

2023 STATUS REPORT

IOWA'S UNEMPLOYMENT COMPENSATION TRUST FUND



This 2023 Status Report of
The Iowa Unemployment Compensation Trust Fund
is a publication of Iowa Workforce Development

The logo for Iowa Workforce Development features the word "IOWA" in a large, blue, sans-serif font. The letter "O" is stylized with a yellow sun rising over a green landscape. Below "IOWA" are the words "Iowa Workforce" and "Development" in a smaller, blue, sans-serif font, stacked vertically.

**2023
Status
Report**

**On the Iowa Unemployment
Compensation Trust Fund**

This 2023 Status Report of the Iowa Unemployment Compensation Trust Fund is a publication of Iowa Workforce Development.

Pursuant to Iowa Code, Chapter 96.35, Iowa Workforce Development hereby submits an annual status report on the unemployment compensation trust fund to the general assembly.

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Preface – Guide for Interpretation

As a guide to the interpretation and application of this chapter, the public policy of this state is declared to be as follows:

Economic insecurity due to unemployment negatively impacts the health, morals, and welfare of the people of Iowa. These undesirable consequences can be reduced by encouraging employers to provide more stable employment and by the systematic accumulation of funds during periods of employment to provide benefits for periods of unemployment. This chapter provides for payment of benefits to workers unemployed through no fault of their own. The policy herein is intended to encourage stabilization in employment, to provide for integrated employment and training services in support of state economic development programs, and to provide meaningful job training and employment opportunities for the unemployed, underemployed, economically disadvantaged, dislocated workers, and others with substantial barriers to employment. To further this public policy, the state, through its department of workforce development, will maintain close coordination among all federal, state, and local agencies whose missions affect the employment or employability of the unemployed and underemployed. (Iowa Code 96.2)

Executive Summary

This report evaluates the status of Iowa's unemployment compensation trust fund as of December 31, 2023. It reviews fund expenditures and revenue. It also discusses fund solvency in terms of fund balance, fund balance adjusted for inflation, fund balance adjusted for covered wage growth, and months of benefits in the trust fund.

Unemployment Insurance (UI) Benefits Payout: Pandemic related layoffs pushed regular benefits paid to unemployed workers to a record level of \$1.25 billion in 2020. Benefit payments declined through 2023 as the employment situation improved.

- First payments climbed to 315,701 in 2020 due to pandemic related layoffs. The economy recovered and first payments fell to 51,596 in 2022 and 55,395 in 2023. Regular UI benefits paid fell from \$1,254 million in 2020 to \$260 million in 2023.
- Congress enacted several pandemic related unemployment programs in 2020. These programs were paid for by federal funds. The largest were:
 - Federal Pandemic Unemployment Compensation (FPUC) which increased the weekly benefit amount available to benefit recipients.
 - Pandemic Emergency Unemployment Compensation (PEUC) which provided more weeks of benefits after regular benefits were exhausted.
 - Pandemic Unemployment Assistance (PUA) which provided benefits to unemployed persons who were not eligible for regular UI benefits.
- Iowa Workforce Development paid out more than three billion dollars in these temporary federally funded programs in 2020 and 2021. These benefits are not covered by this report because they do not impact Iowa's unemployment insurance trust fund.

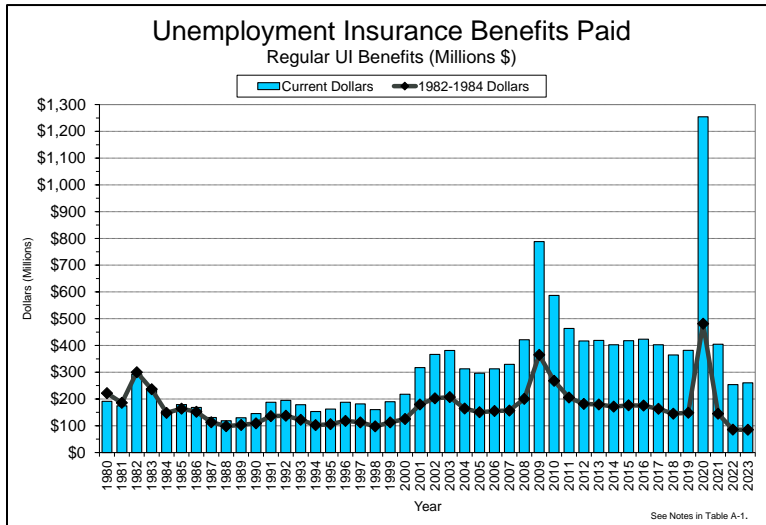
UI Trust Fund Revenue: Fund revenue primarily comes from UI contributions paid by Iowa employers. Contributions reached \$658 million in 2011 due to high benefit payouts in 2009 and 2010. Contributions declined through 2023 as fund strength improved.

- The average contribution rate was highest during the 1980s. It reached 3.38 percent in 1984. The average rate was below one percent in the late 1990s. It climbed above two percent in the early 2010s due to the great recession. It reached 2.70 percent in 2011.
- The trust fund balance has been sufficient to trigger table 7 for 2018 through 2022. The average tax rate for this five-year period was 1.24 percent. Table 8 was triggered for 2023 and the estimated average tax rate fell to 1.02 percent.

UI Trust Fund: Iowa's year-end UI trust fund balance reached \$1,246 million in 2019. Record benefit payouts caused the UI trust fund balance to plummet to \$723 million in June 2020. The fund bounced back and climbed to \$1,799 million by the end of 2023 due to lower benefit payouts in 2021 through 2023 and federal recovery funds deposits.

Conclusions: Iowa's UI trust fund balance fell to \$171 million during April 2010. The fund balance has rebounded through 2019 and fund solvency measures remain strong. Pandemic related unemployment caused a record benefit payout in 2020. UI Benefit payments fell to twenty-year lows in 2022 and 2023. The trust fund should remain solvent, and the fund balance should be sufficient to continue to trigger the lower tax rate tables.

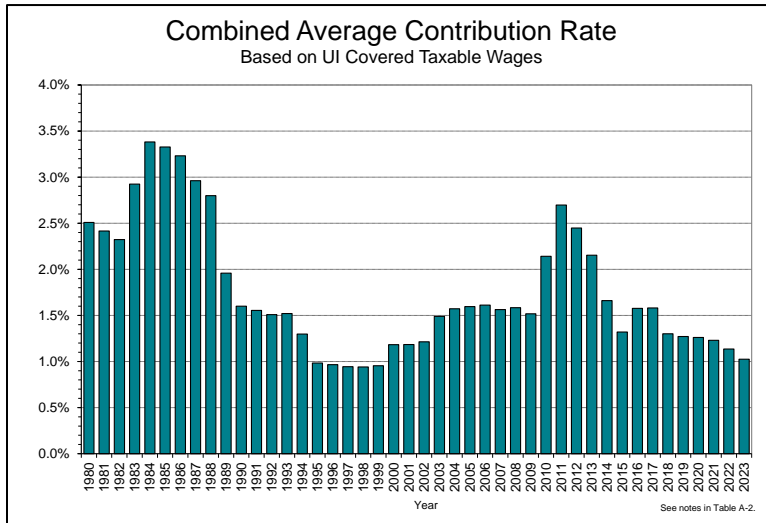
UI Trust Fund History at a Glance



The 2009 national recession pushed the UI benefit payout to \$788 million in 2009.

UI benefits have declined to about \$400 million per year in 2012 through 2019.

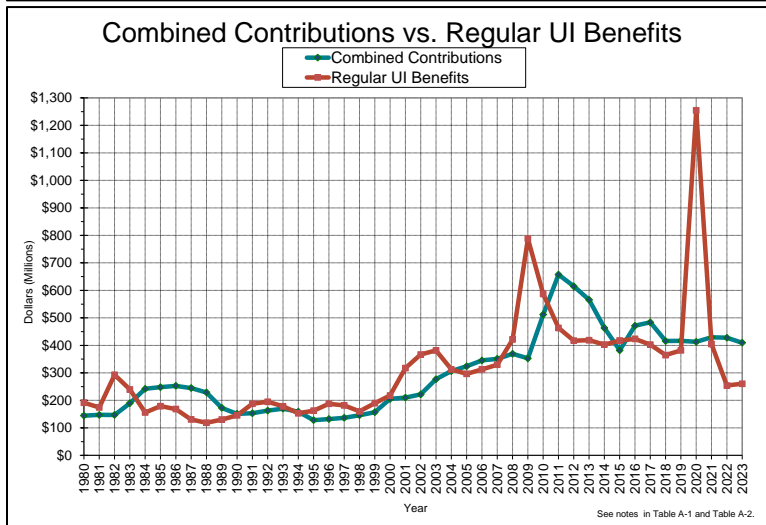
Pandemic related layoffs pushed UI benefits to a record high of \$1,254 million in 2020 followed by twenty year lows of \$254 million in 2022 and \$260 million in 2023.



The 2009 recession caused the trust fund to decline, and the average tax rate reached 2.70 percent in 2011.

The trust fund balance recovered and rate table 7 was in effect during 2018 through 2022. The nine-year average tax rate declined to 1.24 percent.

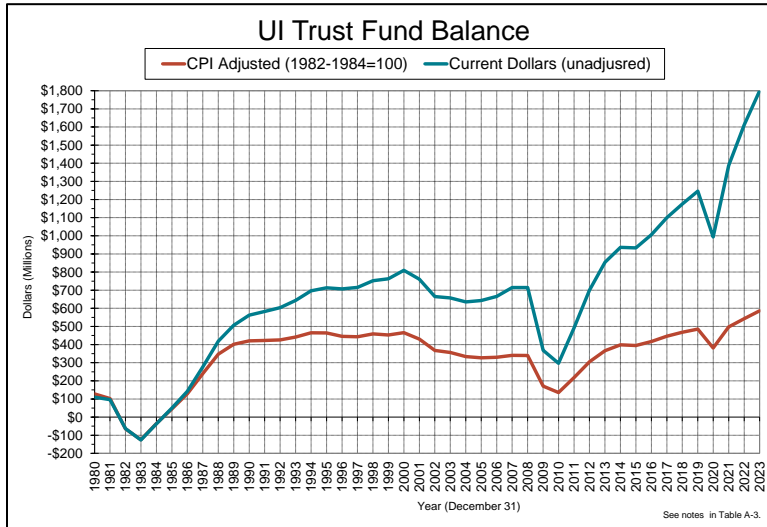
Rate table 8 triggered in 2023 and the average tax rate fell to an estimated 1.02 percent.



Contributions generally exceeded benefits in the 2011 through 2019 post recession period. This enabled the trust fund to rebuild and contribution rates to decline.

Pandemic related layoffs caused UI benefits to be more than three times higher than contributions in 2020. The UI benefit payout recovered in 2021 and 2023.

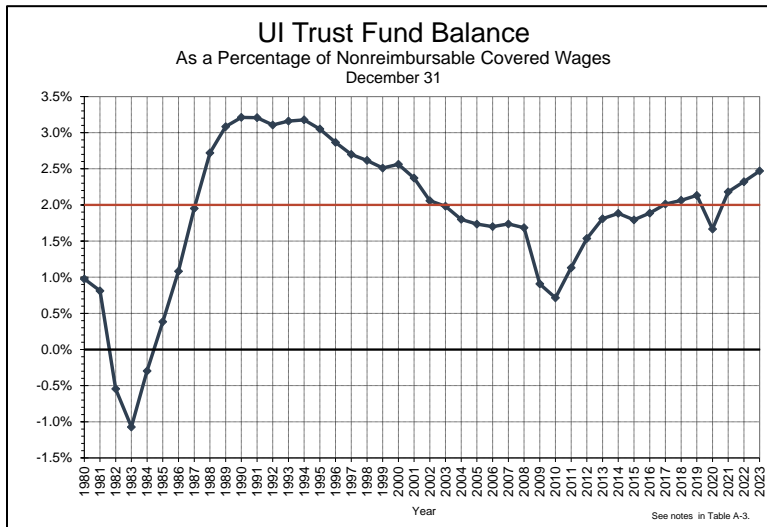
UI Trust Fund History at a Glance



The fund balance grew from 2010 through 2019. The CPI adjusted fund grew at a slower rate.

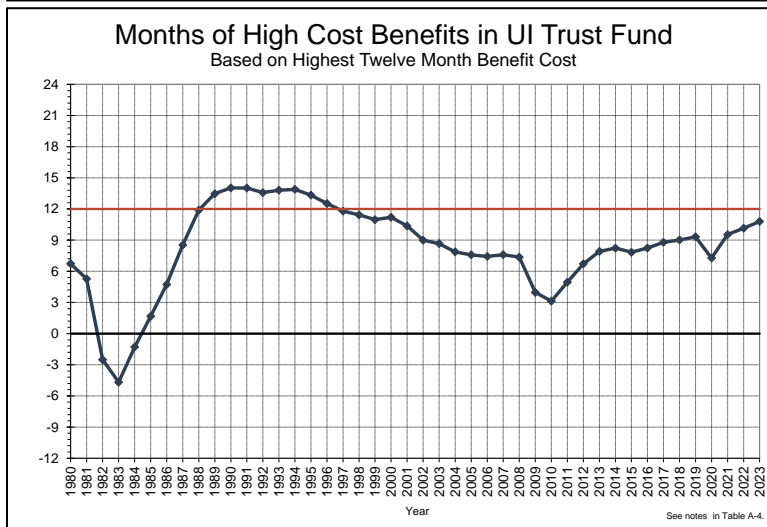
Pandemic related UI benefits caused the trust fund to decline in 2020.

Deposits of federal recovery funds and a decline in benefits paid in 2021 through 2023 helped the fund rebound to a new high in 2023.



The UI trust fund as a percentage of covered wages was over three percent during the first half of the 1990s. This measure dropped to 0.71 percent of covered wages in 2010, but it rebounded and exceeded two percent in 2017 through 2019.

This measure dropped to 1.67 percent in 2020 but rebounded to 2.47 percent in 2023.



The highest benefit payout adjusted for covered employment and wage growth occurred during the 1982-1983 recession.

The trust fund would be sufficient to pay benefits for about eleven months if this worst-case scenario were to occur today.

A. Unemployment Insurance Benefits

Pandemic related layoffs caused Iowa’s Unemployment Insurance benefit payout to reach a record level of \$1,254 million in 2020. UI benefits paid declined to \$254 million in 2022 and \$260 million in 2023 as the employment situation improved. The 2022 and 2023 benefit payouts were the lowest since 2000.

