

## OCTOBER 2019 UNEMPLOYMENT INSURANCE (UI) FUND FORECAST

### INTRODUCTION

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This report provides the status of the California UI Fund and includes information on the current and projected fund balance, receipts, reimbursements, and contribution rates.

In 2018, the Fund ended with a balance of \$2.3 billion after nine years of insolvency. The Fund is forecast to increase to \$3.0 billion by the end of 2019, \$3.3 billion by the end of 2020 and \$3.4 billion by the end of 2021. However, if changes are not made to the current financing structure, the UI Fund may not maintain a balance high enough to withstand an economic downturn.

Unemployment levels were 814,000 in 2018, and are projected at 830,000 in 2019, 836,000 in 2020 and 856,000 in 2021. The UI regular benefit payments covered by the State's UI Fund were \$5.1 billion in 2018. The UI regular benefit payments are forecast to be \$5.3 billion in 2019, \$5.5 billion in 2020 and \$5.6 billion in 2021.

California's minimum wage has been increasing incrementally each year, from \$10.00 in 2016 to \$15.00 in 2022. Increases in the minimum wage are expected to impact the average weekly benefit amount awarded to those receiving a higher wage thereby increasing benefit payments. UI contributions will be minimally impacted due to the \$7,000 UI taxable wage ceiling.

For 2018, employers' UI contributions were based on the "F" contribution rate schedule, plus a 15 percent surcharge, which is required by current statute when the UI Fund reserve ratio dips below a specified level. Employers will continue on this schedule throughout the forecast period and beyond if changes are not made to the financing structure. Total receipts were \$6.0 billion in 2018, and are projected to be \$5.9 billion in 2019 and \$5.8 billion each year in 2020 and 2021.

Beginning January 26, 2009, California began borrowing from the Federal Government to pay UI benefits. As part of the American Recovery and Reinvestment Act, interest owed on borrowed funds was waived through December 31, 2010. Interest began accruing on January 1, 2011, and the resulting seven interest payments of \$303.5, \$308.2, \$259.0, \$217.4, \$171.1, \$111.3, \$49.8 and \$10.5 million were made to the Department of Labor on September 30<sup>th</sup> of each year from 2011 through 2018, respectively. No interest payment was made in 2019 as California did not have an outstanding loan balance.

Beginning in 2012, the amount owed to the Federal Government on the outstanding loan was reduced due to the Federal Unemployment Tax Act (FUTA) credit reduction. This occurs to offset the loan balance when a State UI Fund is in deficit for two consecutive years. The impact to date for California employers from the FUTA credit reduction has been \$292.7 million for 2012, \$606.7 million for 2013, \$946.8 million for 2014, and \$1.3 billion for 2015. Additional FUTA credit reduction collection amounts of \$1.7 billion for 2016, \$2.2 billion for 2017 and \$2.6 billion for 2018 are expected. These costs represent losses of 0.3 percent of the FUTA tax credit from tax years 2011 forward. The FUTA tax credit reduction for 2016 was 1.8 percent and 2.1 percent in 2017. California no longer has an outstanding loan balance, therefore, no 2018 reduction was assessed.

The data contained in this document represent only projections to the California UI Fund and do not include any of the extended or emergency unemployment benefit dollars paid for by the Federal Government.

