



**December 14, 2023**  
**1:30 – 3:00 p.m.**  
**(Lite Lunch @ 1:30 p.m.)**  
**Virtual Meeting or Olene Walker Building (101N)**

**Employment Advisory Council Agenda**

- I. Welcome.....Justin Williams, UI Director
- II. Opening Business.....Justin Williams
  - a. Approval of August 10, 2023 Minutes
  - b. Council Vacancies
- III. Open and Public Meetings Act.....Amanda McPeck, Director of Legal Services
- IV. Economy Update.....Mark Knold, Research Consultant III
- V. UI Trust Fund.....Justin Williams
- VI. Employer 2024 Rate Notices.....Mike Miller
- VII. Discuss 2024 Meeting Schedule.....Justin Williams
  - a. May 9<sup>th</sup>, August 8<sup>th</sup> (?) and November 8<sup>th</sup> (?)
- VIII. Questions from Committee .....Justin Williams
- IX. Adjourn

Unemployment Insurance Administration At a Glance			
Description	Time Periods	Measure Current	Measure Comparison
Total Unemployment Rate	Oct 2023 vs Oct 2022	2.7%	2.4%
Insured Unemployment Rate	Week ending Nov 18, 2023 vs Nov 19, 2022	0.62%	0.50%
Average Duration of Claim	12 Month Period Ending Nov 2023 and 2022	12.25 wks	10.86 wks
Average Exhaustion Rate	12 Month Period Ending Nov 2023 and 2022	29.3%	23.%
Contributions Collected	12 Month Period Ending Oct 2023 and 2022	\$329 mill	\$318 mill
Benefits Paid*	12 Month Period Ending Oct 2023 and 2022	\$233 mill	\$121 mill
Trust Fund Balance	Dec 7, 2023 vs Dec 7, 2022	\$1.203 bill	\$1.098 bill
Average high Cost Multiple	Q1 Ending 2023 vs Q1 2022	1.14	1.05

\*Only includes benefits paid from state Unemployment funds

## UI Trust Fund Reserve Factor and Social Cost Calculation

Rates (projected after Rate Year 2022)