UI Benefits: Benefit payments are a function of:

- average weekly benefit amount,
- duration of benefits, and
- number of persons receiving first payments for benefits

Maximum Weekly Benefit Amount:

The maximum weekly benefit (MWB) is computed each year based on the previous year’s average weekly wage. The current MWB amounts are listed below:

Number of Dependents	Average Weekly Wage 2022	Percent of Average Weekly Wage	Maximum Weekly Benefit July 2023
0	\$1,099.55	53%	\$582
1	\$1,099.55	55%	\$604
2	\$1,099.55	57%	\$626
3	\$1,099.55	60%	\$659
4	\$1,099.55	65%	\$714

Average Weekly Benefit (AWB):

Claimants’ weekly benefit amounts are based on their high quarter earnings, subject to the above maximums. About half of claimants draw the maximum weekly benefit. A claimant would need high quarter earnings of about \$13,300 to qualify for the maximum weekly benefit.

The average weekly benefit (AWB) fell from \$396 in 2019 to \$325 in 2020. This was the result of layoffs in lower paid industries. The AWP rose to \$460 in 2022 and \$486 in 2023. The improved economy resulted in a higher proportion of claims coming from higher paid seasonal industries.

Duration of UI Benefits: The maximum duration for most recipients was reduced from 26 weeks to 16 weeks effective July 3, 2023.

The average duration of regular UI benefits was 9.7 weeks in 2023. About 25 percent of benefit recipients exhausted their regular UI benefits.

First Payments: The number of UI claimants who received their first payment for a new benefit year reached a record high of 315,701 in 2020. Layoffs decreased and first payments fell to 51,596 in 2022 and 55,395 in 2023 as layoffs decreased.

Weeks Compensated: The number of UI weeks compensated reached a record high of 3,859,061 in 2020. Weeks compensated fell to 535,805 in 2023, the lowest figure since 1974.

UI Benefit Summary: UI payments averaged about \$400 million per year from 2012 through 2019. Pandemic related layoffs pushed benefits to a new record high of \$1,254 million in 2020. The benefit payout fell to \$254 million in 2022 and \$260 in 2023 as the job picture improved.

The pandemic pushed the benefit cost percent to 1.95 percent in 2020. This was the highest rate since the early 1980’s. The economic recovery reduced the benefit cost percent to 0.35 percent in 2023. The lowest in more than forty years.

B. Unemployment Insurance Revenue

Employer contributions averaged \$417 million over the past ten years. The trust also benefited by \$738 million in deposits of federal relief funds in 2020 and 2021.

Average Tax Rate: The Iowa Code has eight tax rate tables. The tables are triggered based on the relative trust fund strength. The average tax rate ranges from about 3.5 percent in Table 1 to about 0.9 percent in Table 8.

The highest tax rate table was in effect from 1984 through 1987. The tax rate climbed to over 3.0 percent during the mid-1980's as the trust fund was rebuilding from the early 1980's recession. The fund balance grew enough to trigger the lowest rate table in the late 1990's.

The contribution rate averaged about 1.6 percent from 2003 through 2009. High benefit levels caused the trust fund to fall in 2009 and 2010. This caused tax rate tables with higher rates to trigger. The average tax rate reached 2.7 percent in 2011.

Higher tax rates and a lower benefit payout enabled the trust fund to rebound. The trigger formula then moved to tables with lower tax rates.

Rate table 7 was in effect from 2018 through 2022. The average tax rate fell to 1.2 percent. The trust fund balance was strong enough to trigger rate table 8 in 2023 and the average tax rate fell to 1.0 percent.

Individual Employer Rates: Iowa's employer tax rates are based on each employer's five-year charged benefit experience. Almost half of all private employers qualified for a zero rate in

2023 because they had very low benefit charges over the last five years. The maximum tax rate in 2023 rate was 7.0 percent.

Taxable Wages: During 2023, Iowa employers paid taxes on the first \$36,100 of each employee's wages. This taxable wage base is updated each year based on the average annual covered wage.

Taxable wages have increased at a rate of 4.5 percent per year over the past decade. Covered employment and total wages growth have caused taxable wages to increase by 10.5 percent in 2022 and estimated 6.0 percent in 2023.

Contributions: The trust fund was strong enough to trigger the most favorable tax rate table in 2023 for the first time since 1999. This caused contributions to decrease from \$428 in 2022 to \$410 in 2023.

Other Income: Gov. Kim Reynolds directed \$490 million in coronavirus relief funds to be deposited into the Iowa UI Trust Fund in 2020 and \$237 million in American Recovery Act funds in 2021. The special deposits ensured the trust fund was sufficient to pay benefits to eligible Iowans and to enable Iowa employers to pay a low average contribution rate.

Revenue Summary: The average tax rate fell to one percent in 2023, the lowest since 1999. The rate is expected to continue to fall in 2024.

C. UI Fund Balance

The year-end UI trust fund balance was \$297 million in 2010 after the recession. The fund balance grew to \$1,246 million in 2019. Pandemic related layoffs pushed the fund balance down, but the fund was reinforced by deposits of \$727 million in federal recovery funds. The 2023 year-end balance was \$1,799 million.

Trust Fund Balance History: The lowest historic year-end trust fund balance was a deficit of \$126 million in 1983. The fund rebounded rapidly due to lower levels of unemployment and some of the highest average contribution rates in fund history.

Trust fund growth slowed during the 1990's, as higher trust fund balances triggered tax rate tables with lower average tax rates.

The great recession caused benefits to rise in 2009 and 2010. This caused the UI trust fund to fall to \$297 million at the end of 2010, the lowest fund level in more than 20 years. The fund then grew to \$1,246 million in 2019.

The pandemic related layoffs caused UI benefits paid to increase to a new record level in 2020. This caused the trust fund to drop. However, the trust fund balance was augmented by deposits of federal recovery funds.

The employment situation improved in 2022 and 2023. UI benefits were at a twenty-year low. The trust fund balance climbed to a year-end record high of \$1,799 million in 2023.

Effect of Wage Growth: Examining the trust fund balance in terms of absolute dollar amounts can be misleading. The fund balance must grow as covered wages and covered employment grow in order to keep pace with potential fund liabilities.

CPI Adjusted Fund Balance: One method of adjusting the fund balance to account for inflation is to use the Consumer Price Index (CPI) to adjust the fund to 1982-1984 dollars. Using this measure the 2023 fund balance is about 26 percent higher than 2000.

Fund Balance as a Percent of UI Covered Wages: The UI fund is expressed as a percentage of UI covered wages in order to control for employment and wage growth. The contribution rate table formulas use 2.0 percent of covered wages as a minimum safety factor.

This indicator grew to exceed three percent of wages in the early 1990's. It then gradually decreased to around 1.7 percent in 2005 through 2008.

Recession level payouts caused this percentage to decline to 0.7 percent in 2010. The economy recovered and the percentage has rebounded to a healthy 2.1 percent in 2019.

UI benefits paid adjusted for wage growth reached record lows in 2022 and 2023. This enabled the trust fund balance grow to 2.5% of wages in 2023, the highest since 2000.

UI Trust Fund Balance Summary: The trust fund has recovered from the pandemic related layoffs. The UI trust fund is expected to continue to grow in 2024, due to low UI claims and benefit payment

D. UI Fund Solvency

Unemployment Insurance theory requires the trust fund balance be large enough to endure heavy demands during periods of high unemployment, yet not place an excessive burden on employers. The challenge is to determine an adequate reserve level to ensure the fund's solvency through an economic downturn.

Months of Benefits in Trust Fund:

The fund balance is sufficient at the current extremely low benefit payout to pay benefits for 83 months.

Months of Benefits at High Cost:

The 2023 trust fund balance would be sufficient to pay UI benefits for 10.8 months at the highest historic adjusted benefit payment level.

Federal Solvency Standard:

This solvency measure uses the benefits paid for the highest three calendar years during the last 20 years or three recessions. The recommended level is 12 months of benefits. The Iowa trust fund has 16.9 months using this measure. Currently 2009, 2010 and 2020 are included in the calculation. This time period excludes the farm crisis recession of the early 1980's.

Recession Level Benefits:

Iowa's highest benefit cost level is based on the twelve months ending April 1983. Benefits totaled \$317 million, and wages totaled \$11.6 billion. Benefits paid equaled 2.7 percent of wages. If an economic downturn had pushed 2023 benefits to the April 1983 level, benefits paid would have reached \$2,001 million.

Rate Table Calculations:

The Iowa UI rate system is designed to automatically adjust contribution rates based on fund strength. This system is designed to maintain solvency while reducing rate fluctuations. If the

fund strength starts to decline, the formula will trigger a rate table with higher contribution rates. This helps the fund start rebuilding before fund reserves reach a critical point. The system is designed to fortify the trust fund in small increments and reduce the chances of a drastic contribution increase in any single year.

The 2009 recession caused the fund balance to fall to the lowest level in 20 years. This lower trust fund balance caused rate tables 3 and 4 to trigger in 2010 through 2012, the highest tax rate tables since 1988.

The trust fund balance was strong enough to trigger the second lowest rate table for 2018 through 2022. The lowest tax rate table was triggered in 2023 for the first time since 1999.

State Loans:

Almost half of state trust funds needed to borrow money from the federal government to pay UI benefits in 2020. Iowa's trust fund was sufficient to pay benefits without the need to borrow.

Fund Solvency Summary:

Benefit payments reached a new high in 2020 due to pandemic related layoffs. The decline in the trust was partially offset by special deposits of federal funds. The trust fund grew in 2022 and 2023 due to low benefits payouts. The trust fund should remain solvent, and Iowa should continue to trigger rate tables with relatively low tax rates.

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Table A-1
Unemployment Insurance Benefit Data

Year	First Payments		Average Duration (Weeks)		Weeks Compensated		Average Weekly Benefit (\$)		UI Regular Benefits Paid (\$ millions)	
	#	Δ%	#	Δ%	#	Δ%	#	Δ%	#	Δ%
1980	141,617	-----	11.9	-----	1,679,090	-----	113.97	-----	191.4	-----
1981	111,712	-21.1%	13.2	10.9%	1,472,111	-12.3%	118.46	3.9%	174.4	-8.9%
1982	151,520	35.6%	14.6	10.6%	2,218,692	50.7%	132.02	11.4%	292.9	67.9%
1983	117,681	-22.3%	15.1	3.4%	1,781,786	-19.7%	134.39	1.8%	239.5	-18.2%
1984	97,603	-17.1%	13.0	-13.9%	1,265,144	-29.0%	123.28	-8.3%	156.0	-34.9%
1985	97,124	-0.5%	14.4	10.8%	1,401,655	10.8%	127.70	3.6%	179.0	14.7%
1986	84,882	-12.6%	14.7	2.1%	1,250,942	-10.8%	134.63	5.4%	168.4	-5.9%
1987	66,865	-21.2%	14.3	-2.7%	955,227	-23.6%	136.78	1.6%	130.7	-22.4%
1988	67,023	0.2%	12.4	-13.3%	831,553	-12.9%	142.79	4.4%	118.7	-9.2%
1989	73,393	9.5%	11.9	-4.0%	874,264	5.1%	148.71	4.1%	130.0	9.5%
1990	82,251	12.1%	11.5	-3.4%	946,804	8.3%	153.74	3.4%	145.6	12.0%
1991	92,823	12.9%	12.7	10.4%	1,176,440	24.3%	159.61	3.8%	187.8	29.0%
1992	88,604	-4.5%	13.5	6.3%	1,200,374	2.0%	162.28	1.7%	194.8	3.7%
1993	82,565	-6.8%	12.9	-4.4%	1,062,863	-11.5%	167.96	3.5%	178.5	-8.4%
1994	71,184	-13.8%	12.4	-3.9%	882,883	-16.9%	173.44	3.3%	153.1	-14.2%
1995	78,467	10.2%	11.2	-9.7%	879,273	-0.4%	184.68	6.5%	162.4	6.1%
1996	78,846	0.5%	12.5	11.6%	984,078	11.9%	190.62	3.2%	187.6	15.5%
1997	79,155	0.4%	11.8	-5.6%	931,796	-5.3%	195.08	2.3%	181.8	-3.1%
1998	72,383	-8.6%	10.8	-8.5%	783,500	-15.9%	204.44	4.8%	160.2	-11.9%
1999	80,519	11.2%	10.8	0.0%	869,517	11.0%	218.08	6.7%	189.6	18.4%
2000	84,455	4.9%	11.2	3.7%	949,794	9.2%	229.25	5.1%	217.7	14.8%
2001	113,983	35.0%	11.6	3.6%	1,324,644	39.5%	239.42	4.4%	317.1	45.7%
2002	111,411	-2.3%	13.4	15.5%	1,498,185	13.1%	244.76	2.2%	366.7	15.6%
2003	113,570	1.9%	13.5	0.7%	1,532,402	2.3%	248.94	1.7%	381.5	4.0%
2004	88,976	-21.7%	14.1	4.4%	1,253,028	-18.2%	249.39	0.2%	312.5	-18.1%
2005	91,540	2.9%	12.5	-11.3%	1,141,540	-8.9%	259.57	4.1%	296.3	-5.2%
2006	92,610	1.2%	12.5	0.0%	1,161,526	1.8%	269.38	3.8%	312.9	5.6%
2007	91,367	-1.3%	12.9	3.2%	1,176,569	1.3%	280.17	4.0%	329.6	5.3%
2008	126,309	38.2%	11.6	-10.1%	1,459,395	24.0%	288.81	3.1%	421.5	27.9%
2009	165,030	30.7%	15.6	34.5%	2,571,688	76.2%	306.45	6.1%	788.1	87.0%
2010	125,564	-23.9%	15.3	-1.9%	1,920,298	-25.3%	305.61	-0.3%	586.9	-25.5%
2011	107,937	-14.0%	14.2	-7.2%	1,536,467	-20.0%	301.60	-1.3%	463.4	-21.0%
2012	99,107	-8.2%	13.5	-4.9%	1,342,482	-12.6%	310.58	3.0%	417.0	-10.0%
2013	94,474	-4.7%	13.7	1.5%	1,294,587	-3.6%	323.50	4.2%	418.8	0.4%
2014	93,158	-1.4%	12.9	-5.8%	1,201,658	-7.2%	335.05	3.6%	402.6	-3.9%
2015	92,606	-0.6%	12.7	-1.6%	1,176,537	-2.1%	354.91	5.9%	417.6	3.7%
2016	88,566	-4.4%	13.0	2.4%	1,147,806	-2.4%	368.97	4.0%	423.5	1.4%
2017	79,125	-10.7%	13.4	3.1%	1,062,805	-7.4%	378.83	2.7%	402.6	-4.9%
2018	74,064	-6.4%	12.8	-4.5%	946,846	-10.9%	385.19	1.7%	364.7	-9.4%
2019	78,695	6.3%	12.2	-4.7%	963,111	1.7%	396.41	2.9%	381.8	4.7%
2020	315,701	301.2%	12.2	0.0%	3,859,061	300.7%	325.01	-18.0%	1,254.2	228.5%
2021	75,639	-76.0%	13.5	10.7%	1,022,506	-73.5%	395.76	21.8%	404.7	-67.7%
2022	51,596	-31.8%	10.7	-20.7%	551,560	-46.1%	460.36	16.3%	253.9	-37.3%
2023	55,395	7.4%	9.7	-9.3%	535,805	-2.9%	486.14	5.6%	260.5	2.6%

Regular UI Benefits paid by IWD. Table does not include extended benefits, temporary federal programs, voluntary shared work and net adjustments for transfers to other states. Source: ETA-5159.