## FUND BALANCE

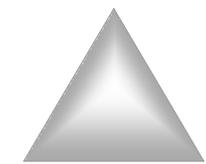
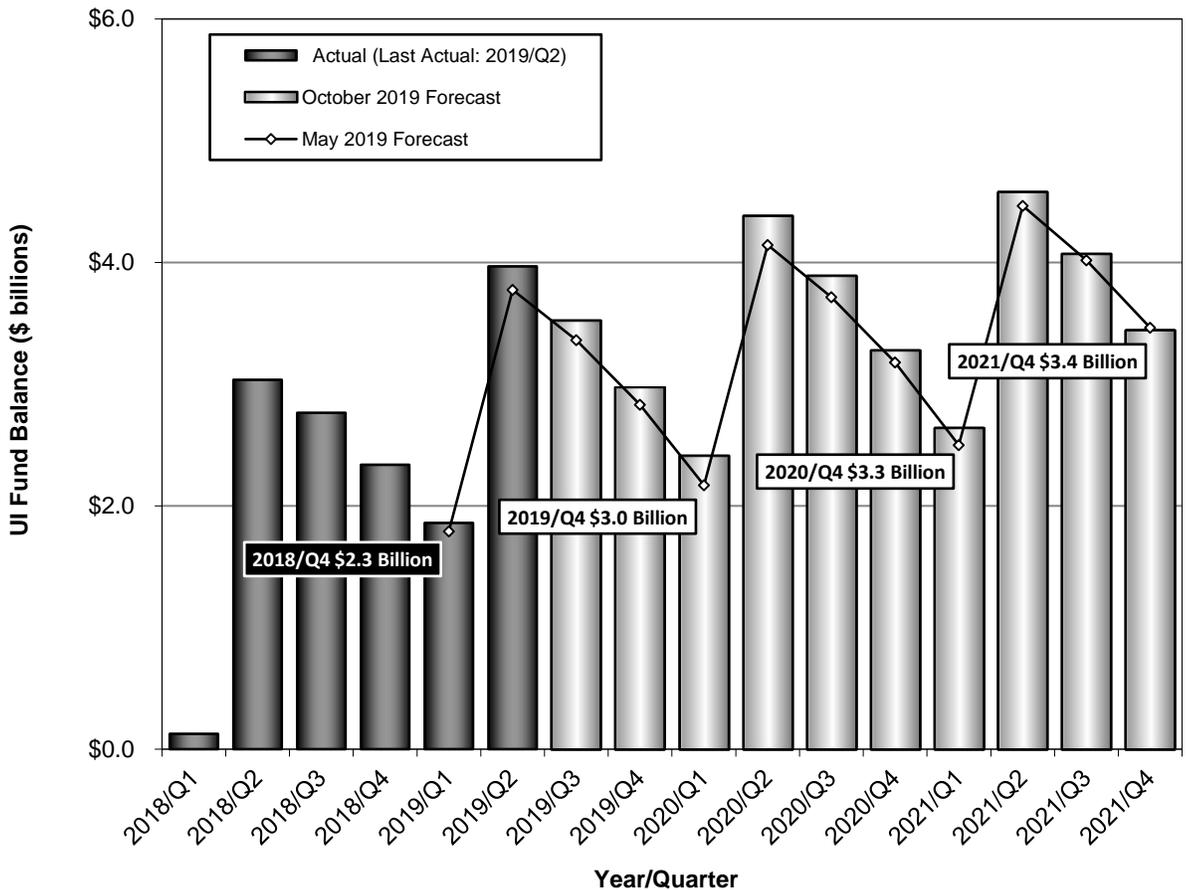
In 2018, for the first time since 2008, the Fund ended the year with a positive balance of \$2.3 billion. The Fund is expected to end 2019 with a balance of \$3.0 billion. The Fund is forecast to increase to \$3.3 billion by the end of 2020 and \$3.4 billion by the end of 2021, however, the current financing structure leaves the UI Fund unable to self-correct and achieve a fund balance sufficient to withstand an economic downturn.

The estimated balances reflected in the table below include the additional revenue resulting from the reduction in the FUTA tax credit offset.

These estimates differ from the May 2019 forecast due to lower unemployment levels than estimated in the last half of 2018, resulting in a higher Fund Balance.

The chart below shows the projected quarterly UI Fund balance through 2021. These estimated balances could change depending upon actual employment levels and claims filed.

**UI Fund Balance 2018 - 2021**



The UI Fund has a projected balance of \$3.0 billion at the end of 2019.

