

1. 22 States and one territory took out Title XII loans during the pandemic:

- California
- Illinois
- Connecticut
- Virgin Islands
- West Virginia
- Texas
- Ohio
- New York
- Massachusetts
- Hawaii
- Colorado
- Kentucky
- Minnesota
- Delaware
- Pennsylvania
- New Mexico
- New Jersey
- Georgia
- Virginia
- Louisiana
- Indiana
- Nevada

2. As of one year ago, July 12, 2021, the following States and territories had outstanding Title XII loans:

- California
- Illinois
- Connecticut
- Virgin Islands
- West Virginia
- Texas
- New York
- Massachusetts
- Hawaii
- Colorado
- Minnesota
- Pennsylvania
- New Mexico
- New Jersey
- Nevada

3. States that paid outstanding Title XII balances within the last 12 months (as of September 20, 2022)

- Virginia
- New Mexico
- West Virginia
- Nevada
- Hawaii
- Texas
- Pennsylvania
- Minnesota
- Massachusetts
- New Jersey

4. States and territories with outstanding Title XII balances as of September 20, 2022:

- California- \$17.9 billion
- Illinois- \$1.8 billion
- Connecticut- \$94 million
- Virgin Islands- \$96 million
- New York- \$7.9 billion
- Colorado- \$33 million

5. How States paid off their Title XII debts:

- Each State is responsible to manage their own unemployment trust fund; each State sets their own tax rates, sources of revenue, and types of benefits to the unemployed. However, the federal government, specifically the United States Department of Labor, oversees each State's unemployment insurance trust fund to ensure solvency.
- Each State that paid off their debt through the budgeting process. Most States opted to paid down the debt by using surplus monies in the budget, while a minority of States opted to issue bonds in order to pay down the debt. (See articles linked below).
- [Texas Workforce Commission Adopts No New Increases to Employer Tax Rates for 2022 | texasinsider | texasinsider.org](#)
- [Senate signs off on Pennsylvania's delayed main budget bill | Govt-and-politics | heraldcourier.com](#)
- [Massachusetts officials announce \\$2.6 billion bond sale to replenish the state's unemployment insurance trust fund – Ballotpedia News](#)

6. What this means for taxpayers in the States that have outstanding Title XII loans:

- Currently, the interest rate on any outstanding Title XII loan is 1.59%. However, the interest will increase on November 10, 2022. The outstanding loans, along

with the interest payments, will need to be accounted for in the budgeting/legislative process, or through an issuance of bonds, or both. Either way, this will have a direct impact on each States economic outlook.

- In order to pay off the outstanding Title XII debts prior to an interest increase, Illinois will likely be required to raise payroll taxes, cut unemployment benefits, earmark revenues to the debt that could have been used elsewhere, and/or issue bonds with high interest rates.