

# RESEARCH NOTES



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UI Trust Fund  
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## Nevada's Unemployment Insurance Trust Fund Hits Record Balance in 2017:IIQ



Trust Fund Overview	Millions of \$
2016:IIQ Ending Balance	\$575.76
Contributions in Last 12 Months	\$587.03
Interest Earned in Last 12 Months	\$16.44
Benefit Payments in Last 12 Months	\$296.35
2017:IIQ Ending Balance	\$885.70

- Nevada's Unemployment Insurance (UI) Trust Fund ended the second quarter with a balance of \$885.7 million, a nominal all-time high for the Trust Fund. The previous quarter-ending peak balance was \$807 million in 2007:IIIQ.
- Over the last 12 months, \$587 million in UI taxes were collected, an increase of nearly seven percent compared to the previous year. Interest earned from the Trust Fund balance totaled \$16.4 million over the year, an increase of \$6 million compared to a year ago.
- Outflows from the fund, also known as benefit payments, were just \$296.3 million over the last four quarters, \$31.8 million lower compared to the previous year. This, combined with the increase in UI contributions, allowed the Trust Fund to grow by \$310 million over the course of the 12 months.
- Despite the record 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 0.80 means the Silver State's Trust Fund would currently cover less than ten months of benefits if a similar recession were to occur.