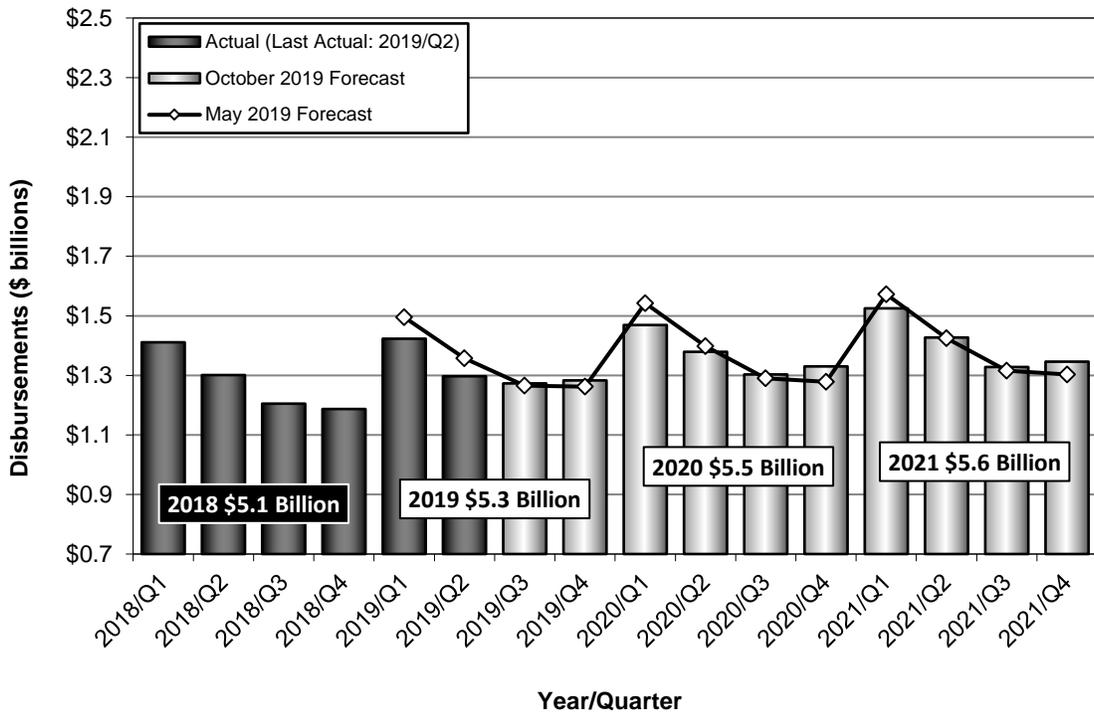
## DISBURSEMENTS, REGULAR UI BENEFITS

Total regular UI benefit payments remained stable in 2018 at \$5.1 billion. Regular UI benefit payments are projected to increase to \$5.3 billion in 2019 and \$5.5 billion in 2020. They are projected to increase to \$5.6 billion in 2021. The projected increase in benefits paid is due to a slight increase in the number of weeks paid as a result of an estimated increase in the level of unemployment.

While regular UI benefit amounts have been declining from the peak of the recession and are forecast to increase only slightly in the near future, the current financing system does not allow for sufficient fund reserves to be built up during better economic conditions.

The chart below shows the projected quarterly disbursements through 2021. These estimated disbursements could change depending upon actual claims filed.

**Regular UI Benefit Disbursements 2018 - 2021**



Regular UI benefit payments are projected to be \$5.3 billion in 2019.

## EMPLOYER CONTRIBUTIONS

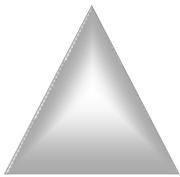
Employer contributions were \$5.6 billion in 2018. Contributions are projected to be \$5.5 billion in 2019 and \$5.4 billion each year in 2020 and 2021. Total receipts were \$6.0 billion in 2018 and are projected to be \$5.9 billion in 2019, and \$5.8 billion each year in 2020 and 2021. Total receipts include employer contributions, interest, reimbursements, and other receipts (see Table 1, page 5).

Employers are currently on the “F” contribution rate schedule in 2019, plus a 15 percent

