,347	295,647	11,724,613	3,606,521,000	337.91	19.9
2011	678,544	530,009	228,135	9,909,169	3,023,271,000	335.18	18.7
2012	640,828	502,647	204,218	8,980,732	2,859,610,000	348.27	17.9
2013	584,551	442,654	172,727	7,834,254	2,547,295,000	359.81	17.7
2014	527,550	413,685	139,418	6,999,112	2,284,758,000	363.77	16.9
2015	495,478	391,726	114,367	6,307,952	2,145,542,000	376.30	16.1
2016	471,410	367,839	112,212	6,024,232	2,172,246,000	391.57	16.4
2017	423,990	337,228	94,426	5,324,053	1,873,644,000	381.99	15.8
2018	396,249	315,458	85,992	4,923,006	1,730,327,000	379.25	15.6
2019	389,448	316,041	80,256	4,717,665	1,764,508,000	393.94	14.9
2020	1,430,306	1,364,333	379,007	21,438,237	6,619,707,000	347.98	15.7

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.

## **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**  
**2020 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	10,389	37,360,000	Lackawanna	24,004	100,150,000
Allegheny	130,645	643,488,000	Lancaster	60,028	234,737,000
Armstrong	8,398	38,319,000	Lawrence	9,884	47,265,000
Beaver	21,722	105,128,000	Lebanon	15,340	60,141,000
Bedford	5,600	23,116,000	Lehigh	44,211	190,345,000
Berks	55,927	233,347,000	Luzerne	40,744	173,475,000
Blair	14,754	53,791,000	Lycoming	13,166	55,226,000
Bradford	4,644	18,474,000	McKean	3,995	16,826,000
Bucks	62,426	302,545,000	Mercer	12,033	49,551,000
Butler	20,881	91,580,000	Mifflin	5,603	18,911,000
Cambria	14,225	55,340,000	Monroe	18,376	77,304,000
Cameron	761	3,555,000	Montgomery	77,659	391,356,000
Carbon	8,202	34,046,000	Montour	1,481	5,527,000
Centre	10,723	42,607,000	Northampton	32,971	140,526,000
Chester	39,586	198,368,000	Northumberland	10,689	42,255,000
Clarion	4,164	15,511,000	Perry	4,761	18,303,000
Clearfield	9,556	38,393,000	Philadelphia	162,992	889,737,000
Clinton	3,985	16,900,000	Pike	3,904	15,400,000
Columbia	7,256	29,096,000	Potter	1,363	6,298,000
Crawford	9,164	37,390,000	Schuylkill	17,042	66,467,000
Cumberland	22,542	91,301,000	Snyder	4,905	17,013,000
Dauphin	30,700	131,936,000	Somerset	8,236	34,208,000
Delaware	56,158	292,557,000	Sullivan	512	2,344,000
Elk	6,380	27,718,000	Susquehanna	2,783	11,661,000
Erie	31,522	131,363,000	Tioga	3,610	17,180,000
Fayette	16,009	73,705,000	Union	3,815	13,807,000
Forest	457	1,923,000	Venango	5,369	20,670,000
Franklin	13,552	53,081,000	Warren	3,308	14,235,000
Fulton	1,840	9,952,000	Washington	25,077	120,254,000
Greene	3,177	16,929,000	Wayne	4,838	19,806,000
Huntingdon	5,423	24,679,000	Westmoreland	43,700	190,167,000
Indiana	8,488	37,787,000	Wyoming	2,877	12,303,000
Jefferson	5,169	20,939,000	York	48,338	191,031,000
Juniata	3,224	11,028,000	Out of state	65,043	411,976,000
			<b>Total</b>	<b>1,430,306</b>	<b>\$6,619,707,000</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**  
**2020 Benefit Recipients by Industry Sector**

Industry Sector	Benefit Recipients	Amount Paid
Natural Resources and Mining	13,672	\$88,845,000
Construction	152,507	848,816,000
Manufacturing	187,131	797,349,000
Trade, Transportation, and Utilities	286,644	1,229,752,000
Information	12,166	73,533,000
Financial Activities	32,045	181,988,000
Professional and Business Services	154,877	820,788,000
Education and Health Service	223,608	936,409,000
Leisure and Hospitality	232,108	1,089,641,000
Other Services	72,975	303,119,000
Local Government	46,051	178,461,000
Unclassified Industry	16,522	71,006,000
<b>Total</b>	<b>1,430,306</b>	<b>\$6,619,707,000</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**  
**2020 Recipient Demographics**