Voluntary shared work benefits total \$10.7 million in 2009, \$3.8 million in 2010 and \$8.5 million in 2020.

Workshare accounted for less than \$2 million of benefits paid in other years.

1/23/2024

Table A-2
Unemployment Insurance Revenue Data

Year	Combined Average Tax Rate		Taxable Wages (\$ billions)		Combined Contributions (\$ millions)		Interest on Trust Fund (\$ millions)		Other Incm. (\$ mil.)	Combined Total Revenue (\$ millions)	
	#	Δ%	#	Δ%	#	Δ%	#	Δ%	#	#	Δ%
1980	2.51%	-----	5.63	-----	144.5	-----	11.8	-----	0.0	156.3	-----
1981	2.42%	-3.6%	5.87	4.3%	147.3	1.9%	10.0	-15.3%	0.0	157.3	0.6%
1982	2.32%	-4.1%	5.99	2.0%	146.9	-0.3%	5.0	-50.0%	0.0	152.0	-3.4%
1983	2.92%	25.9%	6.24	4.2%	189.6	29.1%	0.0	-100.0%	0.0	189.6	24.7%
1984	3.38%	15.8%	6.97	11.7%	241.9	27.6%	0.0	----	0.0	241.9	27.6%
1985	3.33%	-1.5%	7.28	4.4%	248.0	2.5%	0.9	----	16.5	265.4	9.7%
1986	3.23%	-3.0%	7.67	5.4%	252.7	1.9%	6.5	622.2%	4.5	263.7	-0.6%
1987	2.96%	-8.4%	8.10	5.6%	244.8	-3.1%	15.7	141.5%	0.0	260.6	-1.2%
1988	2.80%	-5.4%	8.02	-1.0%	228.8	-6.5%	26.9	71.3%	0.1	255.8	-1.8%
1989	1.96%	-30.0%	8.65	7.9%	172.9	-24.4%	38.3	42.4%	0.2	211.3	-17.4%
1990	1.60%	-18.4%	9.20	6.4%	151.0	-12.7%	46.1	20.4%	0.0	197.0	-6.8%
1991	1.55%	-3.1%	9.54	3.7%	153.1	1.4%	48.8	5.9%	0.0	201.9	2.5%
1992	1.51%	-2.6%	10.23	7.2%	162.8	6.3%	46.6	-4.5%	0.0	209.4	3.7%
1993	1.52%	0.7%	10.66	4.2%	169.8	4.3%	44.8	-3.9%	0.0	214.5	2.4%
1994	1.30%	-14.5%	11.69	9.7%	158.9	-6.4%	43.9	-2.0%	0.0	202.8	-5.5%
1995	0.98%	-24.6%	12.41	6.2%	128.1	-19.4%	48.1	9.6%	0.0	176.2	-13.1%
1996	0.97%	-1.0%	13.11	5.6%	132.0	3.0%	48.9	1.7%	0.0	180.9	2.7%
1997	0.94%	-3.1%	13.90	6.0%	136.6	3.5%	47.3	-3.3%	0.0	183.9	1.7%
1998	0.94%	0.0%	14.94	7.5%	145.9	6.8%	48.5	2.5%	0.0	194.3	5.7%
1999	0.95%	1.1%	15.98	7.0%	156.9	7.5%	49.8	2.7%	0.0	206.7	6.4%
2000	1.18%	24.2%	16.93	5.9%	205.4	30.9%	51.1	2.6%	0.0	256.4	24.0%
2001	1.18%	0.0%	17.21	1.7%	210.1	2.3%	51.7	1.2%	0.0	261.8	2.1%
2002	1.21%	2.5%	17.40	1.1%	221.7	5.5%	48.7	-5.8%	0.0	270.3	3.2%
2003	1.49%	23.1%	17.76	2.1%	277.1	25.0%	43.2	-11.3%	40.0	360.3	33.3%
2004	1.57%	5.4%	18.60	4.7%	306.5	10.6%	39.3	-9.0%	0.0	345.8	-4.0%
2005	1.60%	1.9%	19.61	5.4%	324.0	5.7%	35.1	-10.7%	0.0	359.1	3.8%
2006	1.61%	0.6%	20.77	5.9%	345.2	6.5%	31.2	-11.1%	0.0	376.5	4.8%
2007	1.56%	-3.1%	21.73	4.6%	351.1	1.7%	32.6	4.5%	0.0	383.7	1.9%
2008	1.58%	1.3%	22.60	4.0%	369.3	5.2%	35.0	7.4%	0.0	404.3	5.4%
2009	1.52%	-3.8%	22.07	-2.3%	352.8	-4.5%	28.4	-18.9%	70.8	452.0	11.8%
2010	2.14%	40.8%	22.59	2.4%	511.9	45.1%	13.9	-51.1%	0.0	525.7	16.3%
2011	2.70%	26.2%	23.36	3.4%	657.5	28.4%	12.4	-10.8%	0.0	669.9	27.4%
2012	2.45%	-9.3%	24.33	4.2%	615.0	-6.5%	15.3	23.4%	0.0	630.4	-5.9%
2013	2.15%	-12.2%	25.36	4.2%	565.5	-8.0%	18.3	19.6%	0.0	583.8	-7.4%
2014	1.66%	-22.8%	26.68	5.2%	463.5	-18.0%	20.6	12.6%	0.0	484.1	-17.1%
2015	1.32%	-20.5%	27.74	4.0%	382.0	-17.6%	21.7	5.3%	0.0	403.7	-16.6%
2016	1.58%	19.7%	28.93	4.3%	471.4	23.4%	21.0	-3.2%	0.0	492.5	22.0%
2017	1.58%	0.0%	29.67	2.6%	483.9	2.7%	22.7	8.1%	0.0	506.6	2.9%
2018	1.30%	-17.7%	30.78	3.7%	415.7	-14.1%	25.0	10.1%	0.0	440.7	-13.0%
2019	1.27%	-2.3%	31.70	3.0%	416.4	0.2%	28.1	12.4%	0.0	444.5	0.9%
2020	1.26%	-0.8%	31.70	0.0%	412.8	-0.9%	27.4	-2.5%	490.0	930.2	109.3%
2021	1.23%	-2.4%	33.64	6.1%	429.6	4.1%	21.7	-20.8%	237.5	688.7	-26.0%
2022	1.14%	-7.3%	37.06	10.2%	427.7	-0.4%	23.1	6.5%	0.0	450.8	-34.5%
2023	1.02%	-10.5%	39.29	6.0%	409.6	-4.2%	33.6	45.5%	0.0	443.3	-1.7%

Combined contributions include payments made to the Unemployment Trust Fund account of the US Treasury and the Unemployment Compensation Reserve Fund account in the State Treasury.
Other Income includes revenue from a trust fund debt repayment tax collected by the federal government in 1985 and 1986, special transfers 2003 and 2009, and coronavirus relief funds in 2020 and ARA in 2021. 2/1/2024

Table A-3
UI Fund Balances
December 31

Year	UI Trust Fund ¹						Benefits at Highest Benefit Levels			
	Balance		CPI-U Adjusted (1982-1984=100)		As Percent of Covered Wages		Highest Historic Twelve Months ²		Average Highest Three Years ³	
	\$ M.	Δ%	\$ M.	Δ%	%	Δ%	\$ M.	Δ%	\$ M.	Δ%
1980	110.2	-----	127.7	-----	0.98%	-----	196.5	-----	168.2	-----
1981	96.5	-12.4%	102.6	-19.7%	0.81%	-16.8%	219.6	11.8%	178.3	6.0%
1982	-63.3	-----	-64.9	-----	-0.55%	-----	302.5	37.8%	221.8	24.4%
1983	-126.3	-----	-124.7	-----	-1.07%	-----	323.6	7.0%	247.5	11.6%
1984	-37.4	-----	-35.5	-----	-0.30%	-----	346.3	7.0%	264.8	7.0%
1985	49.3	-----	45.1	-----	0.38%	-----	352.5	1.8%	269.6	1.8%
1986	142.5	189.0%	129.0	186.0%	1.08%	181.9%	361.6	2.6%	276.5	2.6%
1987	276.9	94.3%	239.9	86.0%	1.95%	80.3%	389.5	7.7%	297.9	7.7%
1988	418.6	51.2%	347.4	44.8%	2.72%	39.4%	422.6	8.5%	323.2	8.5%
1989	506.7	21.0%	401.8	15.7%	3.08%	13.3%	451.3	6.8%	345.1	6.8%
1990	562.4	11.0%	420.3	4.6%	3.21%	4.1%	481.0	6.6%	367.8	6.6%
1991	582.6	3.6%	422.4	0.5%	3.21%	-0.1%	498.8	3.7%	381.5	3.7%
1992	604.0	3.7%	425.6	0.8%	3.11%	-3.1%	533.9	7.0%	408.3	7.0%
1993	643.8	6.6%	441.6	3.8%	3.16%	1.7%	559.5	4.8%	427.8	4.8%
1994	696.4	8.2%	465.2	5.3%	3.18%	0.6%	601.8	7.6%	460.3	7.6%
1995	712.9	2.4%	464.5	-0.2%	3.05%	-4.0%	641.7	6.6%	490.8	6.6%
1996	706.9	-0.8%	445.7	-4.0%	2.87%	-6.1%	677.5	5.6%	518.1	5.6%
1997	715.1	1.2%	443.4	-0.5%	2.70%	-5.8%	727.7	7.4%	556.5	7.4%
1998	752.1	5.2%	458.9	3.5%	2.61%	-3.1%	789.8	8.5%	604.0	8.5%
1999	762.7	1.4%	453.2	-1.2%	2.51%	-4.0%	834.3	5.6%	638.0	5.6%
2000	809.8	6.2%	465.4	2.7%	2.56%	2.1%	867.8	4.0%	663.6	4.0%
2001	760.3	-6.1%	430.3	-7.5%	2.37%	-7.5%	880.5	1.5%	654.1	-1.4%
2002	665.0	-12.5%	367.6	-14.6%	2.06%	-13.2%	887.0	0.7%	659.0	0.7%
2003	657.2	-1.2%	356.6	-3.0%	1.98%	-3.7%	910.6	2.7%	676.5	2.7%
2004	635.2	-3.3%	333.8	-6.4%	1.80%	-9.2%	969.0	6.4%	719.9	6.4%
2005	643.2	1.3%	326.8	-2.1%	1.73%	-3.7%	1018.3	5.1%	756.5	5.1%
2006	665.8	3.5%	329.9	0.9%	1.70%	-2.0%	1075.2	5.6%	798.8	5.6%
2007	714.9	7.4%	340.4	3.2%	1.74%	2.2%	1130.1	5.1%	839.6	5.1%
2008	714.9	0.0%	340.1	-0.1%	1.68%	-3.0%	1165.3	3.1%	865.7	3.1%
2009	368.4	-48.5%	170.6	-49.8%	0.91%	-46.1%	1114.6	-4.4%	552.0	-36.2%
2010	296.9	-19.4%	135.5	-20.6%	0.71%	-21.3%	1140.8	2.4%	606.5	9.9%
2011	491.1	65.4%	217.6	60.6%	1.13%	58.3%	1191.9	4.5%	633.7	4.5%
2012	700.5	42.6%	305.1	40.2%	1.54%	35.7%	1252.5	5.1%	665.9	5.1%
2013	853.9	21.9%	366.4	20.1%	1.81%	17.8%	1296.2	3.5%	689.1	3.5%
2014	936.1	9.6%	398.6	8.8%	1.88%	4.1%	1364.9	5.3%	725.7	5.3%
2015	933.5	-0.3%	394.7	-1.0%	1.79%	-4.8%	1429.6	4.7%	760.1	4.7%
2016	1005.8	7.7%	416.6	5.5%	1.89%	5.2%	1464.6	2.4%	778.7	2.4%
2017	1099.8	9.3%	446.1	7.1%	2.01%	6.7%	1500.9	2.5%	798.0	2.5%
2018	1175.0	6.8%	467.7	4.8%	2.06%	2.5%	1563.8	4.2%	831.5	4.2%
2019	1246.3	6.1%	485.0	3.7%	2.13%	3.4%	1605.0	2.6%	853.4	2.6%
2020	993.5	-20.3%	381.4	-21.4%	1.67%	-21.9%	1637.9	2.0%	1043.8	22.3%
2021	1387.4	39.6%	497.6	30.5%	2.18%	31.0%	1746.4	6.6%	1113.0	6.6%
2022	1610.8	16.1%	542.7	9.1%	2.32%	6.4%	1905.3	9.1%	1214.2	9.1%
2023	1799.4	11.7%	586.6	8.1%	2.47%	6.4%	2001.0	5.0%	1275.2	5.0%

¹ UI Trust Fund balance represents the fund balance available to pay UI benefits. It excludes the Iowa reserve fund and Reed Act distributions, except for amounts transferred to the trust fund under Iowa Law.

² Based on the highest moving twelve month period in program history.

³ Based on highest three calendar years during the last 20 years or three recessions (if longer).