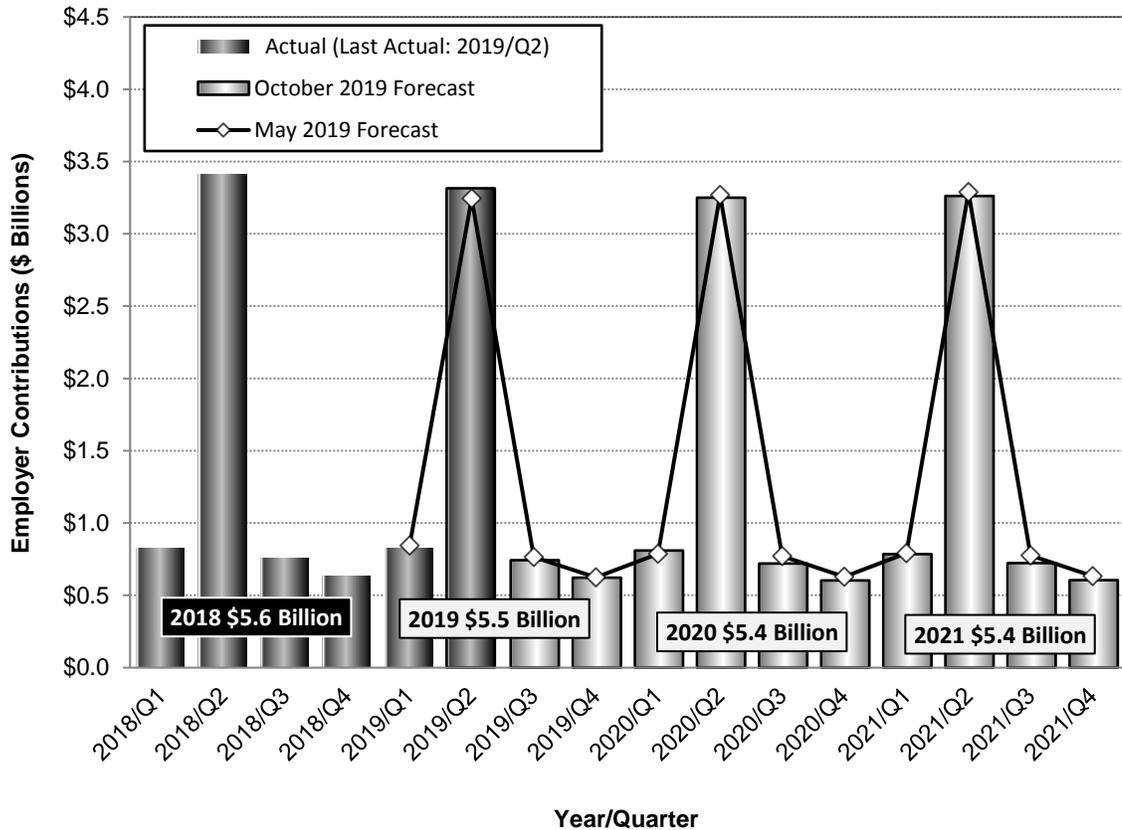
surcharge. Employers are projected to be on this same schedule throughout the forecast period and beyond if changes are not made to the financing structure (refer to page A4 in the Appendix for an explanation of the contribution rate schedules).

The following chart shows the projected quarterly employer contributions through 2021. These estimated employer contributions could change depending upon actual employment levels.

**Employer Contributions 2018 - 2021**



*Employer Contributions are projected to total \$5.5 billion in 2019.*



UNEMPLOYMENT INSURANCE FUND  
FORECAST FOR CALENDAR YEARS 2019 – 2021

Table 1\*  
(Dollars in millions)

	2018	2019(F)	2020(F)	2021(F)
YEAR END FUND BALANCE	\$2,336.7	<b>\$2,969.8</b>	<b>\$3,274.4</b>	<b>\$3,440.2</b>
RECEIPTS PLUS FUTA CREDIT REDUCTION MINUS DISBURSEMENTS	\$3,475.3	<b>\$633.1</b>	<b>\$304.6</b>	<b>\$165.8</b>
RECEIPTS	\$6,005.9	<b>\$5,895.3</b>	<b>\$5,786.1</b>	<b>\$5,792.6</b>
Employer Contributions	\$5,628.7	<b>\$5,503.6</b>	<b>\$5,382.7</b>	<b>\$5,375.9</b>
Interest	\$44.1	<b>\$72.3</b>	<b>\$84.4</b>	<b>\$89.3</b>
Reimbursements	\$311.0	<b>\$311.6</b>	<b>\$319.0</b>	<b>\$327.4</b>
Other (a)	\$22.2	<b>\$7.8</b>	<b>\$0.0</b>	<b>\$0.0</b>
FUTA (b)	\$2,573.0	<b>\$14.2</b>	<b>\$0.0</b>	<b>\$0.0</b>
DISBURSEMENTS	\$5,103.6	<b>\$5,276.4</b>	<b>\$5,481.6</b>	<b>\$5,626.7</b>
Regular Benefits	\$5,103.6	<b>\$5,276.4</b>	<b>\$5,481.6</b>	<b>\$5,626.7</b>
Other (c)	\$0.0	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
FED-ED Benefits, State's portion	\$0.0	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

**(F) Forecast** Last actual data through the second quarter of 2019. Bolded numbers are estimates. Totals may not be exact due to rounding.

(a) Includes amounts from miscellaneous adjustments such as insurance checks and dues from other funds reverted back to the UI Fund. Unclaimed contributions, Reed Act disbursements, and overpayments refundable to employers or claimants are also examples of other receipts.

(b) FUTA credit reduction calendar year totals do not match the corresponding FUTA tax year collections. This variance is due to calendar year collection totals including multiple tax year transactions occurring within the same calendar year. Please see the Appendix for additional FUTA collection related information.

(c) Other Disbursements include charges written-off as an uncollectible cashier shortage, transfers to Railroad Retirement Board, and other miscellaneous charges.

\* The basis for the projections in this fund forecast is the June 2019 Labor Market Information Division's economic outlook.

