

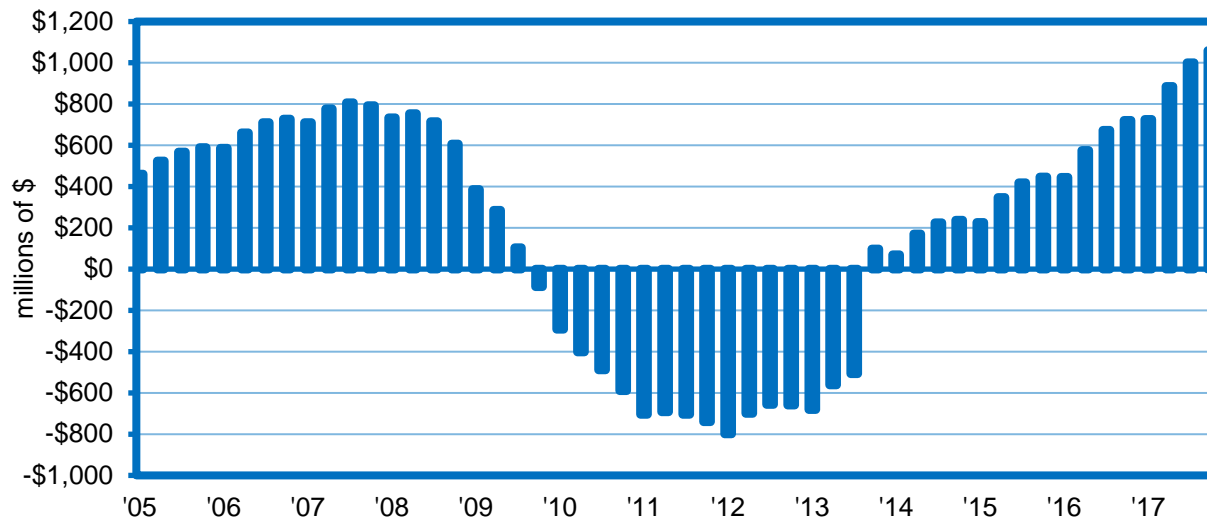
Research Notes



Unemployment Insurance Trust Fund
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Nevada's Unemployment Insurance Trust Fund Balance Over \$1.1 Billion at End of 2017



Trust Fund Overview	Millions of \$
2016:IVQ Ending Balance	\$721.18
Contributions in Last 12 Months	\$606.26
Interest Earned in Last 12 Months	\$20.16
Benefit Payments in Last 12 Months	\$292.94
2017:IVQ Ending Balance	\$1,059.52

- Nevada's Unemployment Insurance (UI) Trust Fund ended 2017 with a balance of \$1.1 billion, an all-time high.
- Over the year, \$606 million in UI taxes were collected, an increase of 7.8 percent compared to 2016. Interest earned from the Trust Fund balance totaled \$20.2 million over the year, an increase of \$6.9 million compared to last year.
- Outflows from the fund, also known as benefit payments, were \$292.9 million for all of 2017, \$13 million lower compared to the previous year. This, combined with the increase in UI contributions, allowed the Trust Fund to grow by \$338 million over the course of the year.
- Even with the \$1.1 billion balance, the Trust Fund still requires further growth in order to meet adequacy measures. The most common measure, the Average High Cost Multiple (AHCM), provides an estimate of the amount of time the current Trust Fund balance could pay benefits at the average of a state's three highest cost years in the last two decades. The federally recommended AHCM is 1.0, which represents one year of benefits. Nevada's current AHCM of 0.96 indicates that the Silver State's Trust Fund would cover nearly one year of benefits if a similar recession were to occur.