Balance as of:	Modezation + Special Adm	UI Funds	Total Bal	Min Adequate	Max Adequate	Rate Year	Reserve Factor	Social Cost	Contributions Collected CY
30-Jun-00			\$621,831,305	\$ 511,885,663	\$ 572,404,165	2001	0.90	0.001	\$65,970,970
30-Jun-01			\$597,903,149	\$ 503,876,130	\$ 563,447,692	2002	0.90	0.001	\$64,871,526
30-Jun-02			\$536,808,278	\$ 516,819,985	\$ 572,404,165	2003	1.10	0.001	\$90,123,284
30-Jun-03			\$410,479,072	\$ 503,876,130	\$ 563,447,692	2004	1.20	0.003	\$150,212,144
30-Jun-04			\$357,430,362	\$ 516,819,985	\$ 577,921,855	2005	1.40	0.004	\$217,199,280
30-Jun-05			\$443,349,626	\$ 556,497,422	\$ 622,290,221	2006	1.25	0.004	\$239,525,489
30-Jun-06			\$608,932,574	\$ 636,792,920	\$ 713,592,066	2007	1.05	0.003	\$194,402,034
30-Jun-07			\$776,678,787	\$ 678,248,835	\$ 758,247,416	2008	0.95	0.001	\$130,793,077
30-Jun-08			\$846,618,918	\$ 650,511,143	\$ 867,348,191	2009	1.00	0.002	\$113,719,046
30-Jun-09	\$4,356,943	\$636,072,548	\$640,429,491	\$ 550,838,639	\$ 736,836,102	2010	1.00	0.002	\$139,153,090
30-Jun-10	\$4,356,943	\$368,174,226	\$372,531,169	\$ 585,161,053	\$ 780,214,737	2011	1.45	0.004	\$298,002,976
30-Jun-11	\$24,689,345	\$279,357,611	\$304,046,956	\$ 606,449,155	\$ 810,991,178	2012	1.30	0.004	\$342,624,840
30-Jun-12	\$24,213,694	\$396,633,433	\$420,847,126	\$ 605,752,914	\$ 807,670,552	2013	1.20	0.004	\$354,137,691
30-Jun-13	\$23,046,227	\$546,516,534	\$569,562,761	\$ 597,941,760	\$ 799,949,111	2014	1.05	0.004	\$317,910,552
30-Jun-14	\$21,216,172	\$710,026,815	\$731,242,987	\$ 623,348,950	\$ 831,131,933	2015	1.00	0.003	\$259,529,757
30-Jun-15	\$20,332,402	\$861,148,459	\$881,480,861	\$ 666,403,558	\$ 888,538,078	2016	1.00	0.002	\$208,359,172
30-Jun-16	\$18,542,821	\$953,963,759	\$972,506,579	\$ 714,104,665	\$ 952,139,553	2017	0.95	0.002	\$185,250,500
30-Jun-17	\$16,277,048	\$1,019,242,517	\$1,035,519,565	\$ 767,454,056	\$ 1,023,272,074	2018	1.00	0.001	\$163,746,732
30-Jun-18	\$13,727,310	\$1,084,022,237	\$1,097,749,547	\$ 829,030,469	\$ 1,105,373,959	2019	1.00	0.001	\$152,573,065
30-Jun-19	\$10,487,392	\$1,130,684,275	\$1,141,171,667	\$ 892,564,059	\$ 1,190,085,412	2020	1.00	0.001	\$151,838,016
30-Jun-20	\$19,232,444	\$915,884,303	\$935,116,747	\$ 935,706,152	\$ 1,247,608,202	2021	1.05	0.002	\$198,713,202
30-Jun-21	\$17,664,119	\$736,154,949	\$753,819,068	\$ 1,079,667,477	\$ 1,439,556,636	2022	1.15	0.003	\$319,060,710
30-Jun-22	\$4,544,776	\$985,512,813	\$990,057,589	\$ 1,225,549,836	\$ 1,634,066,448	2023	1.10	0.003	\$340,924,162
30-Jun-23	\$4,272,204	\$1,133,901,417	\$1,138,173,621	\$ 1,313,113,006	\$ 1,750,817,342	2024	1.10	0.003	\$316,502,946
30-Jun-24	\$1,872,204	\$1,212,339,165	\$1,214,211,369	\$ 1,376,105,998	\$ 1,834,807,997	2025	1.10	0.002	\$325,464,574