Table A-4
UI Fund Solvency Measures
December 31

Year	Months of Benefits in UI Trust Fund						Benefit Cost Rate		High Cost Multiple ³	
	Current Benefit Level		Highest Twelve Month Level ¹		Average Highest 3 Year Level ²		Highest Historical	Average Highest 3 Years ²	Highest Historical	Average Highest 3 Years ²
	#	Δ%	#	Δ%	#	Δ%	Year ¹	3 Years ²	Year ¹	3 Years ²
1980	6.7	-----	6.7	-----	7.9	-----	1.74%	1.49%	0.56	0.68
1981	6.7	0.0%	5.3	-20.9%	6.5	-17.7%	1.85%	1.50%	0.44	0.57
1982	-2.4	-----	-2.5	-----	-3.4	-----	2.61%	1.91%	-0.21	0.00
1983	-6.0	-----	-4.7	-----	-6.1	-----	2.75%	2.10%	-0.39	0.00
1984	-2.9	-----	-1.3	-----	-1.7	-----	2.75%	2.10%	-0.11	0.00
1985	3.3	-----	1.7	-----	2.2	-----	2.75%	2.10%	0.14	0.19
1986	10.4	215.2%	4.7	176.5%	6.2	181.8%	2.75%	2.10%	0.39	0.52
1987	26.3	152.9%	8.5	80.9%	11.2	80.6%	2.75%	2.10%	0.71	0.95
1988	44.0	67.3%	11.9	40.0%	15.5	38.4%	2.75%	2.10%	0.99	1.32
1989	49.3	12.0%	13.5	13.4%	17.6	13.5%	2.75%	2.10%	1.12	1.50
1990	47.7	-3.2%	14.0	3.7%	18.3	4.0%	2.75%	2.10%	1.17	1.56
1991	38.0	-20.3%	14.0	0.0%	18.3	0.0%	2.75%	2.10%	1.17	1.56
1992	38.4	1.1%	13.6	-2.9%	17.7	-3.3%	2.75%	2.10%	1.13	1.50
1993	44.4	15.6%	13.8	1.5%	18.1	2.3%	2.75%	2.10%	1.15	1.52
1994	55.7	25.5%	13.9	0.7%	18.2	0.6%	2.75%	2.10%	1.16	1.54
1995	53.8	-3.4%	13.3	-4.3%	17.4	-4.4%	2.75%	2.10%	1.11	1.48
1996	46.1	-14.3%	12.5	-6.0%	16.4	-5.7%	2.75%	2.10%	1.04	1.39
1997	47.8	3.7%	11.8	-5.6%	15.4	-6.1%	2.75%	2.10%	0.98	1.30
1998	57.1	19.5%	11.4	-3.4%	14.9	-3.2%	2.75%	2.10%	0.95	1.27
1999	48.8	-14.5%	11.0	-3.5%	14.3	-4.0%	2.75%	2.10%	0.91	1.21
2000	45.1	-7.6%	11.2	1.8%	14.6	2.1%	2.75%	2.10%	0.93	1.24
2001	29.2	-35.3%	10.4	-7.1%	13.9	-4.8%	2.75%	2.04%	0.86	1.18
2002	22.0	-24.7%	9.0	-13.5%	12.1	-12.9%	2.75%	2.04%	0.75	1.15
2003	21.2	-3.6%	8.7	-3.3%	11.7	-3.3%	2.75%	2.04%	0.72	1.04
2004	24.7	16.5%	7.9	-9.2%	10.6	-9.4%	2.75%	2.04%	0.66	0.95
2005	26.3	6.5%	7.6	-3.8%	10.2	-3.8%	2.75%	2.04%	0.63	0.89
2006	25.8	-1.9%	7.4	-2.6%	10.0	-2.0%	2.75%	2.04%	0.62	0.87
2007	26.0	0.8%	7.6	2.7%	10.2	2.0%	2.75%	2.04%	0.63	0.88
2008	20.5	-21.2%	7.4	-2.6%	9.9	-2.9%	2.75%	2.04%	0.61	0.85
2009	5.6	-72.7%	4.0	-45.9%	8.0	-19.2%	2.75%	1.36%	0.33	0.70
2010	6.0	7.1%	3.1	-22.5%	5.9	-26.3%	2.75%	1.46%	0.26	0.51
2011	12.5	108.3%	4.9	58.1%	9.3	57.6%	2.75%	1.46%	0.41	0.80
2012	19.7	57.6%	6.7	36.7%	12.6	35.5%	2.75%	1.46%	0.56	1.07
2013	24.2	22.8%	7.9	17.9%	14.9	18.3%	2.75%	1.46%	0.66	1.25
2014	27.8	14.9%	8.2	3.8%	15.5	4.0%	2.75%	1.46%	0.69	1.30
2015	26.8	-3.6%	7.8	-4.9%	14.7	-5.2%	2.75%	1.46%	0.65	1.24
2016	28.4	6.0%	8.2	5.1%	15.5	5.4%	2.75%	1.46%	0.69	1.30
2017	32.7	15.1%	8.8	7.3%	16.5	6.5%	2.75%	1.46%	0.73	1.40
2018	38.6	18.0%	9.0	2.3%	17.0	3.0%	2.75%	1.46%	0.75	1.43
2019	39.1	1.3%	9.3	3.3%	17.5	2.9%	2.75%	1.46%	0.78	1.48
2020	9.4	-76.0%	7.3	-21.5%	11.4	-34.9%	2.75%	1.75%	0.61	0.96
2021	41.0	336.2%	9.5	30.1%	15.0	31.6%	2.75%	1.75%	0.79	1.26
2022	76.0	85.4%	10.1	6.3%	15.9	6.0%	2.75%	1.75%	0.85	1.34
2023	82.8	8.9%	10.8	6.9%	16.9	6.3%	2.75%	1.75%	0.90	1.41

¹ Based on the highest moving twelve month period in program history.

² Based on highest three calendar years during the last 20 years or three recessions (if longer).

³ A trust fund solvency measure equal to the ratio of the trust fund balance (as a percent of total wages) divided by the appropriate high cost rate.

Table A-5
 Employer Contribution Rate Distribution
 Based on Original Employer Rate Notices
 All Private Contributory Employers
 Rate Year 2023

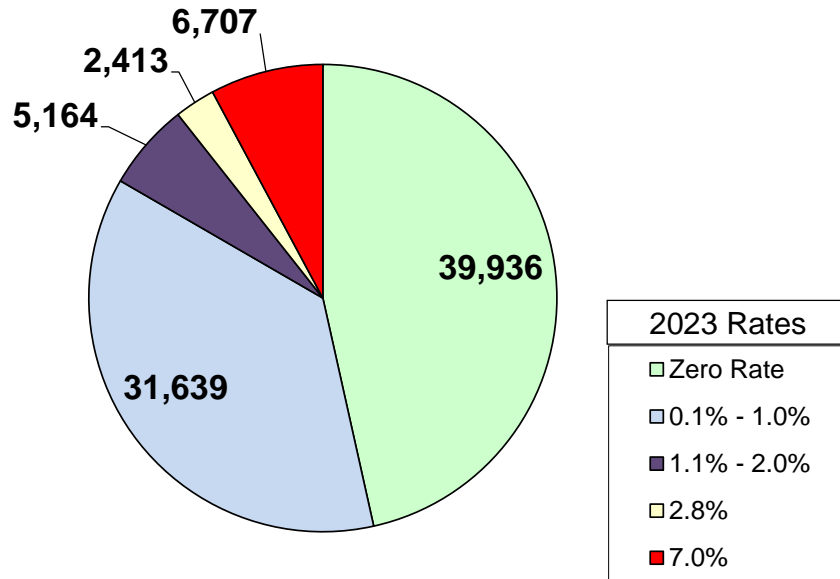
Contribution Rate Table 8	Private Contributory Firms	
	Number	Percent
Zero Rate	39,936	46.5%
0.1% - 1.0%	31,639	36.8%
1.1% - 2.0%	5,164	6.0%
2.8%	2,413	2.8%
7.0%	6,707	7.8%
Total	85,859	100.0%

Table includes private experience rated employers and private employers receiving a new employer contribution rates.

Source: Iowa Workforce Development,
 Labor Market Information Division

12/01/2023

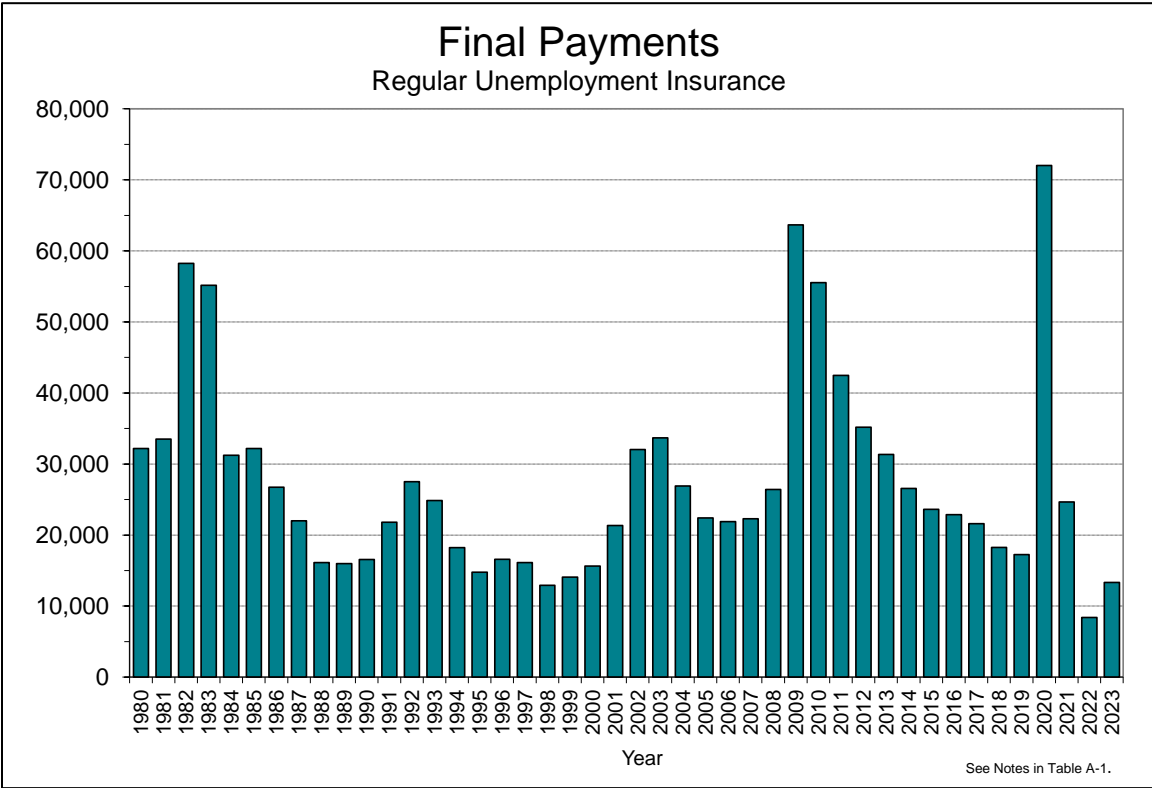
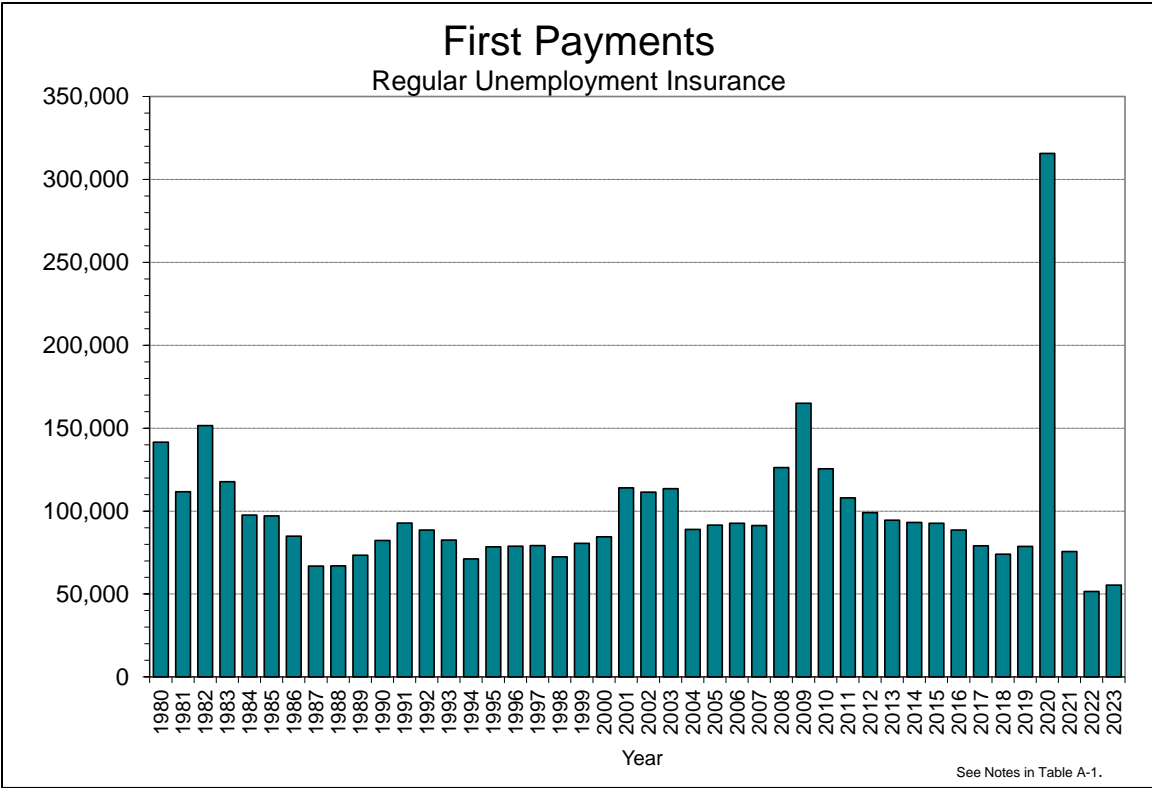
UI Contribution Rate Distribution
 Private Experienced Rated and New Employers - 2023