UNEMPLOYMENT INSURANCE FUND  
FORECAST FOR CALENDAR YEARS 2019 – 2021  
Table 2

	2018	2019(F)	2020(F)	2021(F)
<b>CLAIM ACTION</b>				
New Claims <sup>(a)</sup>	1,288,396	1,314,000	<b>1,345,000</b>	<b>1,354,000</b>
First Payments	897,052	907,000	<b>913,000</b>	<b>920,000</b>
Weeks Compensated	15,732,808	15,921,000	<b>16,157,000</b>	<b>16,337,000</b>
Average Duration	17.5	17.6	<b>17.7</b>	<b>17.8</b>
Weekly Benefit Amount				
Maximum/Minimum	\$450/\$40	\$450/\$40	<b>\$450/\$40</b>	<b>\$450/\$40</b>
Average (All Claimants)	\$324	\$330	<b>\$336</b>	<b>\$342</b>
<b>COVERED WAGES</b>				
Total Wages (Less Reimbursables) (In billions)	\$958.4	<b>\$998.5</b>	<b>\$1,035.5</b>	<b>\$1,071.1</b>
Average Weekly Wage	\$1,301.2	<b>\$1,348.3</b>	<b>\$1,390.1</b>	<b>\$1,430.8</b>
Taxable Wages (In billions)	\$133.7	<b>\$136.1</b>	<b>\$136.4</b>	<b>\$136.9</b>
Percent of Total Wages	14.0%	<b>13.6%</b>	<b>13.2%</b>	<b>12.8%</b>
Regular Benefits/Taxable Wages	3.8%	<b>3.9%</b>	<b>4.0%</b>	<b>4.1%</b>
<b>EMPLOYER CONTRIBUTION FACTORS</b>				
Taxable Wage Ceiling	\$7,000	\$7,000	<b>\$7,000</b>	<b>\$7,000</b>
Contribution Rate Schedule	F+	F+	<b>F+</b>	<b>F+</b>
Average Contribution Rate <sup>(b)</sup>	4.23%	<b>4.06%</b>	<b>3.93%</b>	<b>3.93%</b>
<b>EMPLOYMENT</b>				
Average Covered Employment	17,143,315	<b>17,237,000</b>	<b>17,338,000</b>	<b>17,426,000</b>
Reimbursables - Average Covered Employment	3,033,587	<b>3,050,000</b>	<b>3,068,000</b>	<b>3,084,000</b>
All Others - Average Covered Employment	14,109,729	<b>14,187,000</b>	<b>14,270,000</b>	<b>14,342,000</b>
Contributions/Employment All Others <sup>(c)</sup>	\$581	<b>\$389</b>	<b>\$377</b>	<b>\$375</b>
<b>CALIFORNIA LABOR DATA <sup>(d)</sup></b>				
Civilian Labor Force	19,388,000	19,540,000	<b>19,649,000</b>	<b>19,766,000</b>
Unemployment Level	814,000	830,000	<b>836,000</b>	<b>856,000</b>
Civilian Unemployment Rate	4.2%	4.2%	<b>4.3%</b>	<b>4.3%</b>

**(F) Forecast:** Last actual data for wages and employment through fourth quarter of 2018. All other data actual through the second quarter of 2019. Bolded numbers are estimates. Totals may not be exact due to rounding.

(a) This includes intrastate, interstate, and transitional claims.

(b) The average contribution rate is calculated based on contributions from April - March each year. This varies from the average contribution rate reported to the Department of Labor that is calculated based on calendar year contributions.

(c) This row includes the FUTA Credit Reduction totals.

(d) California Labor Data is from the Labor Market Information Division's June 2019 economic outlook.

# A P P E N D I X

## UNEMPLOYMENT INSURANCE (UI) DEFINITIONS

The definitions below are informational only and arranged in the order of their appearance in Tables 1 and 2. The law is the California Unemployment Insurance Code (CUIC). Interpretations of the law are contained in opinions of the Attorney General, administrative and court decisions, and Title 22 of the California Code of Regulations.

### YEAR-END FUND BALANCE

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The sum of all money remaining in the Unemployment Fund at the end of the year after all receipts and disbursements have been recorded but before the unamortized balance invested in capital assets is recorded.

### RECEIPTS

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#### ***Receipts:***

This includes all income to the Unemployment Fund. Receipt items are on an “as received” basis rather than on an “as earned” basis.