Trust Fund Balance: (12/07/2023): \$1.203 Billion

**Overall Tax Rate Calculation:** (Benefit Costs/Taxable Wages) X (Reserve Factor) + Social Cost Rate

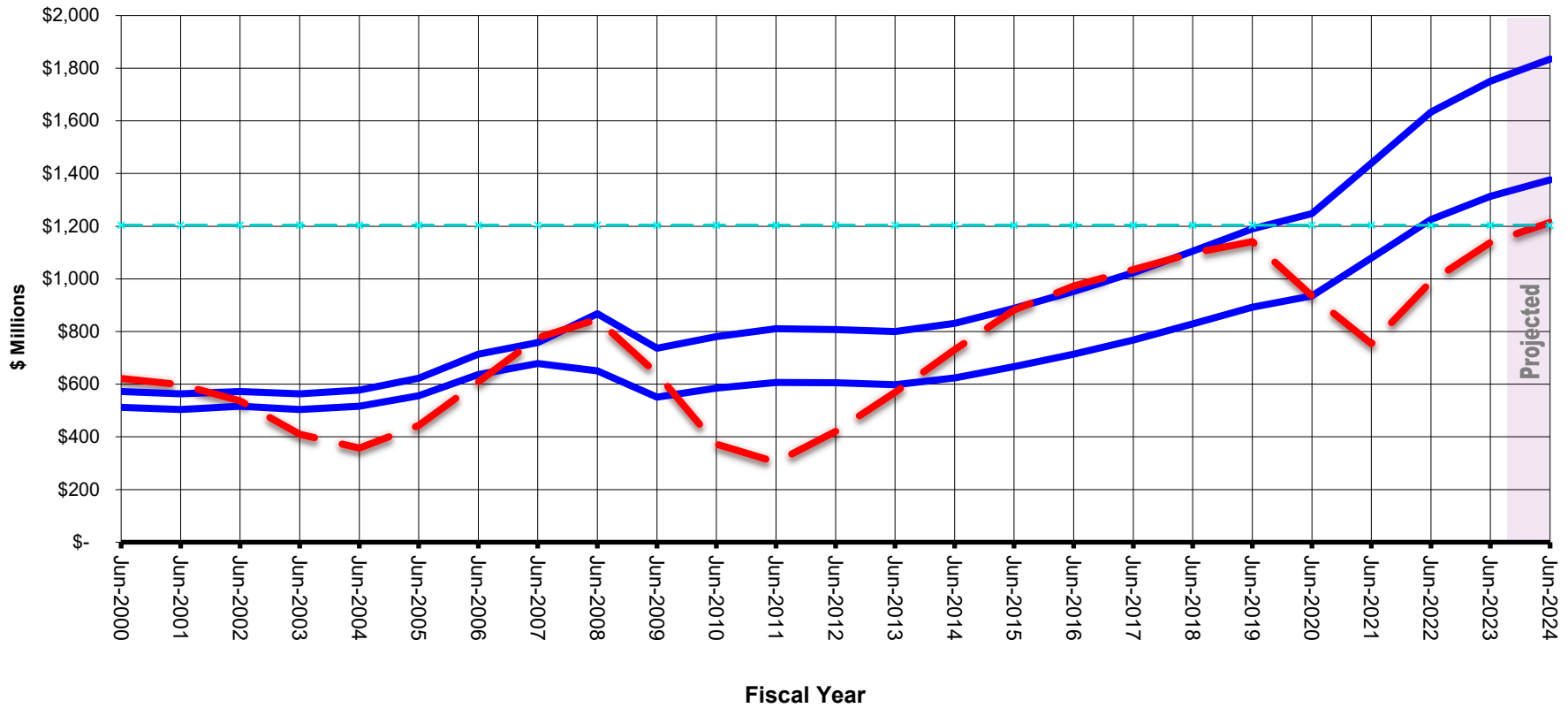
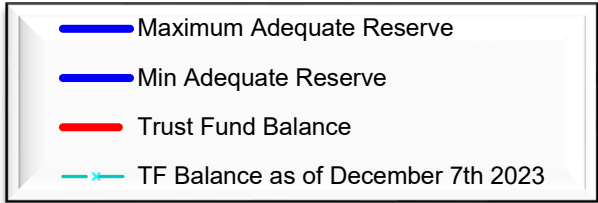
**Reserve Factor:** A multiplier (factor), which is adjusted up or down on an annual basis depending on the overall health of the UI Trust Fund balance. That formula is based on maintaining a balance in the Trust Fund that can fund 18 to 24 months of benefits during a severe economic downturn. The Reserve Factor is set at 1.0 when the Trust Fund balance falls between the Maximum and Minimum Adequate Reserve levels.

**Social Cost Rate:** This rate is determined by benefit costs that cannot be charged to specific employers and is added to the UI tax rate for all employers; this is the minimum tax rate available. The social rate is calculated using "social costs" for the previous four fiscal years.

**Minimum Adequate:** The minimum amount required to pay 18 months of benefits during the 5 worst economic years in the last 25 years.