Base Year Wages		Age	
Less than \$10,000	10%	16 – 19	0%
\$10,000 - \$19,999	21%	20-24	11%
\$20,000 - \$29,999	19%	25-34	24%
\$30,000 - \$39,999	16%	35-44	19%
\$40,000 - \$49,999	12%	45-54	19%
\$50,000 - \$59,999	9%	55-64	18%
\$60,000 - \$74,999	8%	65 and older	9%
\$75,000 and over	6%		

Education Level		Race	
Less than High School	8%	White	75%
High School	55%	Black	12%
Some College, including Associate Degree	18%	Hispanic	7%
Bachelor’s Degree or Higher	19%	Asian or Pacific Islander	3%
		American Indian or Alaskan	0%
		Unknown	4%

Gender		Number of Dependents	
Male	51%	Zero	71%
Female	49%	One	14%
		Two or more	14%

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>
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	64,558	368,054
2019	434,454	58,341	376,113
2020	2,055,418	513,047	1,542,371

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>
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
2019	311,310	197,036	114,274
2020	234,246	133,334	100,912

Source: Pennsylvania Department of Labor & Industry

## **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 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>
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	5.61%	57%	43%
2011	8,000	6.54%	57%	43%
2012	8,000	6.64%	61%	39%
2013	8,500	6.69%	49%	51%
2014	8,750	6.08%	53%	47%
2015	9,000	6.08%	53%	47%
2016	9,500	5.84%	50%	50%
2017	9,750	5.45%	47%	53%
2018	10,000	5.06%	51%	49%
2019	10,000	4.87%	49%	51%
2020	10,000	3.64%	62%	38%

Source: Pennsylvania Department of Labor & Industry

## **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 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 2020, the taxable wage base was \$10,000.

**Contributions Due**

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

**Table A-10**  
**2020 Summary of Tax Rates by Industry (Dollars in Millions)**

Industry Sector	Number of Contributory Employers	Average Tax Rate	Total Payroll	Taxable Payroll	Contributions Due
Natural Resources and Mining	3,396	4.3%	\$ 3,113	\$ 614	\$ 27
Construction	30,231	6.5%	17,309	3,440	223
Manufacturing	13,496	4.1%	41,086	6,784	277
Trade, Transportation, and Utilities	55,525	3.1%	53,242	12,604	393
Information	5,081	4.0%	8,574	920	36
Financial Activities	20,510	3.3%	32,473	3,799	124
Professional and Business Services	61,733	3.9%	56,871	8,853	349
Education and Health Services	44,045	3.0%	25,883	6,599	199
Leisure and Hospitality	28,843	3.1%	9,771	4,653	143
Other Services	31,672	3.0%	5,902	1,694	50
Local Government	1,233	2.8%	900	210	6
<b>Total</b>	<b>295,765</b>	<b>3.6%</b>	<b>\$255,122</b>	<b>\$50,170</b>	<b>\$1,827</b>

Source: Pennsylvania Department of Labor & Industry

## **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 2020 was \$10,000.

**Table A-11**  
**Covered Employment and Wages**

Year	Active Employers <sup>1</sup>	Average Covered Employment	Total Wages	Taxable Wages
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	5,770,828	318,945,888,731	52,184,603,496
2019	312,274	5,827,478	333,108,059,668	53,194,450,070
2020	329,160	5,387,892	332,724,318,353	50,170,563,239

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> As of Dec. 31 of each year. Includes contributory and reimbursable employers.

## **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	Solvency Percentage <sup>1</sup>	Employer Surcharge		Employer Additional Tax		Employee Tax		Benefit Reduction	
		Rate	Amount Due <sup>2</sup>	Rate	Amount Due	Rate	Amount Due	Rate	Amount Due
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
2019	181%	5.4%	90	0.50%	252	0.06%	200	2.4%	43
2020	50%	5.4%	81	0.50%	237	0.06%	197	2.4%	163

Source: Pennsylvania Department of Labor & Industry

<sup>1</sup> Solvency percentage activates solvency measures for the following calendar year. The 1989 solvency measures were fixed by the UC Law.