#### ***Employer Contributions:***

Contributions paid by an employer based on a contribution rate derived from the Experience Rating System. This system determines each individual employer’s contribution rate based on the employer’s employment experience and the condition of the UI Fund. New employers are required to pay a rate of 3.4 percent for up to three years. (See Employer Contribution Factors on page A4.)

#### ***Interest:***

Income produced by investing a portion of the Unemployment Fund. This investment is made by the federal government and California has no discretion in investment decisions.

#### ***Reimbursements:***

Amounts received from employers (nonprofit organizations, state and local governments) required to reimburse the Unemployment Fund for benefits paid to their former employees.

#### ***Other Receipts:***

Includes amounts from miscellaneous adjustments such as insurance checks and dues from other funds reverted back to the UI Fund. Unclaimed contributions, Reed Act disbursements, and overpayments refundable to employers or claimants are also examples of other receipts.

#### ***Federal Unemployment Tax Act (FUTA) Credit Reduction:***

If a State has relied on a federal loan for two consecutive years, employers face a federal tax increase for the following tax year. Current federal law provides employers with a 5.4 percent tax credit. However, this credit was reduced, due to California’s insolvency, by 0.3 percent to 5.1 percent for the 2011 tax year due to the outstanding federal loan.

On January 1, 2011, the federal tax rate was set at 6.2 percent. Applying the reduced tax credit, an employer’s federal tax rate increased from 0.8 percent to 1.1 percent. On July 1, 2011, a federal emergency surtax was allowed to expire that lowered the federal tax rate from 6.2 percent to 6.0 percent. As a result, the federal unemployment tax rate was revised to 0.9 percent for the six-month period from July 1, 2011, through December 31, 2011. The federal tax rate is applied to the first \$7,000 in wages paid to covered employees. Employers’ federal tax liability increased up to \$21 per employee during the 2011 tax year up to the first \$7,000 in covered wages. To date, the resulting increase in federal taxes has cost California employers an additional \$292.7 million for

***Federal Unemployment Tax Act (FUTA) Credit Reduction (continued):***

the 2011 tax year, \$606.7 million for the 2012 tax year, \$946.8 million for the 2013 tax year, \$1.3 billion for the 2014 tax year, and \$1.7 billion for the 2015 tax year. Due to collections during a calendar year being comprised of amounts related to multiple tax years, calendar year collection totals do not match tax year collection totals. For example, the calendar year total for 2012 was \$288.5 million. However, the 2011 tax year total now stands at \$292.7 million due to collections that have continued to be received during calendar years 2013, 2014, 2015, 2016, 2017, and 2018. Moreover, an additional 0.3 percent reduction to the federal tax credit was applied for each subsequent year (up to a potential maximum of 5.4 percent credit reduction) while California had an outstanding federal loan. FUTA tax year collections ended after tax year 2017 as California no longer had an outstanding loan balance at the end of 2018. It is estimated that California will continue to collect FUTA receipts for all prior tax years for the foreseeable future.

**DISBURSEMENTS**

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***Disbursements:***

All money paid from the Unemployment Insurance Fund.

***Regular Benefits:***

Disbursements made to UI claimants under the authority of Division 1, Part 1, of the CUIC. This includes only benefits paid under the California UI program from the UI Fund. Regular benefits paid from the Federal Unemployment Benefit Account, which is separate from the California UI Fund, including Unemployment Compensation for Federal Employees (UCFE) and Unemployment Compensation for Ex-Service Persons (UCX) programs or any combination of these programs are excluded. Benefits paid under extended benefit programs are also excluded.

- ◆ UI: A state program that provides benefits to individuals covered under state and federal unemployment compensation laws.
- ◆ UCFE: The federal program of unemployment compensation for federal employees.
- ◆ UCX: The federal program of unemployment compensation for ex-service personnel.

***Other Disbursements:***

Includes the Reed Act Distributions Financing Act of 1954 (Admin) and charges written-off as an uncollectible cashier shortage, transfers to Railroad Retirement Board, and other miscellaneous charges.

***Federal-State Extended (FED-ED) Unemployment Compensation Act of 1970:***

The FED-ED Program is available in every State and provides one-half of a claimant's total State benefits up to 13 weeks in States with an activated program, for a combined maximum of 39 weeks of regular and extended benefits. Weekly benefit amounts are identical to the regular State Unemployment Compensation for each claimant, and Federal funds pay half the cost. The program activates in a State under one of two conditions: (1) if the State's 13-week average insured unemployment rate (IUR) in the most recent 13 weeks is at least 5.0 percent and at least 120 percent of the average of its 13-week IURs in the last two years for the same 13-week calendar period; or (2) if its current 13-week average IUR is at least 6.0 percent.