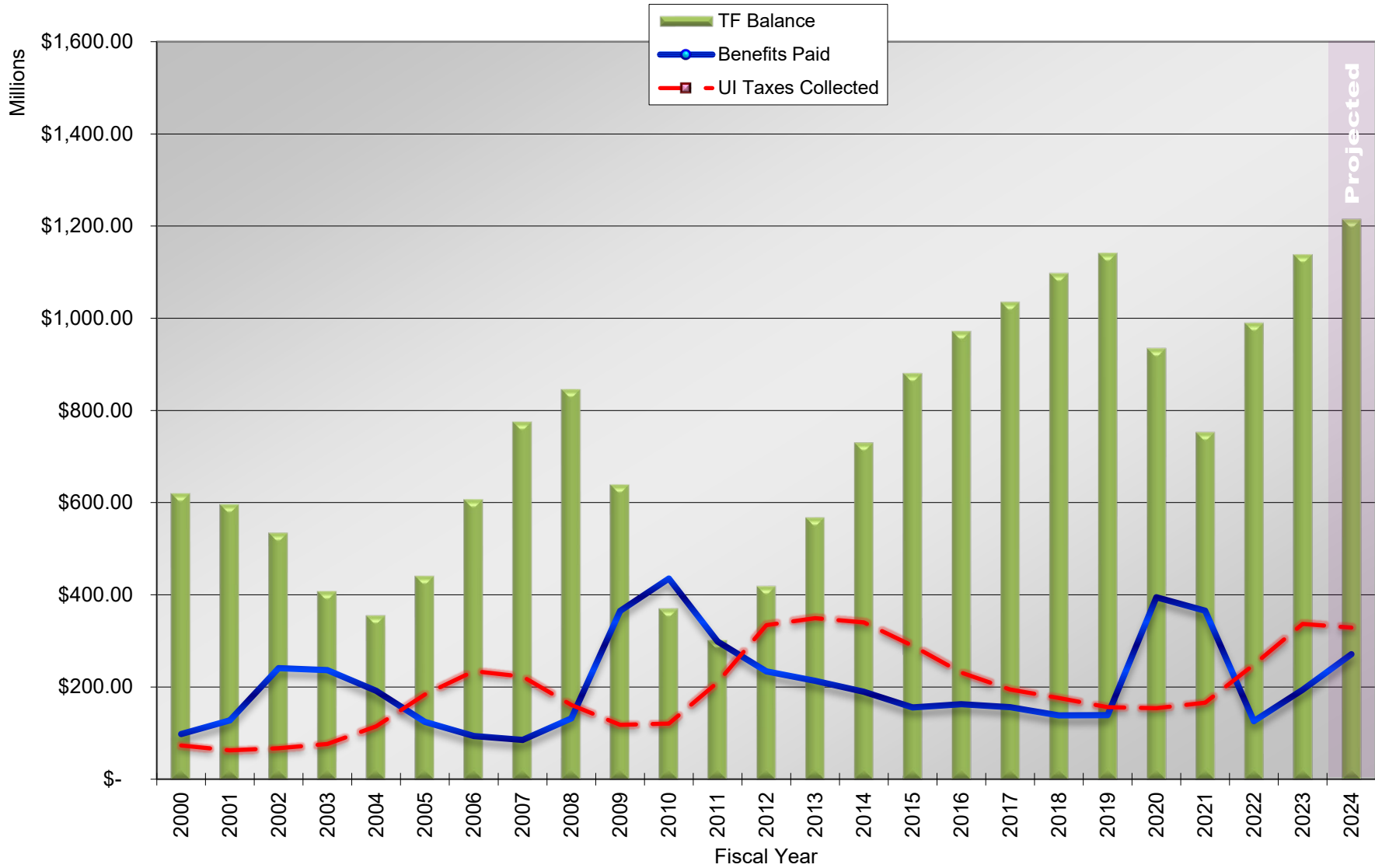
**Maximum Adequate:** The maximum amount required to pay 24 months of benefits during the 5 worst economic years in the last 25 years.