<sup>2</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**

Year	Employer and Employee Contributions Deposited	Net Benefits Paid	UC Trust Fund Balance <sup>1</sup>	Title XII Federal Loan Balance	UC Bond Balance
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
2019	2,345,693,000	1,764,508,000	3,435,424,000	0	0
2020	2,474,784,000	6,619,707,000	66,441,000	821,530,000	0

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 Extended and Emergency UC Claim**

The extended benefits (EB) period began on May 3, 2020 and remained “on” throughout the rest of 2020. The EB period ended on May 15, 2021 after EB provisions triggered “off.”

The Pandemic Emergency Unemployment Compensation (PEUC) period began on March 29, 2020 and is currently set to expire on Sept. 4, 2021.

The previous period that EB was available was from Feb. 15, 2009 through April 12, 2012.

An Emergency Unemployment Compensation period (EUC 2008) began during the week of July 12, 2008. The last payable week for EUC 2008 was the week ending, Dec. 28, 2013.

Data for EB, PEUC, and EUC 2008 include UC, UCFE, and UCX claims and determinations.

### **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 request for EB or PEUC from 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).

### **Nonmonetary Determinations**

Decisions relative to a claimant's non-financial 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-14**  
**Extended and Emergency Unemployment Claim Activities**

**Extended Benefits (EB)**

Year	Initial Claims	New Claims	Weeks Claimed	Nonmonetary Determinations		
				Total	Ineligible	Eligible
2009	159,794	156,105	1,258,658	3,597	2,380	1,217
2010	162,009	156,066	1,218,263	5,226	2,420	2,806
2011	198,506	187,341	1,527,637	7,176	3,244	3,932
2012	49,704	47,554	447,468	3,493	2,278	1,215
2020	128,844	126,625	505,681	42	25	17

Source: Pennsylvania Department of Labor & Industry

**Emergency Unemployment Compensation (EUC 2008 & PEUC)**

Year	Initial Claims	New Claims	Weeks Claimed	Nonmonetary Determinations		
				Total	Ineligible	Eligible
<b>EUC 2008</b>						
2008	208,716	183,336	1,761,127	11,921	5,717	6,204
2009	416,051	344,489	7,679,747	20,045	9,039	11,006
2010	327,193	239,283	12,239,635	21,082	9,273	11,809
2011	309,920	206,570	8,649,839	47,611	23,232	24,379
2012	247,647	158,878	6,789,483	38,104	23,960	14,144
2013	222,721	132,099	5,022,989	45,844	30,644	15,200
2014	7,414	3,989	82,276	18,798	16,655	2,143
<b>PEUC</b>						
2020	403,781	384,629	3,596,369	677	374	303

Source: Pennsylvania Department of Labor & Industry

## **Definitions for Table A-15**

### **Extended and Emergency Unemployment Payment Activities**

The extended benefits (EB) period began on May 3, 2020 and remained active throughout the rest of 2020. The EB period ended on May 15, 2021 after EB provisions triggered “off”.

The Pandemic Emergency Unemployment Compensation (PEUC) period began on March 29, 2020 and is set to expire on Sept. 4, 2021.

The previous period that EB was available was from Feb. 15, 2009 through April 12, 2012.

An Emergency Unemployment Compensation period (EUC 2008) began during the week of July 12, 2008. The last payable week for EUC 2008 was the week ending, Dec. 28, 2013.

Data for EB, PEUC, and EUC 2008 include UC, UCFE, and UCX payments.

#### **First Payments**

First EB or PEUC payment a claimant receives for a week of unemployment in a benefit year.

#### **Final Payments**

Last EB or PEUC payment a claimant receives for a week of unemployment, which exhausts their EB or PEUC entitlement.

#### **Weeks Paid**

EB or PEUC weeks claimed which were paid to eligible claimants upon certification that UC qualifying unemployment was experienced during given weeks.