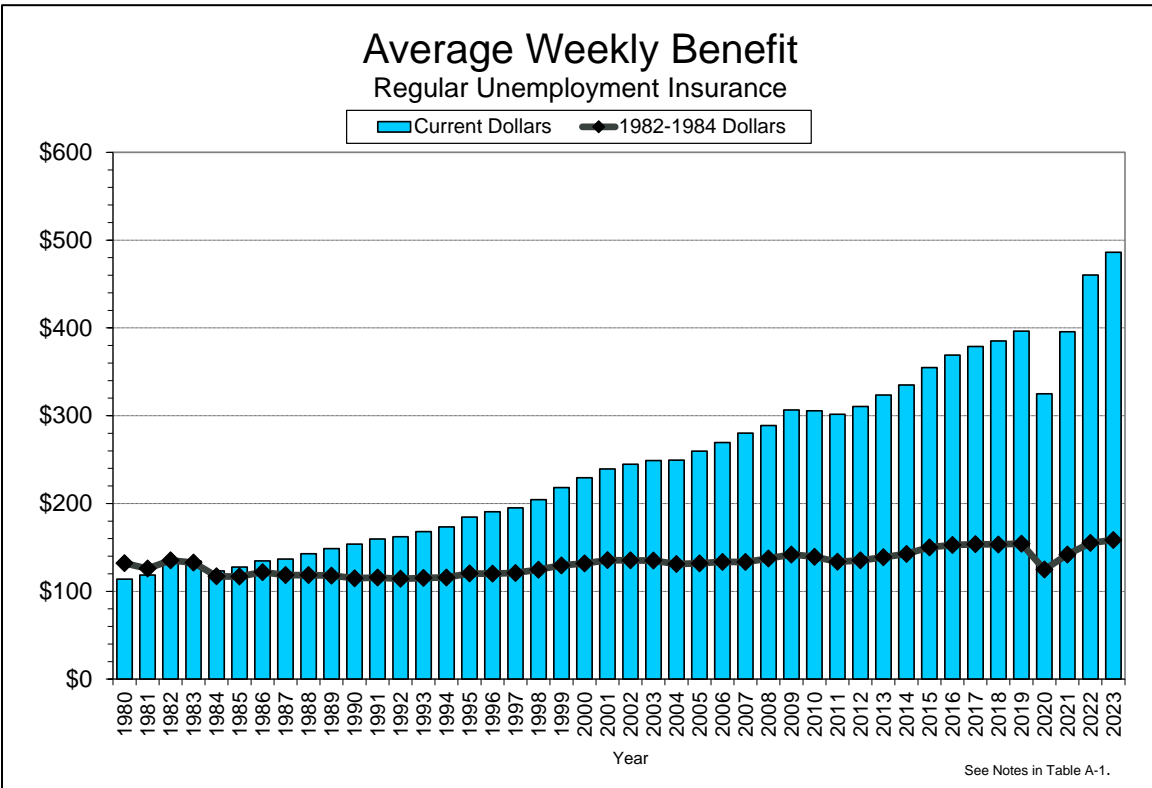
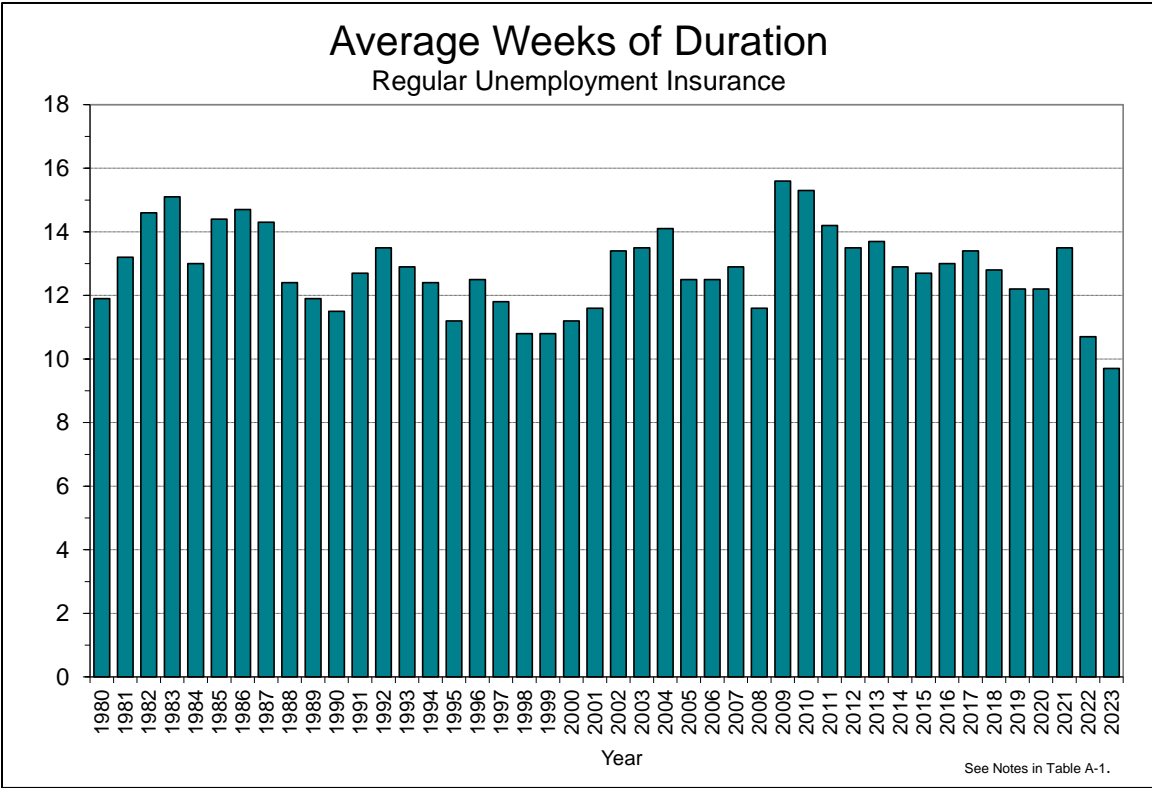


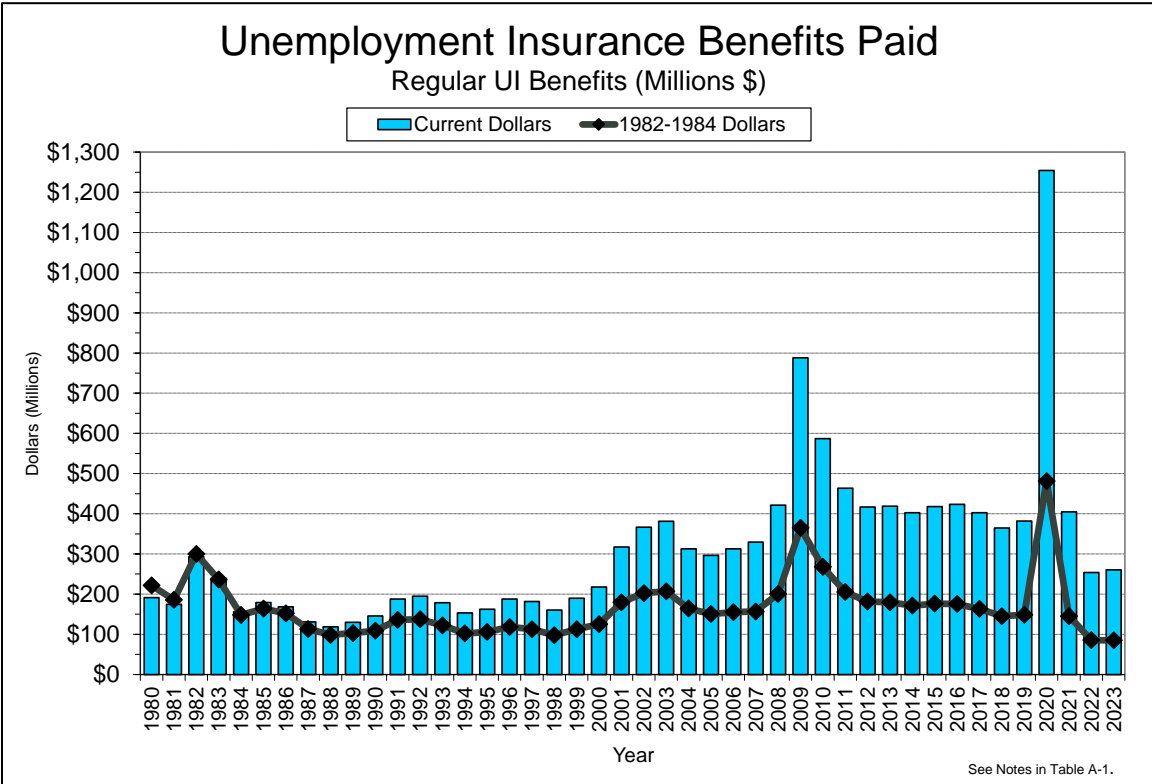
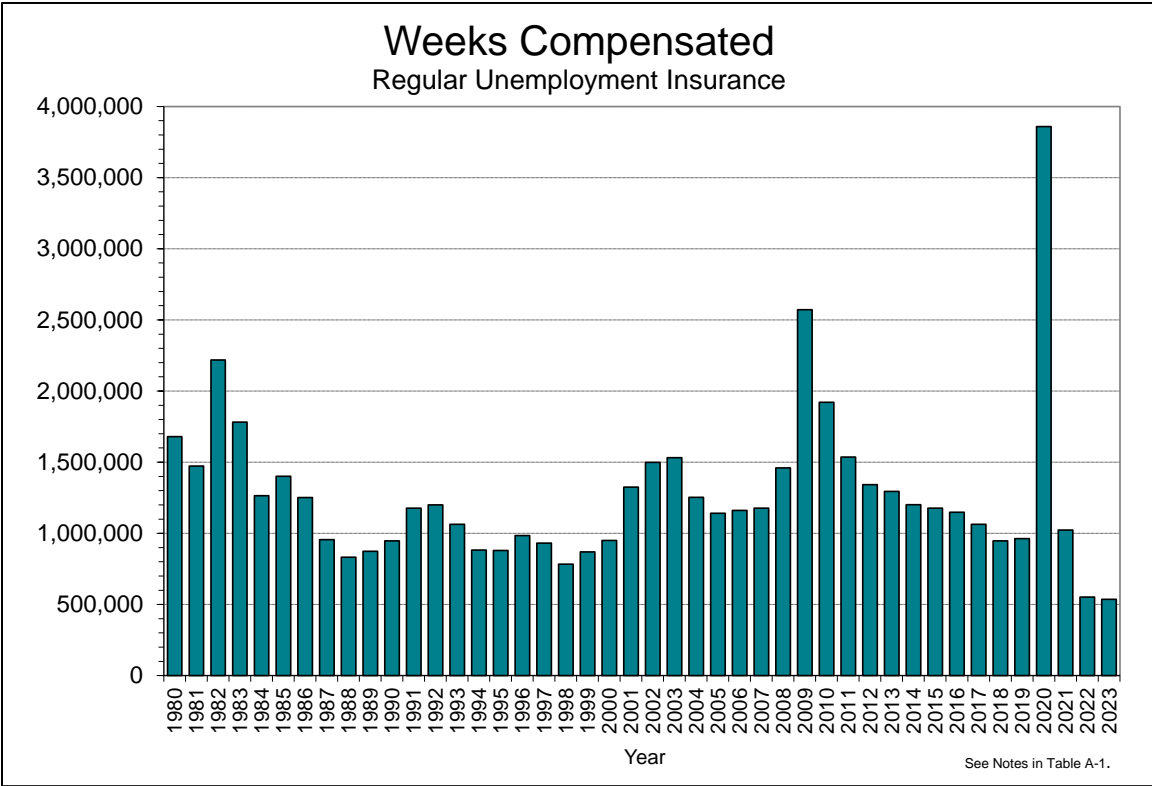
See notes in table A-5.