### UI Trust Fund Balance Projections



Trust Fund Balance: (12/07/2023): \$1.203 Billion

### Contributions vs Benefits Paid



**UTAH 2024 UI TAX RATE DISTRIBUTION FOR ACTIVE  
EXPERIENCE RATED EMPLOYERS**

	Employers	Percentage	Cumulative %
Utah Employers with minimum rate 0.3%	77,166	78.57%	78.57%
Utah Employers with rates between 0.4% to 0.9%	8,953	9.12%	87.69%
Utah Employers with rates between 1% to 1.9%	8,186	8.34%	96.02%
Utah Employers with rates between 2% to 2.9%	1,341	1.37%	97.39%
Utah Employers with rates between 3% to 3.9%	716	0.73%	98.12%
Utah Employers with rates between 4% to 4.9%	414	0.42%	98.54%
Utah Employers with rates between 5% to 5.9%	311	0.32%	98.86%
Utah Employers with rates between 6% to 7.2%	276	0.28%	99.14%
Utah Employers with maximum rate 7.3%+	846	0.86%	100.00%
<b>Total</b>	<b>98,209</b>	<b>100.00%</b>	

(11,662 Utah Employers were assigned a new employer rate between 1.3%-7.3%+)

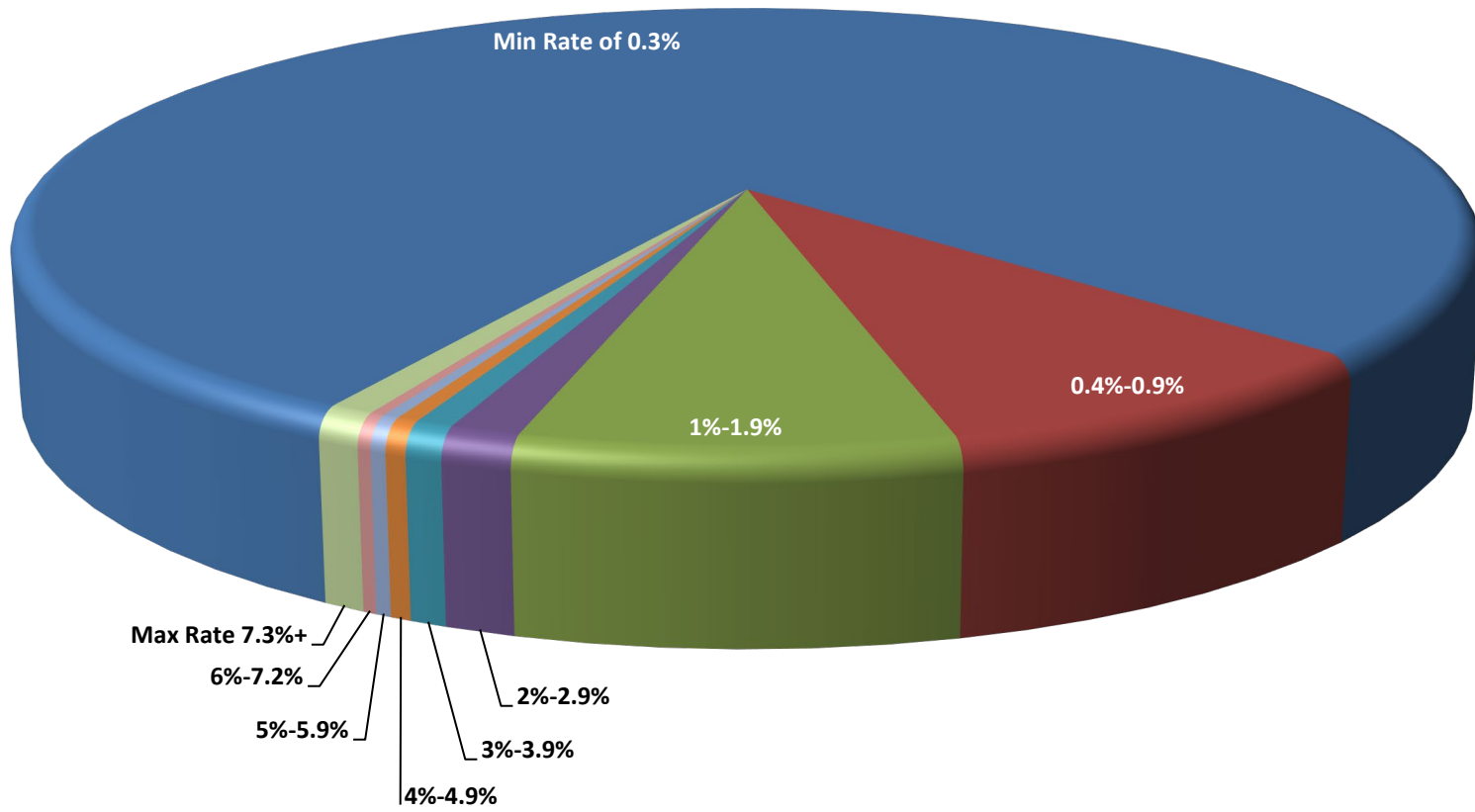
Average Employer Rate 0.58%

Average Rate Excluding Min 1.6%

