

THE ECONOMIC IMPACT OF COVID-19 ON REGIONAL ECONOMIES

**AUBER ROUNDTABLE
JULY 16, 2020**

National Picture



- Since mid-March, 47.6M initial UI claims (unadjusted)
 - Week ending 7/11 had 1.5M
 - Weekly numbers declining, but still >2x Great Recession peak
 - Week ending 7/4 had 17.4M continuing claims
- Official unemployment rate of 11.1%
 - Peaked in April at 14.7%
 - Real rate may be higher
 - Measurement question re temporarily laid off workers
 - Highest rates since Great Depression

Regional Variation



- However, there is a great deal of regional variation
- Many states reported declines in advance UI claims
- Several states, esp. in the South and West with recent COVID spikes, saw claims increase week-on-week
 - FL: +62,467 (129,408 total)
 - GA: +31,176 (136,336 total)
 - CA: +22,941 (287,732 total)
 - AZ: +4,483 (30,257 total)
 - CA, GA, FL, AZ account for >100% of national increase

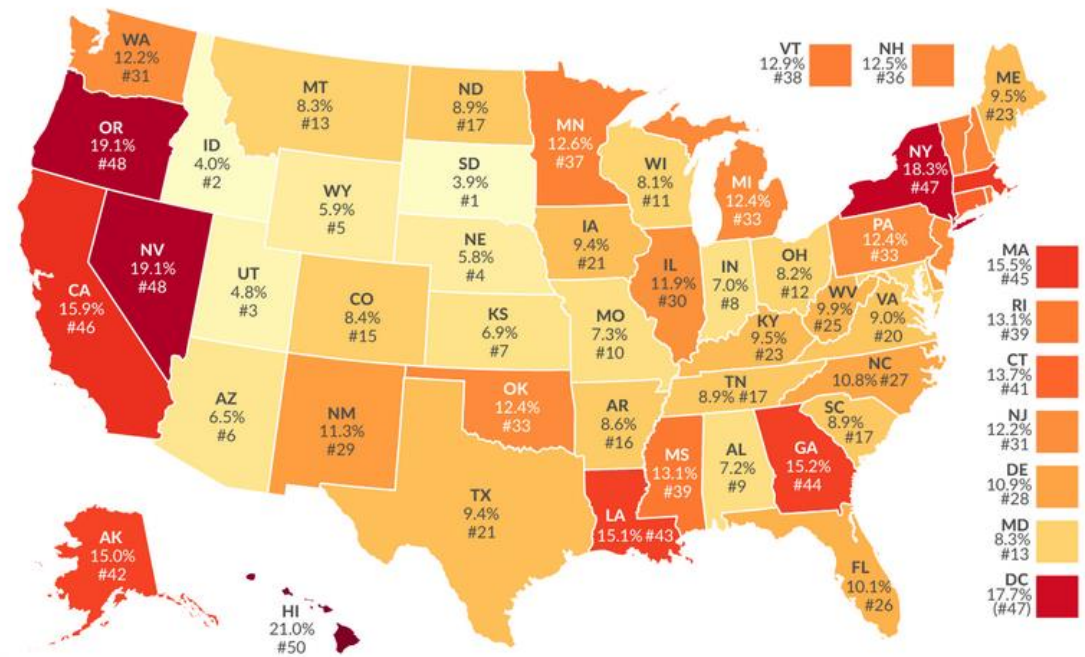
Regional Variation



- 11.7% of U.S. civilian labor force applied for/was receiving UI benefits as of 6/6
- 18.9% counting pandemic claims

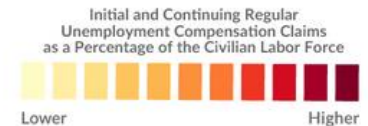
Unemployment Compensation Claims as a Percentage of the Civilian Workforce

Initial and Continuing Regular Unemployment Claims as a Percentage of the Civilian Labor Force, June 20, 2020



Note: Excludes Pandemic Unemployment Assistance Claims, which are fully paid by the federal government, because federal reporting still omits many states.

Source: U.S. Department of Labor; U.S. Bureau of Labor Statistics; Tax Foundation calculations.