#### **Benefits Paid**

Benefits paid to individuals under the EB or PEUC programs.

#### **Average Weekly Benefit Amount**

The amount of EB or PEUC 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 weeks that EB or PEUC paid per claimant - calculated by dividing the number of weeks compensated by the number of first payments.

**Table A-15**  
**Extended and Emergency Unemployment Payment Activities**

**Extended Benefits (EB)**

Year	First Payments	Final Payments	Weeks Paid	Benefits Paid	Average Weekly Benefit Amount
2009	84,973	75,364	1,327,832	\$ 422,330,759	\$ 322.33
2010	86,621	48,581	1,371,190	455,389,873	338.64
2011	103,528	57,190	1,720,157	583,914,988	346.63
2012	34,328	49,128	550,835	184,988,980	343.12
2020	76,896	25,671	561,152	217,913,770	389.37

Source: Pennsylvania Department of Labor & Industry

**Emergency Unemployment Compensation (EUC 2008 & PEUC)**

Year	First Payments	Final Payments	Weeks Paid	Benefits Paid	Average Weekly Benefit Amount
<b>EUC 2008</b>					
2008	143,556	43,992	1,692,947	\$ 529,118,048	\$ 318.87
2009	593,062	346,007	7,687,253	2,517,699,653	334.32
2010	1,114,067	985,212	12,521,187	4,176,346,738	340.47
2011	615,576	525,817	8,433,988	2,782,242,718	338.21
2012	419,649	382,839	6,390,281	2,116,349,379	341.74
2013	361,188	322,791	4,681,221	1,450,435,550	321.10
2014	12,197	8,076	124,871	41,884,268	346.51
<b>PEUC</b>					
2020	335,678	130,136	3,246,084	1,120,328,046	352.11

Source: Pennsylvania Department of Labor & Industry

## **Definitions for Table A-16 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-16  
Population and Labor Force Data (in thousands)**

Year	Total Population <sup>1</sup>	Civilian Labor Force	Resident Employment	Resident Unemployment	Unemployment Rate
2001	12,299	6,179	5,883	296	4.8%
2002	12,331	6,215	5,869	345	5.6%
2003	12,375	6,158	5,808	350	5.7%
2004	12,411	6,213	5,879	334	5.4%
2005	12,450	6,257	5,944	313	5.0%
2006	12,511	6,298	6,003	295	4.7%
2007	12,564	6,347	6,058	289	4.6%
2008	12,612	6,440	6,097	343	5.3%
2009	12,667	6,400	5,890	510	8.0%
2010	12,702	6,361	5,838	522	8.2%
2011	12,746	6,382	5,887	495	7.8%
2012	12,767	6,449	5,955	494	7.7%
2013	12,776	6,420	5,962	458	7.1%
2014	12,788	6,389	6,010	379	5.9%
2015	12,785	6,423	6,076	347	5.4%
2016	12,782	6,459	6,115	344	5.3%
2017	12,788	6,422	6,102	320	5.0%
2018	12,801	6,432	6,146	286	4.4%
2019	12,802	6,497	6,207	290	4.5%
2020	13,003	6,388	5,808	580	9.1%

**2020 Monthly Data (in thousands, seasonally adjusted)**

Month	Civilian Labor Force	Resident Employment	Resident Unemployment	Unemployment Rate
January	6,532	6,217	315	4.8%
February	6,528	6,204	324	5.0%
March	6,526	6,194	332	5.1%
April	6,314	5,291	1,023	16.2%
May	6,412	5,549	863	13.5%
June	6,422	5,568	854	13.3%
July	6,432	5,593	839	13.0%
August	6,252	5,614	638	10.2%
September	6,317	5,867	450	7.1%
October	6,314	5,870	444	7.0%
November	6,311	5,865	446	7.1%
December	6,310	5,862	448	7.1%

Source: Pennsylvania Local Area Unemployment Statistics (LAUS)  
U.S. Bureau of the Census

Data may not add to totals due to rounding.