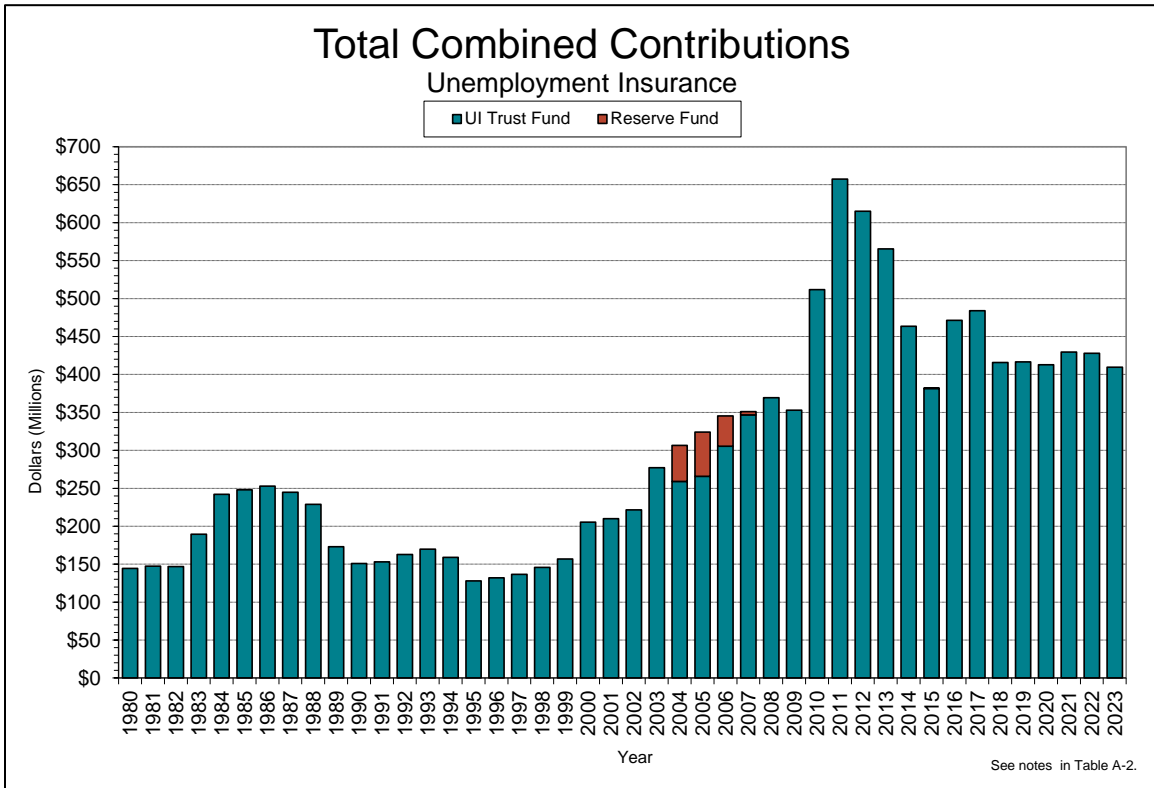
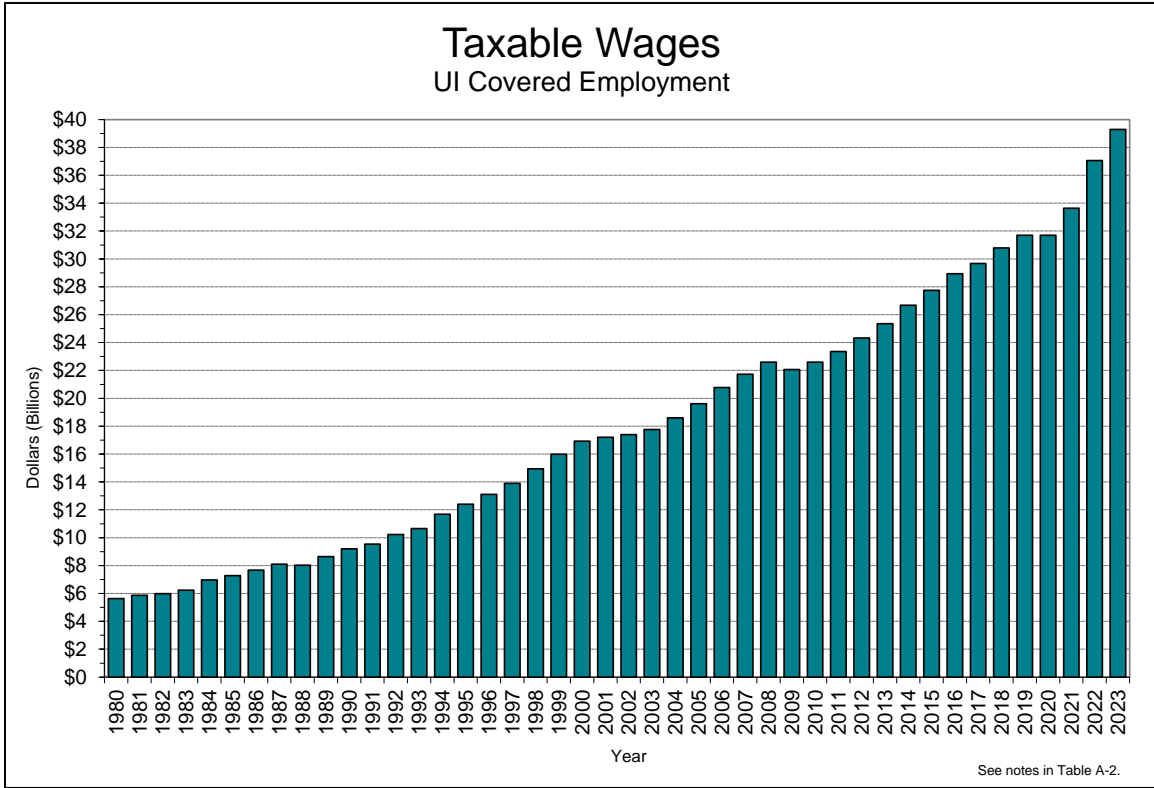
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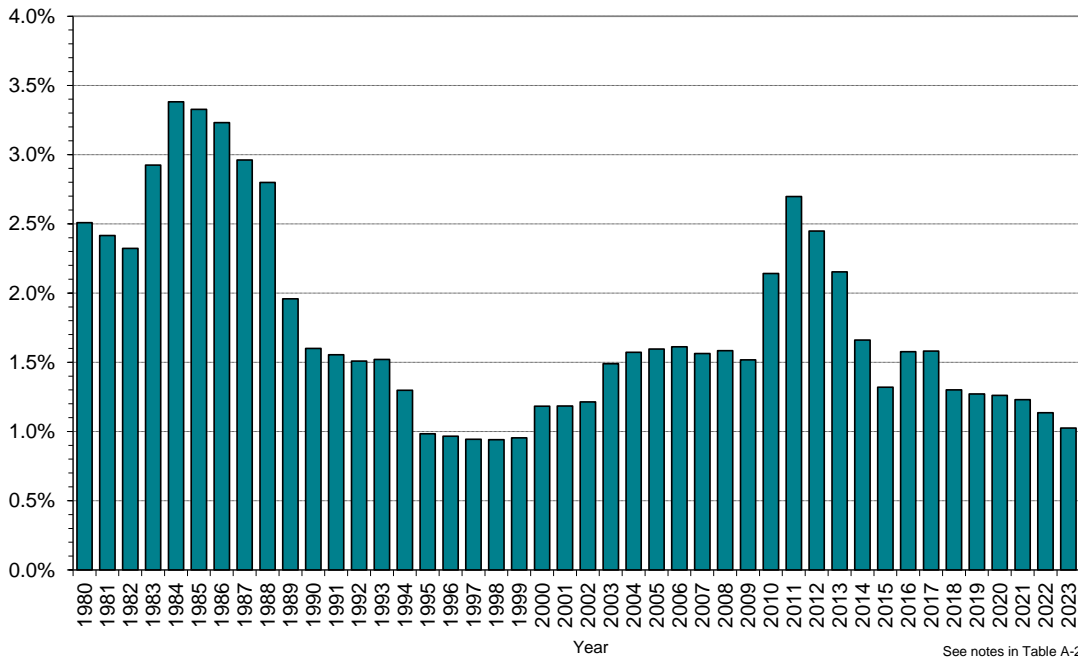






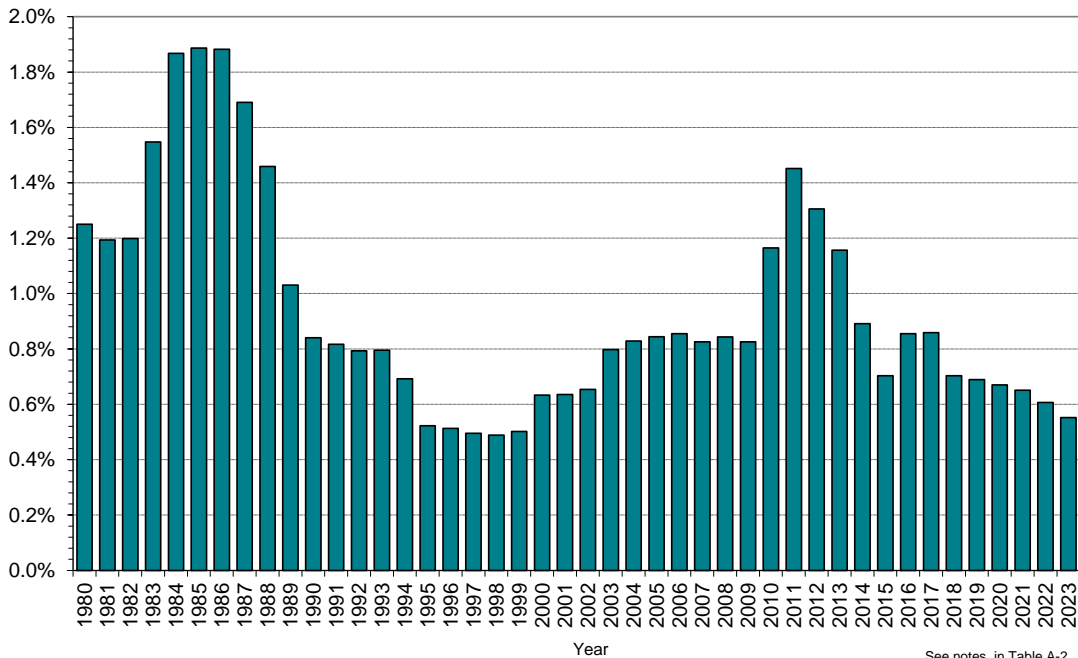


Combined Average Contribution Rate Based on UI Covered Taxable Wages



See notes in Table A-2.

Combined Average Contribution Rate Based on UI Covered Total Wages



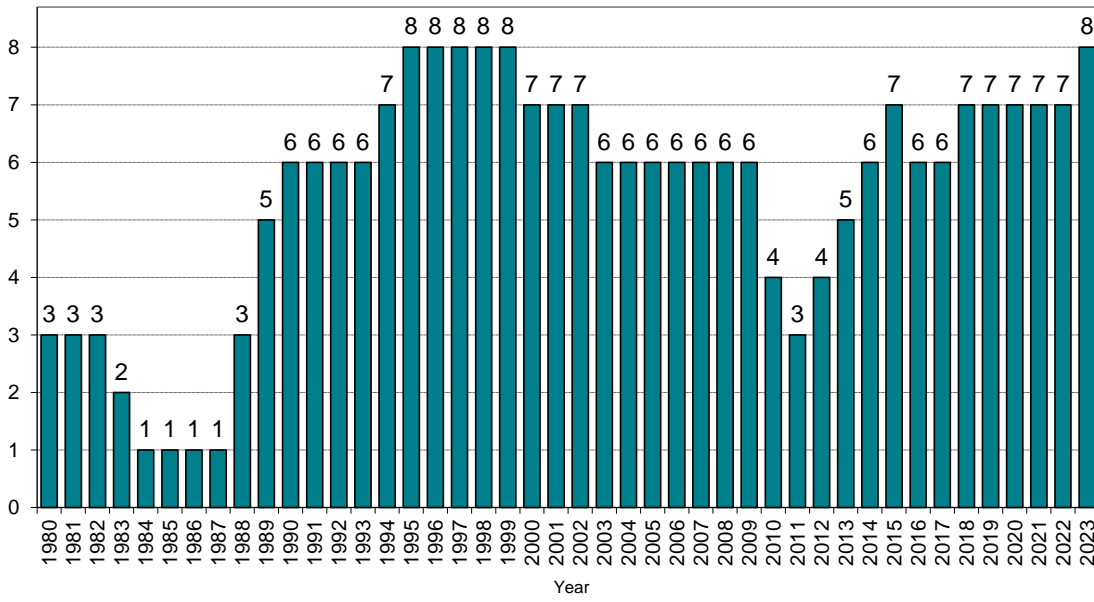
See notes in Table A-2.

UI Contribution Rate Table

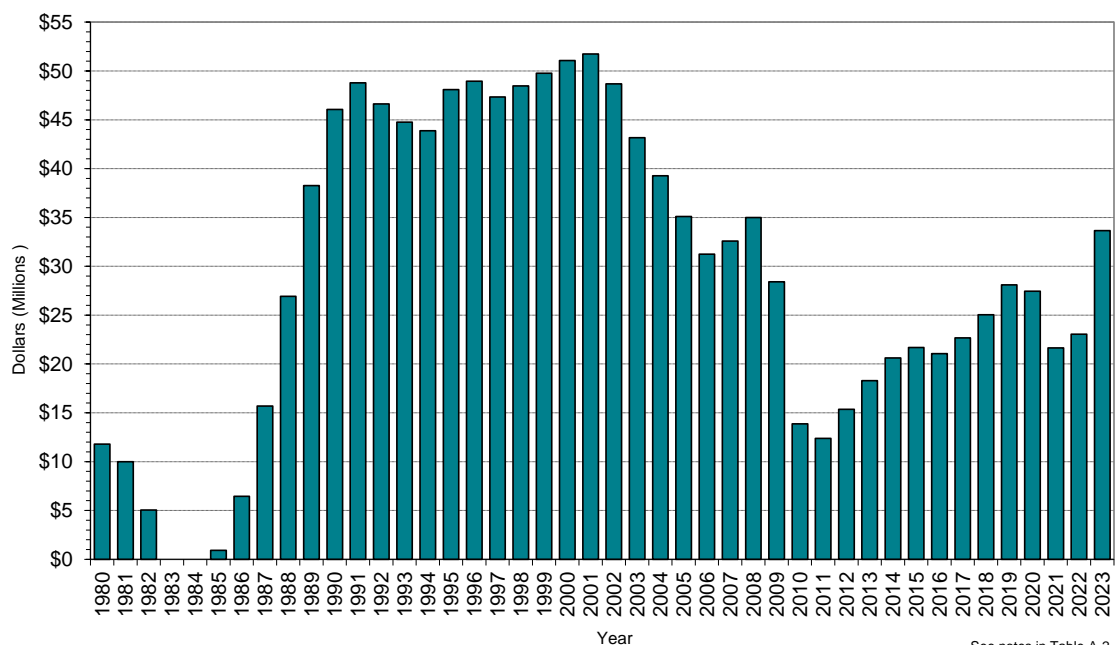
Iowa Code Provides Eight Rate Tables

(Table 1 = Highest Rates)