California legislation modified the trigger from IUR to Total Unemployment Rate (TUR) effective February 1, 2009, in order to receive the maximum reimbursement, up to 20 weeks, from the federal government for emergency benefits. California became eligible when the State's TUR exceeded 6.5 percent. California triggered off the FED-ED program effective May 12, 2012, despite the TUR remaining above 6.5 percent, due to the Federal requirement that the TUR be equal to or exceed 110% of the equivalent time period during the preceding three years.

## ***Federal-State Extended (FED-ED) Unemployment Compensation Act of 1970***

### ***(continued):***

Per the "Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010", states were not required to fund any part of the FED-ED benefits and the program did not have a financial impact to the State UI Fund.

## **CLAIM ACTION**

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### ***New Claims:***

An application for determination of eligibility for benefits, weekly amount, and award which certifies either the beginning of a first period of unemployment within a benefit year, or the continuance of a period of unemployment into a new benefit year.

### ***First Payments:***

The first benefit payment made to a claimant in his/her benefit year.

### ***Weeks Compensated:***

The total number of weeks of unemployment for which regular benefits are paid.

### ***Average Duration:***

The number of weeks of benefits paid divided by the first payments.

### ***Weekly Benefit Amount (WBA): Maximum/Minimum:***

Per Section 1280 of the CUIC, effective January 1, 2005, the maximum weekly benefit amount is \$450. The minimum weekly benefit amount is \$40.

### ***Average Weekly Benefit Amount (AWBA):***

For all claimants, regular benefits divided by the number of weeks compensated including full, partial, and part-total weekly benefit amounts results in the AWBA.

## **COVERED WAGES**

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### ***Total Wages:***

All remuneration payable to employees subject to the CUIC for personal services, including tips and gratuities received by workers.

### ***Average Weekly Wage:***

Total wages less reimbursable wages divided by average covered employment less reimbursable employment divided by 52.2 weeks.

### ***Taxable Wages:***

Portion of total wages subject to taxation under Section 930 of the CUIC (see Employer Contribution Factors below).

### ***Percent of Total Wages:***

The ratio of taxable wages divided by total wages, expressed as a percentage.

### ***Benefits/Taxable Wages:***

The ratio of benefit expenditures to taxable wages (Reimbursables excluded).

## EMPLOYER CONTRIBUTION FACTORS

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### ***Taxable Wage Ceiling:***

The maximum remuneration paid to an individual by an employer during a calendar year, which is subject to Section 930 of the CUIC. The taxable wage ceiling is set by state law. The current ceiling is \$7,000.

### ***Average Contribution Rate:***

The average of the rates assigned to all employers at the beginning of the year.

### ***Contribution Rate Schedule:***

Per Section 977 of the CUIC, the Unemployment Insurance contribution rate schedule for the following calendar year is determined by the ratio of the Unemployment Insurance Fund balance on September 30 of the prior calendar year to total covered wages paid for the prior completed state fiscal year.

Unemployment Insurance Fund Balance (September 30)  
Total UI Covered Wages (July 1 – June 30)

<b>If the ratio is</b>	<b>Use schedule</b>
Greater than 1.8%	AA
From 1.8% to more than 1.6%	A
From 1.6% to more than 1.4%	B
From 1.4% to more than 1.2%	C
From 1.2% to more than 1.0%	D
From 1.0% to 0.8%	E
From less than 0.8% to 0.6%	F
<b>Below 0.6%</b>	<b>F schedule plus 15%</b>

**Contribution Rate Schedule:**

*The following tables are used to determine each employer's contribution rate based on its reserve ratio and the schedule in effect for the year.*

