

Timothy Jeffries, Director

FOR IMMEDIATE RELEASE
May 13, 2015

MEDIA CONTACT
Tasya Peterson
602-542-4296
TasyaPeterson@azdes.gov

DES Announces Repayment of Unemployment Trust Fund Borrowing to U.S. Department of Labor

PHOENIX – The Department of Economic Security (DES) announced today it has fully repaid the principal borrowing that has been underway since June 2014 for the payment of unemployment insurance benefits.

“Consistent with Governor Ducey’s fiscal management initiative, the Department of Economic Security is prioritizing its financial responsibilities on behalf of the citizens of Arizona,” said Director Timothy Jeffries. “We made good on our promise to repay federal unemployment borrowing by fulfilling our obligation.”

Arizona, like many other states, began borrowing from the federal government in order to maintain unemployment benefits for qualified workers during the Great Recession. As of May 6, 2015, Arizona repaid approximately \$44 million in outstanding borrowing and the State’s Unemployment Trust Fund was solvent for the first time since June 2014. Prior to June 2014, the trust fund had been borrowing from the federal government since late 2010.

The Department anticipates the trust fund will remain solvent through the remainder of 2015 and beyond barring any unforeseen economic downturn.

States with outstanding loan balances from the Federal Unemployment account include California, Connecticut, Indiana, Kentucky, Ohio, South Carolina, the Virgin Islands. California has the largest outstanding balance in the amount of \$6.2 billion.