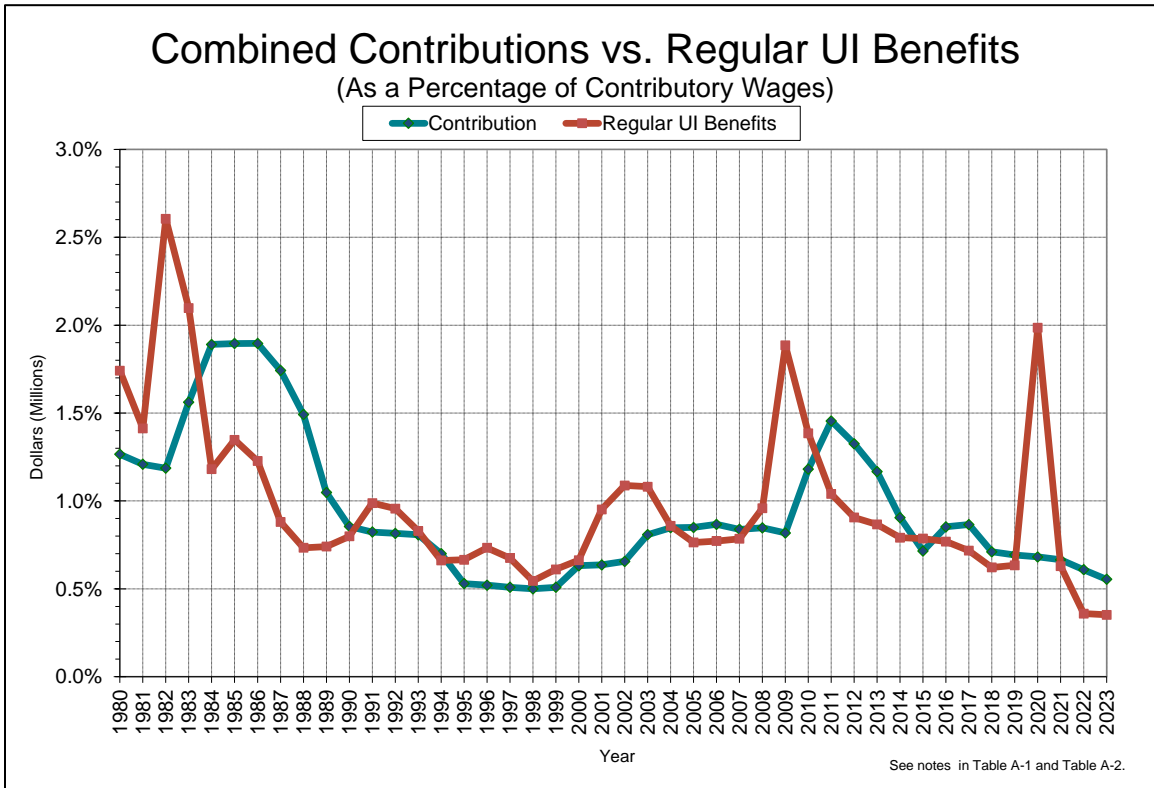
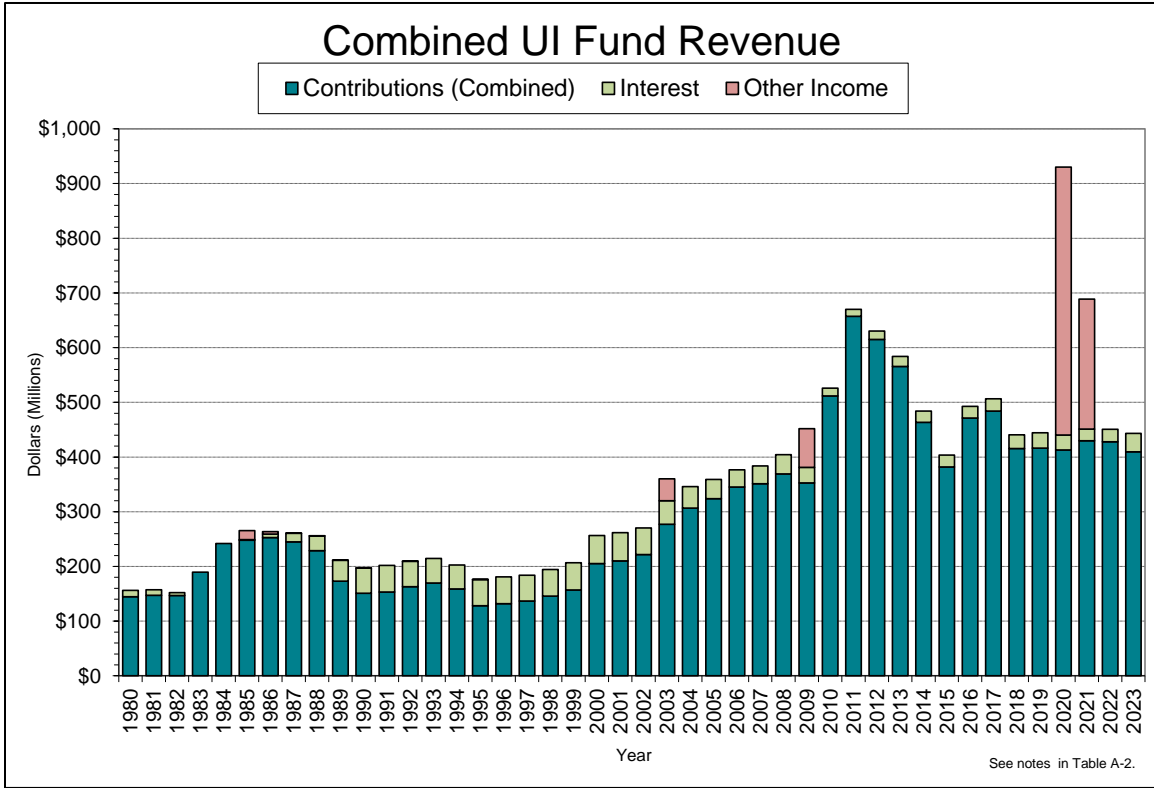
(Table 8 = Lowest Rates)

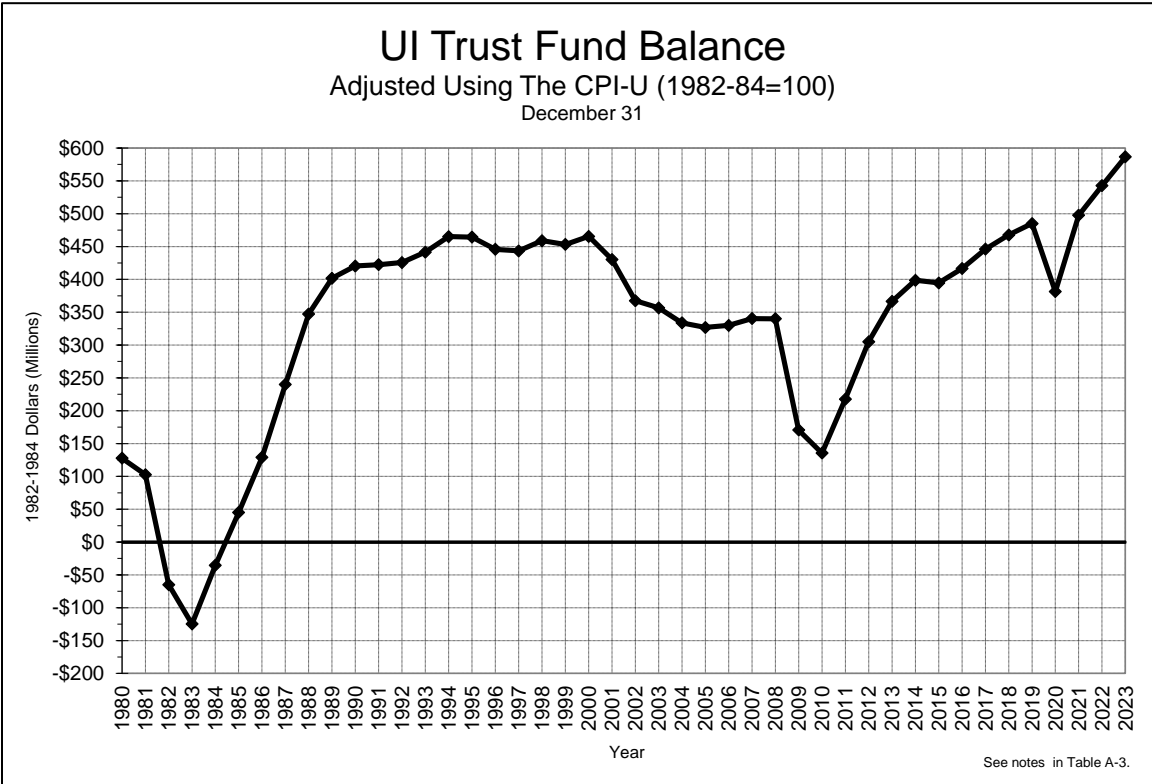
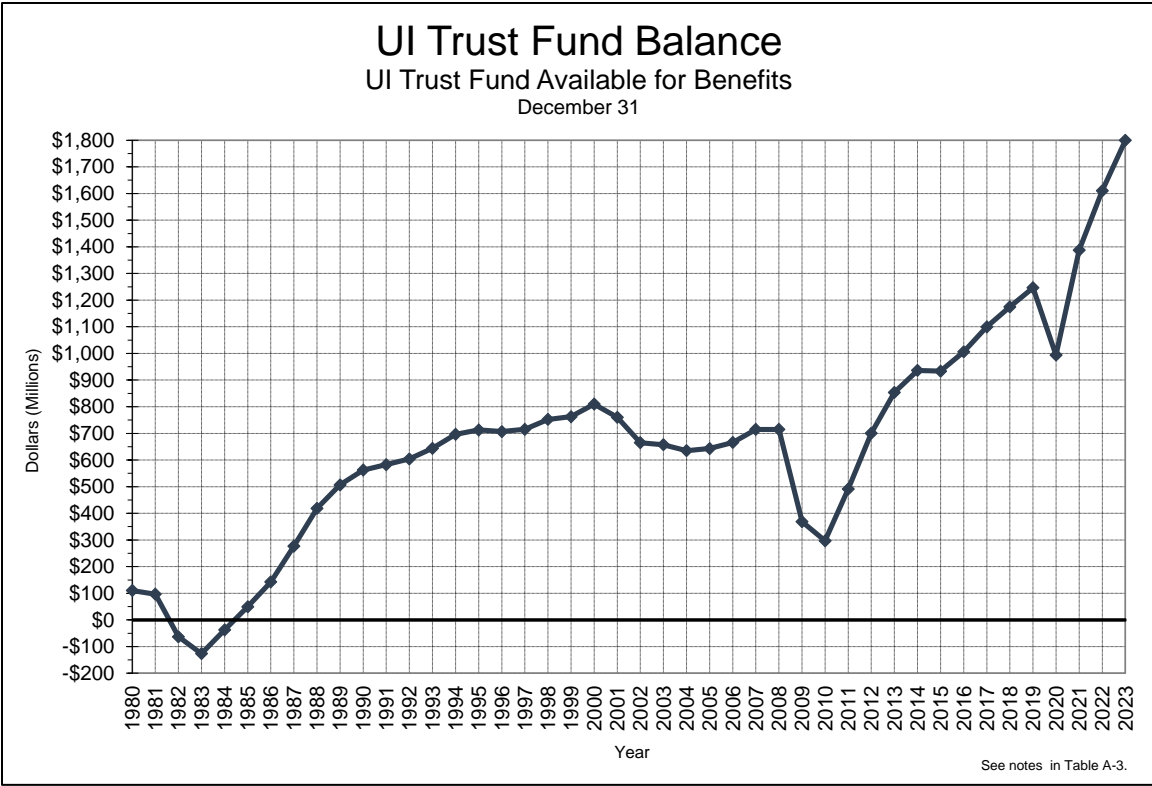


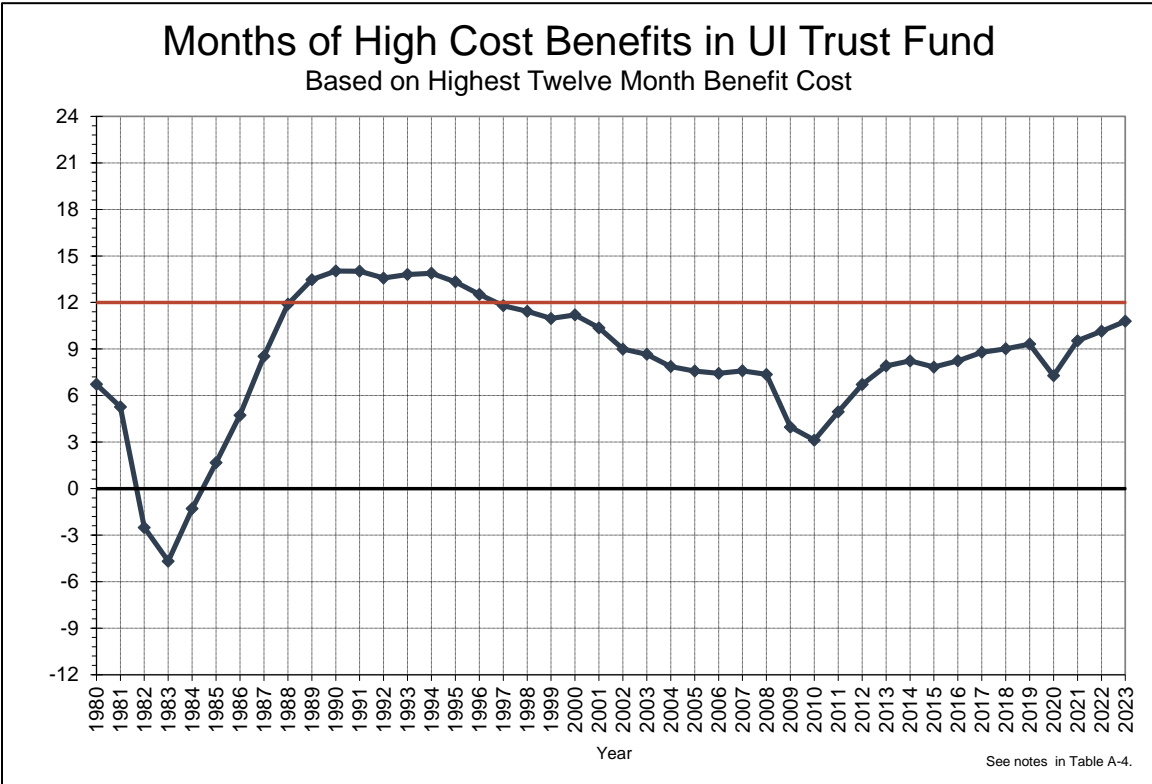
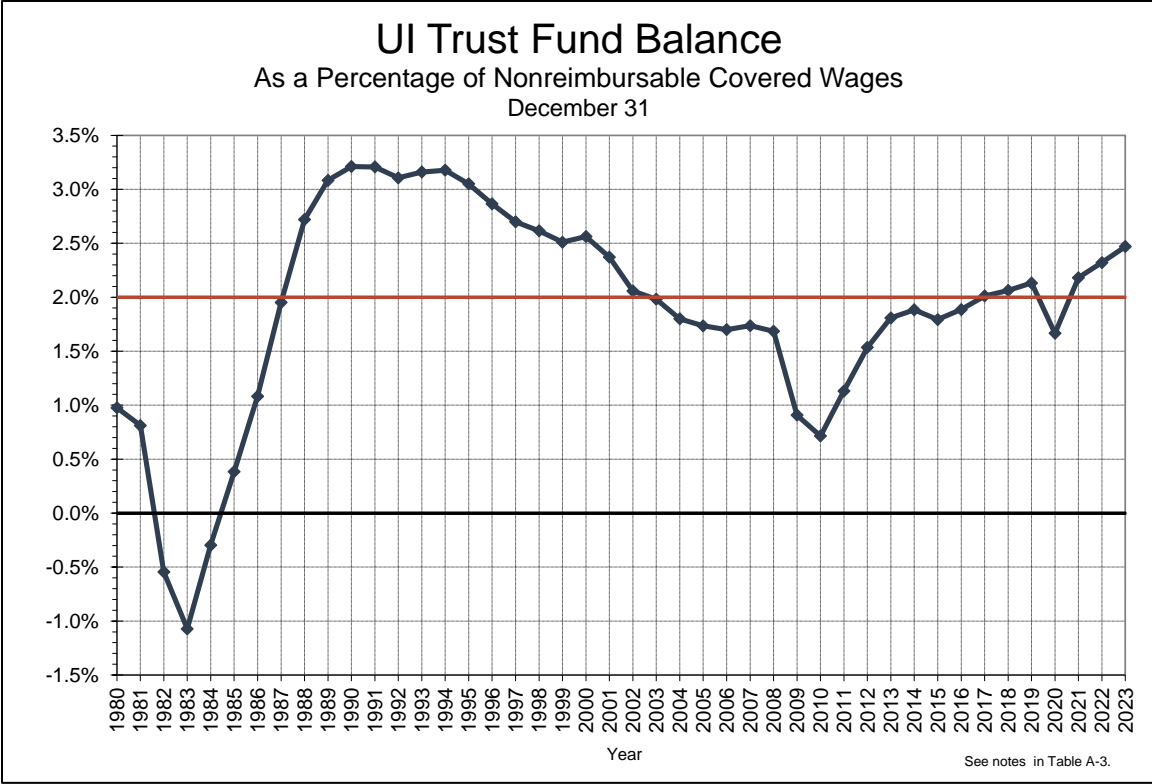
Interest Received Unemployment Insurance Trust Fund