<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 2020**

State	Total Unemployment		Benefits Paid (thousands)		Average Weekly Benefit		Taxable Wage Base		Average Tax on Taxable Wages		Average Tax on Total Wages	
	Rate	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Rate	Rank	Rate	Rank
Alabama	5.9%	39 (tie)	\$ 803,343	34	\$ 246.51	38	\$ 8,000	43 (tie)	1.13%	32	0.28%	40 (tie)
Alaska	7.8%	19 (tie)	319,360	45	270.65	34	41,500	5	1.52%	21	1.07%	4 (tie)
Arizona	7.9%	17 (tie)	1,444,347	27	231.05	44	7,000	46 (tie)	1.51%	22	0.31%	37 (tie)
Arkansas	6.1%	36 (tie)	416,158	40	212.35	46	7,000	46 (tie)	1.19%	28 (tie)	0.28%	40 (tie)
California	10.1%	3	25,628,654	1	280.54	31	7,000	46 (tie)	4.04%	1	0.63%	16
Colorado	7.3%	25 (tie)	2,668,274	15	368.98	9	13,600	28	1.37%	24	0.43%	30 (tie)
Connecticut	7.9%	17 (tie)	2,122,129	18	292.64	28	15,000	20 (tie)	3.22%	3	0.88%	9
Delaware	7.8%	19 (tie)	313,162	46	243.42	40	16,500	18	1.40%	23	0.49%	27
Florida	7.7%	21	3,540,226	13	227.01	45	7,000	46 (tie)	0.56%	46 (tie)	0.12%	50
Georgia	6.5%	31	4,190,473	10	251.46	36	9,500	36 (tie)	1.18%	30	0.30%	39
Hawaii	11.6%	2	1,646,333	21	441.26	1	48,100	2	1.25%	26	0.96%	6
Idaho	5.4%	44 (tie)	264,122	48	276.76	32	41,600	4	0.72%	43 (tie)	0.55%	20 (tie)
Illinois	9.5%	7	6,697,733	5	332.31	15	12,740	29	2.07%	11	0.57%	19
Indiana	7.1%	27	1,684,368	20	240.81	41	9,500	36 (tie)	1.61%	18 (tie)	0.46%	29
Iowa	5.3%	46	1,254,245	29	325.01	17	31,600	12	1.24%	27	0.80%	13
Kansas	5.9%	39 (tie)	975,781	32	354.26	10	14,000	23 (tie)	1.19%	28 (tie)	0.52%	26
Kentucky	6.6%	30	1,530,204	24	315.04	21	10,800	34	1.70%	16	0.54%	22 (tie)
Louisiana	8.3%	13 (tie)	1,449,097	26	178.65	50	7,700	45	1.30%	25	0.31%	37 (tie)
Maine	5.4%	44 (tie)	564,325	38	308.16	24	12,000	30 (tie)	1.81%	12	0.65%	15
Maryland	6.8%	28	1,808,828	19	310.35	23	8,500	42	1.78%	13	0.37%	33
Massachusetts	8.9%	10	6,355,036	6	431.69	2	15,000	20 (tie)	3.04%	4	0.87%	10
Michigan	9.9%	5	5,289,300	8	297.35	27	9,000	38 (tie)	2.97%	5	0.72%	14
Minnesota	6.2%	33 (tie)	3,545,302	12	373.62	7	35,000	9	1.07%	33 (tie)	0.62%	17
Mississippi	8.1%	15 (tie)	636,037	36	182.46	49	14,000	23 (tie)	0.46%	49	0.21%	47 (tie)
Missouri	6.1%	36 (tie)	1,180,962	30	233.97	43	11,500	33	1.07%	33 (tie)	0.33%	36
Montana	5.9%	39 (tie)	282,626	47	302.28	26	34,100	10	1.14%	31	0.85%	11
Nebraska	4.2%	50	350,102	43	283.53	29	9,000	38 (tie)	0.86%	39 (tie)	0.24%	45
Nevada	12.8%	1	2,738,572	14	338.53	13	32,500	11	1.75%	15	1.13%	2
New Hampshire	6.7%	29	349,923	44	246.56	37	14,000	23 (tie)	0.82%	41	0.25%	44
New Jersey	9.8%	6	5,941,822	7	393.99	6	35,300	8	1.61%	18 (tie)	0.82%	12
New Mexico	8.4%	11 (tie)	843,102	33	302.89	25	25,800	14	0.72%	43 (tie)	0.43%	30 (tie)
New York	10.0%	4	14,331,429	2	321.80	19	11,600	32	2.30%	8	0.48%	28
North Carolina	7.3%	25 (tie)	1,536,878	23	210.46	47	25,200	16	0.55%	48	0.28%	40 (tie)
North Dakota	5.1%	47	383,145	42	429.12	3	37,900	6	0.76%	42	0.54%	22 (tie)
Ohio	8.1%	15 (tie)	3,947,042	11	325.68	16	9,000	38 (tie)	2.12%	10	0.53%	25
Oklahoma	6.1%	36 (tie)	1,304,862	28	334.55	14	18,700	17	0.72%	43 (tie)	0.34%	34 (tie)
Oregon	7.6%	22 (tie)	2,153,279	17	371.45	8	42,100	3	1.69%	17	1.15%	1
Pennsylvania	9.1%	9	6,933,533	4	323.42	18	10,000	35	3.65%	2	0.90%	8
Rhode Island	9.4%	8	627,206	37	314.92	22	25,500	15	2.14%	9	1.07%	4 (tie)
South Carolina	6.2%	33 (tie)	1,101,958	31	238.54	42	14,000	23 (tie)	0.86%	39 (tie)	0.34%	34 (tie)
South Dakota	4.6%	49	107,917	50	282.69	30	15,000	20 (tie)	0.56%	46 (tie)	0.23%	46
Tennessee	7.5%	24	1,450,763	25	210.43	48	7,000	46 (tie)	1.00%	35 (tie)	0.21%	47 (tie)
Texas	7.6%	22 (tie)	11,165,463	3	340.26	12	9,000	38 (tie)	1.76%	14	0.39%	32
Utah	4.7%	48	636,117	35	350.81	11	36,600	7	0.41%	50	0.27%	43
Vermont	5.6%	43	388,997	41	317.33	20	16,100	19	2.62%	6	1.10%	3
Virginia	6.2%	33 (tie)	2,281,969	16	271.08	33	8,000	43 (tie)	0.99%	37	0.19%	49
Washington	8.4%	11 (tie)	4,328,983	9	400.55	4	52,700	1	0.87%	38	0.54%	22 (tie)
West Virginia	8.3%	13 (tie)	558,524	39	245.39	39	12,000	30 (tie)	2.55%	7	0.94%	7
Wisconsin	6.3%	32	1,598,319	22	266.05	35	14,000	23 (tie)	1.53%	20	0.55%	20 (tie)
Wyoming	5.8%	42	180,838	49	396.84	5	26,400	13	1.00%	35 (tie)	0.60%	18