Average New Employer Rate 1.55%

\* Updated on 12/11/2023

## 2024 Utah Employer Tax Rate Distribution

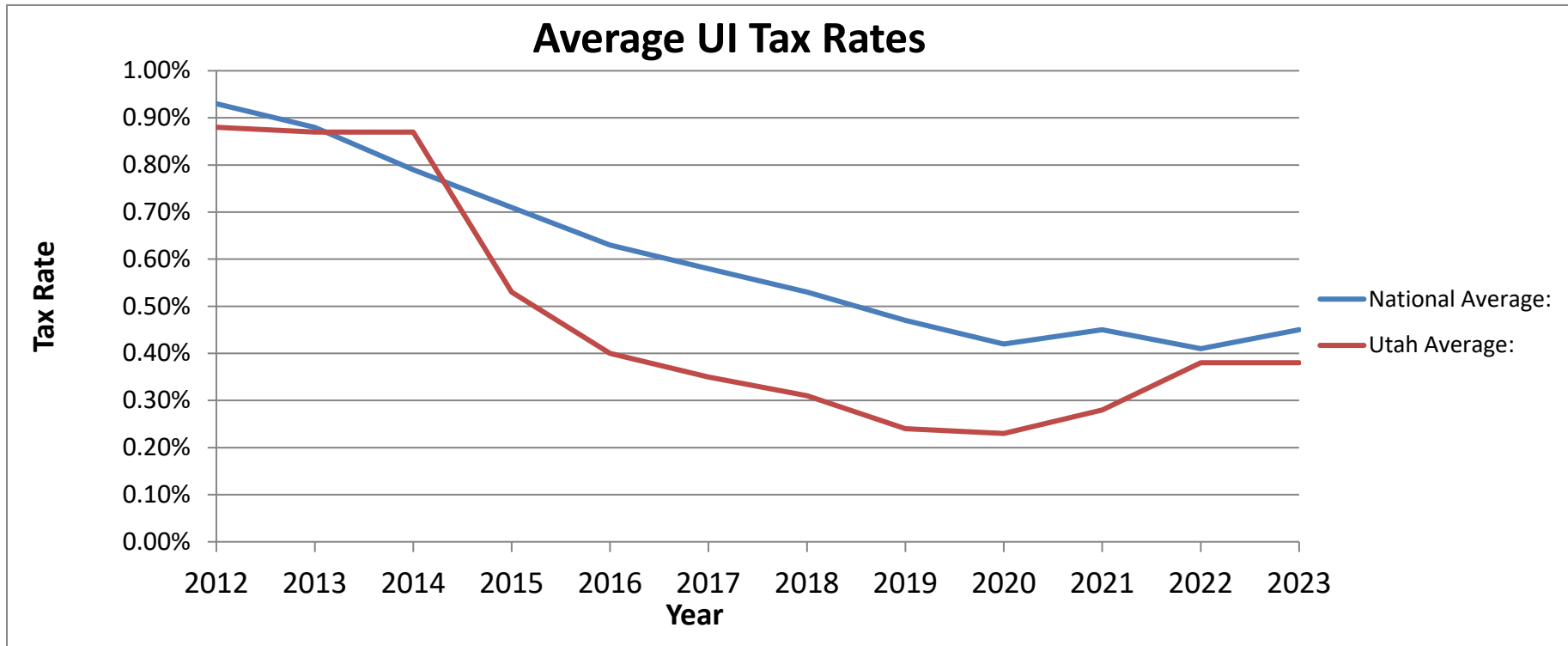


## AVERAGE EMPLOYER UNEMPLOYMENT INSURANCE TAX RATES\*

Year:	2023 <sup>^</sup>	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
National Average:	0.45%	0.41%	0.45%	0.42%	0.47%	0.53%	0.58%	0.63%	0.71%	0.79%	0.88%	0.93%
National Average Range:	0.10%-1.86%	0.12%-1.43%	0.1%-1.31%	0.10%-1.31%	0.12%-1.27%	0.13%-1.40%	0.21%-1.41%	0.24%-1.46%	0.29%-1.53%	0.35%-1.65%	0.39%-2.23%	0.33%-1.92%
Utah Average:	0.38%	0.38%	0.28%	0.23%	0.24%	0.31%	0.35%	0.40%	0.53%	0.72%	0.87%	0.88%
Utah Ranking: (1=Highest 53=Lowest)	31st	30th	41st	46th	46th	44th	43rd	42nd	38th	34th	28th	30th

\* Information and national rankings provided by USDOL as the level of taxation relative to total wages for all 50 states, Washington DC, Virgin Islands and Puerto Rico.

<sup>^</sup> Estimates



ESTIMATED EMPLOYER CONTRIBUTION RATES		
CALENDAR YEAR 2023		
Rank	STATE	Tax Rate as a Percent of total wages