TAX FOUNDATION

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what does REMI say? sm

Source: Tax Foundation

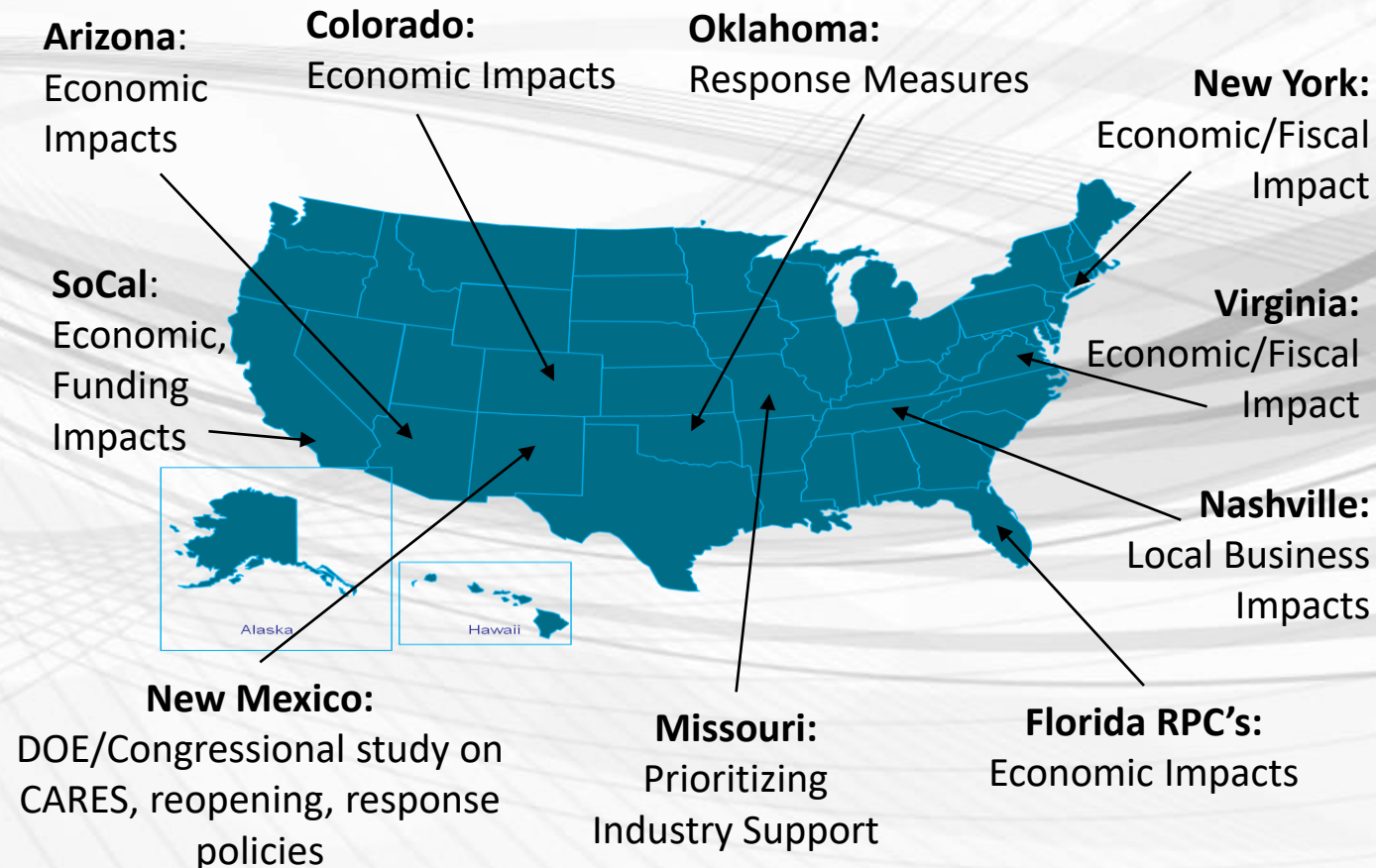
Selected REMI COVID-19 Modeling Strategies & Analyses



REMI has been at the front lines of rapidly responding to and understanding the economic implications and response strategies to the novel coronavirus COVID-19.

COVID-19 Modeling Strategies

- Implication on states' economies/budgets
- Industry-specific impacts
- Federal, state, local response strategies
- Timing for re-opening



what does **REMI** say? sm