Source: U.S. Department of Labor  
U.S. Bureau of Labor Statistics

**Table B-1A**  
**Comparison of State UC Data for 2020**  
**(Pennsylvania and Neighboring States Only)**

State	Total Unemployment		Benefits Paid (thousands)		Average Weekly Benefit		Taxable Wage Base		Average Tax on Taxable Wages		Average Tax on Total Wages	
	Rate	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Rate	Rank	Rate	Rank
Delaware	7.8%	6	\$ 313,162	8	\$ 243.42	8	\$ 16,500	2	1.40%	7	0.49%	5
Maryland	6.8%	7	1,808,828	6	310.35	5	8,500	7	1.78%	5	0.37%	7
New Jersey	9.8%	2	5,941,822	3	393.99	1	35,300	1	1.61%	6	0.82%	3
New York	10.0%	1	14,331,429	1	321.80	4	11,600	4	2.30%	3	0.48%	6
Ohio	8.1%	5	3,947,042	4	325.68	2	9,000	6	2.12%	4	0.53%	4
Pennsylvania	9.1%	3	6,933,533	2	323.42	3	10,000	5	3.65%	1	0.90%	2
Virginia	6.2%	8	2,281,969	5	271.08	6	8,000	8	0.99%	8	0.19%	8
West Virginia	8.3%	4	558,524	7	245.39	7	12,000	3	2.55%	2	0.94%	1

Source: U.S. Department of Labor