1	Hawaii	1.86
2	Virgin Islands	1.82
3	Oregon	1.12
4	New Jersey	1.03
5	Rhode Island	0.90
6	Nevada	0.80
7	Washington	0.71
8	Pennsylvania	0.70
8	Puerto Rico	0.70
10	Alaska	0.65
11	Massachusetts	0.64
12	Connecticut	0.62
13	Illinois	0.60
13	Montana	0.60
15	West Virginia	0.59
16	Michigan	0.55
17	Maine	0.53
18	Wyoming	0.52
19	Iowa	0.50
19	New York	0.50
19	Ohio	0.50
19	Vermont	0.50
23	Oklahoma	0.47
24	Minnesota	0.44
24	New Mexico	0.44
24	North Dakota	0.44
27	Colorado	0.43
27	Wisconsin	0.43
29	Idaho	0.41
30	California	0.39
31	Utah	0.38
32	Kansas	0.37
33	Maryland	0.36

34	Texas	0.35
35	South Carolina	0.31
36	District of Columbia	0.30
37	Indiana	0.29
37	Kentucky	0.29
39	Delaware	0.28
39	North Carolina	0.28
41	Louisiana	0.25
42	Arkansas	0.24
43	Arizona	0.23
43	New Hampshire	0.23
43	South Dakota	0.23
46	Mississippi	0.20
47	Georgia	0.16
47	Nebraska	0.16
49	Missouri	0.15
50	Tennessee	0.12
51	Alabama	0.10
51	Florida	0.10
51	Virginia	0.10

**US Average 0.45%**

**UNITED STATES DEPARTMENT OF LABOR  
EMPLOYMENT AND TRAINING ADMINISTRATION**