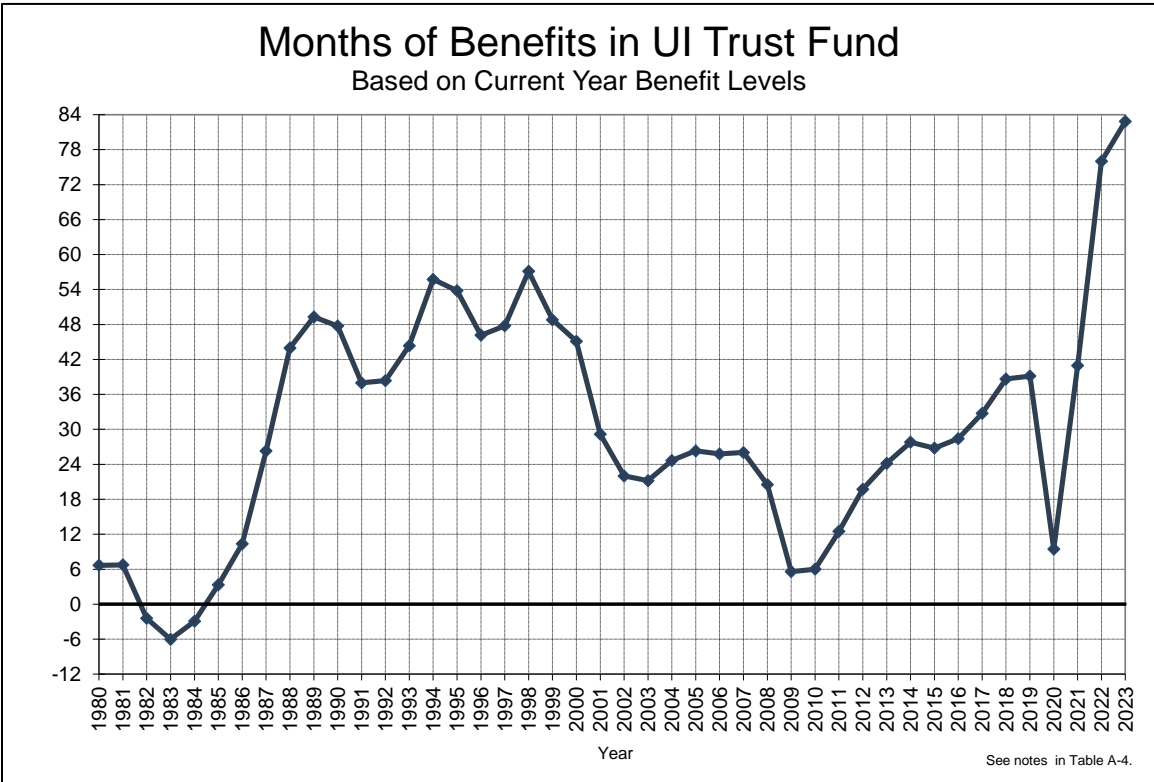
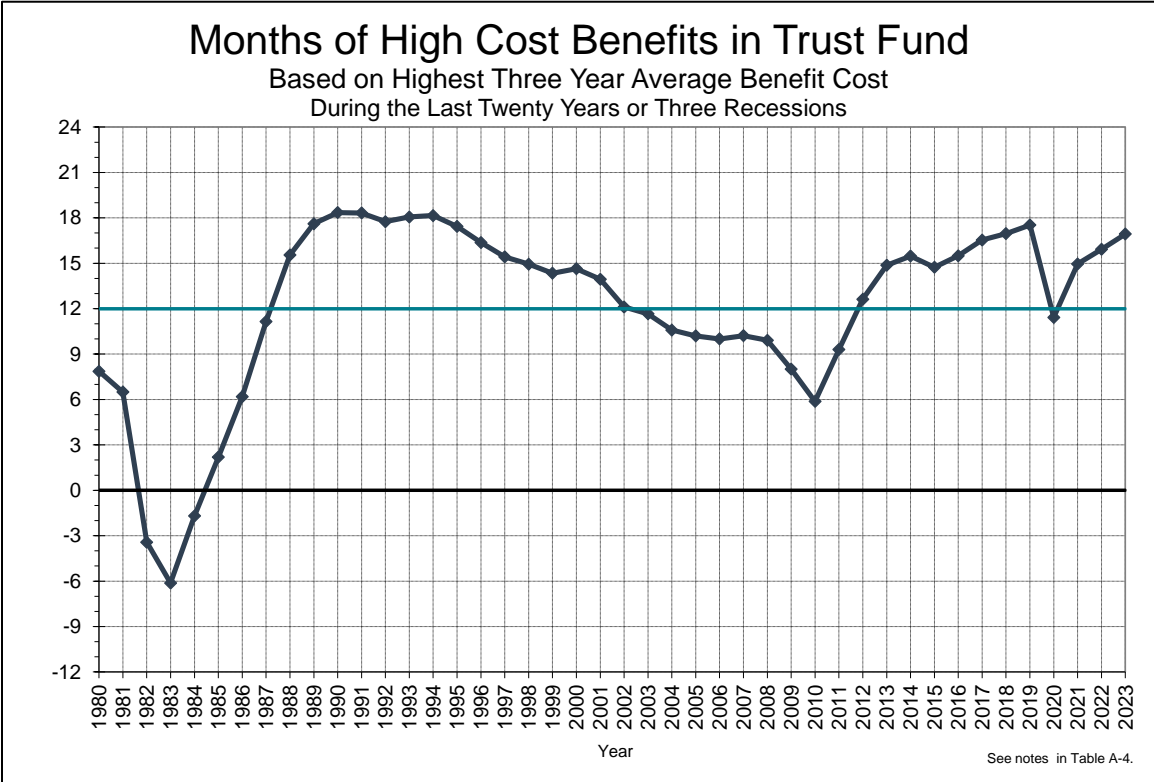


See notes in Table A-2.

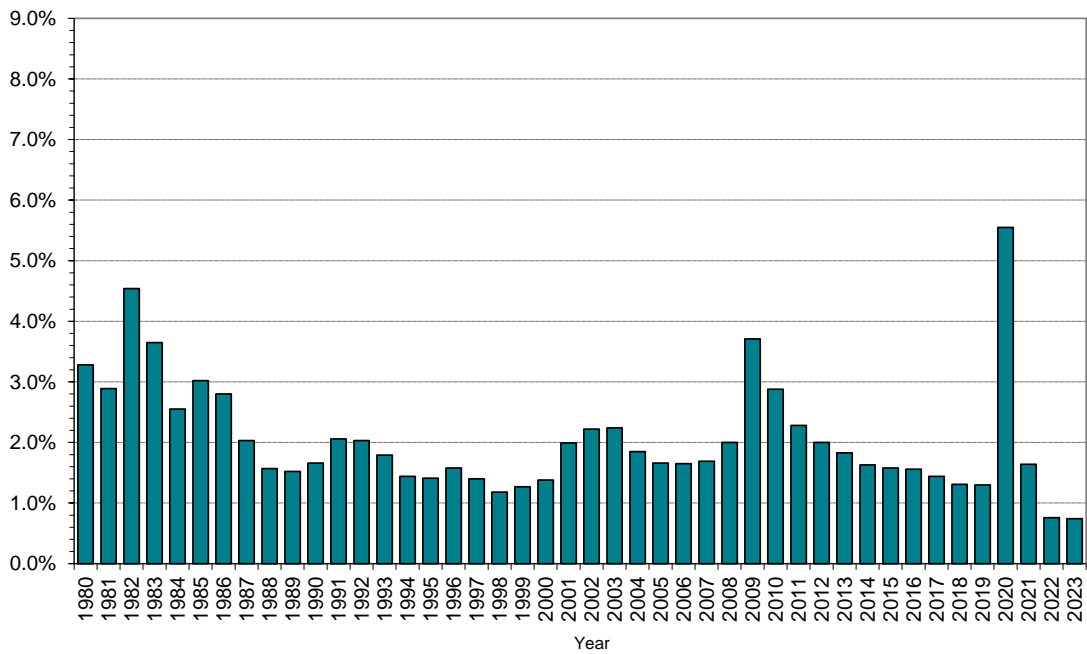




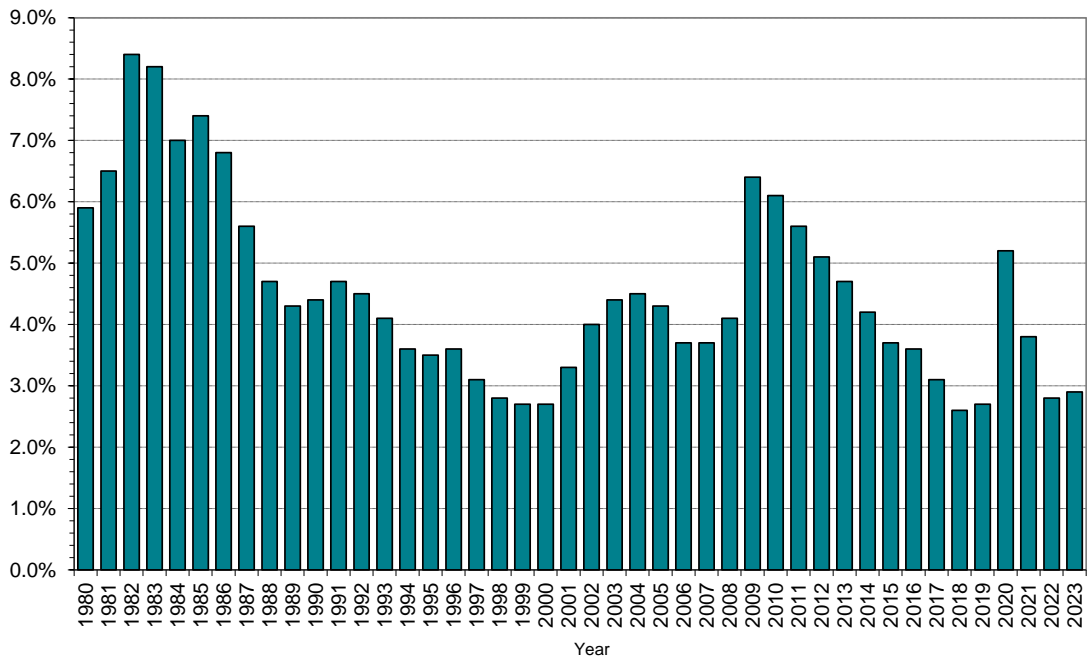




Iowa Insured Unemployment Rate Average Weeks Claims Divided by Covered Employment



Iowa Total Unemployment Rate Bureau of Labor Statistics



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Appendix C: Definition and Technical Notes

UI Fund Balance Measures

Unemployment Trust Fund: A fund established in the Treasury of the United States which contains all monies deposited by state agencies to the credit of their unemployment fund accounts and federal unemployment taxes (FUTA) collected by the Internal Revenue Service.

UI Trust Fund Balance (available for benefits): In this report this term refers to the balance in Iowa's individual account in the Unemployment Trust Fund which is available to pay UI benefits. This balance excludes Reed Act distributions, except for amounts transferred to the trust fund under Iowa Law.

High Benefit Cost Rate: The highest historic reserve ratio. The current high-cost rate is based in the twelve months ending April 1983 where benefits totaled \$317 million and covered wages totaled \$11.6 billion. Benefits paid equaled 2.746 percent of covered wages.

Average High-Cost Rate: A measure of past high benefit costs. It is equal to the average of the three highest benefit cost rates in the last twenty years or a period including three national recessions, if longer.

High-Cost Multiple: A trust fund solvency measure equal to the ratio of the current UI Trust Fund balance (as a percent of total wages) to the High Benefit Cost Rate.

Average High-Cost Multiple: A trust fund solvency measure equal to the ratio of the current UI Trust Fund balance (as a percent of total wages) to the Average High-Cost Rate.

Iowa Reserve Fund: This refers to the principal in the Unemployment Compensation Reserve Fund created in the state treasury under S. F. 458 in 2003. Monies in the reserve fund shall be used to pay benefits to the extent monies in the unemployment compensation fund are insufficient to pay benefits during a calendar quarter. The U. S. Department of Labor does not include this fund in the federal trust fund solvency measures used in this report.

Other Definitions

Regular UI Benefits Paid: Unemployment benefits paid under the regular unemployment program. This figure does not include federal unemployment benefits, voluntary shared work benefits and special episodic programs such as Pandemic Emergency Unemployment Compensation (PEUC) and Pandemic Unemployment Assistance (PUA). (Source: ETA-5159)

Average Duration: The number of weeks compensated for the year divided by the number of first payments.

Exhaustion Rate: A rate computed by dividing the average monthly exhaustions by the average monthly first payments. To allow for the normal flow of claimants through the program, the denominator lags the numerator by 26 weeks.

First Payments: The first payment in a benefit year for a week of unemployment claimed under a specific UI program. (Source: ETA-5159).

Final Payments: The number of claimants drawing the final payment of their original UI entitlement. This is also called benefit exhaustions. (Source: ETA 5159)

Trust Fund Interest: The amount of interest earned on the Unemployment Trust Fund account. Interest paid by the U. S. Treasury is credited on the notification date for this report. The interest rate paid to states is available at the U. S Treasury web site.

Additional Resources: More definitions can be found in [glossary page](#) of the [UI Data Summary](#). More information about unemployment insurance financing methods and trust fund solvency measures can be found in the [Unemployment Insurance Technical Guide](#). Both are published by Division of Fiscal and Actuarial Services of the Office of Unemployment Insurance in the U.S. Department of Labor.

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