Line	Reserve Ratio		Column 2	Contribution Rate Schedules							
	Column 1			AA	A	B	C	D	E	F	F+ 15%
01	less	than	-20	5.4	5.4	5.4	5.4	5.4	5.4	5.4	6.2
02	-20	to	-18	5.2	5.3	5.4	5.4	5.4	5.4	5.4	6.2
03	-18	to	-16	5.1	5.2	5.4	5.4	5.4	5.4	5.4	6.2
04	-16	to	-14	5.0	5.1	5.3	5.4	5.4	5.4	5.4	6.2
05	-14	to	-12	4.9	5.0	5.3	5.4	5.4	5.4	5.4	6.2
06	-12	to	-11	4.8	4.9	5.2	5.4	5.4	5.4	5.4	6.2
07	-11	to	-10	4.7	4.8	5.1	5.3	5.4	5.4	5.4	6.2
08	-10	to	-09	4.6	4.7	5.1	5.3	5.4	5.4	5.4	6.2
09	-09	to	-08	4.5	4.6	4.9	5.2	5.4	5.4	5.4	6.2
10	-08	to	-07	4.4	4.5	4.8	5.1	5.3	5.4	5.4	6.2
11	-07	to	-06	4.3	4.4	4.7	5.0	5.3	5.4	5.4	6.2
12	-06	to	-05	4.2	4.3	4.6	4.9	5.2	5.4	5.4	6.2
13	-05	to	-04	4.1	4.2	4.5	4.8	5.1	5.3	5.4	6.2
14	-04	to	-03	4.0	4.1	4.4	4.7	5.0	5.3	5.4	6.2
15	-03	to	-02	3.9	4.0	4.3	4.6	4.9	5.2	5.4	6.2
16	-02	to	-01	3.8	3.9	4.2	4.5	4.8	5.1	5.4	6.2
17	-01	to	00	3.7	3.8	4.1	4.4	4.7	5.0	5.4	6.2
18	00	to	01	3.4	3.6	3.9	4.2	4.5	4.8	5.1	5.9
19	01	to	02	3.2	3.4	3.7	4.0	4.3	4.6	4.9	5.6
20	02	to	03	3.0	3.2	3.5	3.8	4.1	4.4	4.7	5.4
21	03	to	04	2.8	3.0	3.3	3.6	3.9	4.2	4.5	5.2
22	04	to	05	2.6	2.8	3.1	3.4	3.7	4.0	4.3	4.9
23	05	to	06	2.4	2.6	2.9	3.2	3.5	3.8	4.1	4.7
24	06	to	07	2.2	2.4	2.7	3.0	3.3	3.6	3.9	4.5
25	07	to	08	2.0	2.2	2.5	2.8	3.1	3.4	3.7	4.3
26	08	to	09	1.8	2.0	2.3	2.6	2.9	3.2	3.5	4.0
27	09	to	10	1.6	1.8	2.1	2.4	2.7	3.0	3.3	3.8
28	10	to	11	1.4	1.6	1.9	2.2	2.5	2.8	3.1	3.6
29	11	to	12	1.2	1.4	1.7	2.0	2.3	2.6	2.9	3.3
30	12	to	13	1.0	1.2	1.5	1.8	2.1	2.4	2.7	3.1
31	13	to	14	0.8	1.0	1.3	1.6	1.9	2.2	2.5	2.9
32	14	to	15	0.7	0.9	1.1	1.4	1.7	2.0	2.3	2.6
33	15	to	16	0.6	0.8	1.0	1.2	1.5	1.8	2.1	2.4
34	16	to	17	0.5	0.7	0.9	1.1	1.3	1.6	1.9	2.2
35	17	to	18	0.4	0.6	0.8	1.0	1.2	1.4	1.7	2.0
36	18	to	19	0.3	0.5	0.7	0.9	1.1	1.3	1.5	1.7
37	19	to	20	0.2	0.4	0.6	0.8	1.0	1.2	1.4	1.6
38	20	or	more	0.1	0.3	0.5	0.7	0.9	1.1	1.3	1.5

## EMPLOYMENT

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### ***Average Covered Employment:***

The monthly average of the number of workers who earned wages in employment subject to the unemployment compensation provisions of the CUIC.

### ***Reimbursables:***

The average number of workers whose employers reimburse the Unemployment Fund (dollar for dollar) for all benefit payments that are attributed to their employment and wages.

### ***All Others:***

The average number of workers whose employers are subject to the regular unemployment tax.

### ***Contributions/Employment All Others:***

All employer contributions divided by the average covered employment, which excludes reimbursables, provides an average cost per non-reimbursable employee.

## CALIFORNIA LABOR DATA

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### ***Civilian Labor Force:***

Those individuals, 16 years of age and older, who were working or actively seeking work.

### ***Unemployment Level:***

Comprised of non-institutionalized civilians who did not work, but made specific efforts to find a job.

### ***Civilian Unemployment Rate:***

The number of unemployed persons in California expressed as a percentage of the total number of persons in the California civilian labor force.

*The UI Fund Forecast report can be accessed at the following website:*

[http://www.edd.ca.gov/About\\_EDD/Quick\\_Statistics\\_Overview.htm](http://www.edd.ca.gov/About_EDD/Quick_Statistics_Overview.htm)