

## OCTOBER 2014 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.

The UI Fund deficit was \$9.7 billion at the end of 2013. The deficit is forecast to drop to \$8.7 billion by the end of 2014, \$7.4 billion by the end of 2015 and \$5.5 billion by the end of 2016. If changes are not made to the current financing structure, the UI Fund will continue to be in a deficit.

Unemployment levels are projected to be 1,421,000 in 2014, 1,277,000 in 2015 and 1,166,000 in 2016 compared to the actual unemployment level of 1,663,000 in 2013. The UI regular benefit payments covered by the State's UI Fund were \$6.2 billion in 2013. The UI regular benefit payments are forecast to be \$6.2 billion in 2014, \$6.1 billion in 2015 and \$5.9 billion in 2016.

The 100 percent federally funded benefits provided under the Federal State Extended (FED-ED) Unemployment Compensation Act of 1970 ended May 12, 2012. The Emergency Unemployment Compensation (EUC) benefits program ended December 28, 2013. The EUC and FED-ED benefits totaled \$4.4 billion in 2013. The EUC and FED-ED benefits are forecast at \$135 million in 2014 as payments come to an end.

For 2013, 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 \$6.2 billion in 2013, and are projected to

be \$6.2 billion in 2014 and \$6.1 billion in 2015 and 2016.

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 four interest payments of \$303.5 million, \$308.2 million, \$259 million, and \$217.4 million were made to the Department of Labor on September 30<sup>th</sup> in 2011, 2012, 2013, and 2014, respectively. An estimated additional \$184.4 million is due in 2015, followed by \$146.9 million in 2016.

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 when the 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 and \$601.0 million for 2013. Additional FUTA credit reduction collection amounts of \$945.2 million for 2014, \$1.3 billion for 2015 and \$1.7 billion for 2016 are expected. These costs represent losses of 0.3 percent FUTA tax credit in tax year 2011, 0.6 percent in 2012, 0.9 percent in 2013, 1.2 percent in 2014 and 1.5 percent in 2015. The additional FUTA taxes paid will offset California's federal loan balance.

The data contained within the following pages of this document represent only projections to the California UI Fund and does not include any of the unemployment benefit dollars paid for by the Federal Government.

## FUND BALANCE

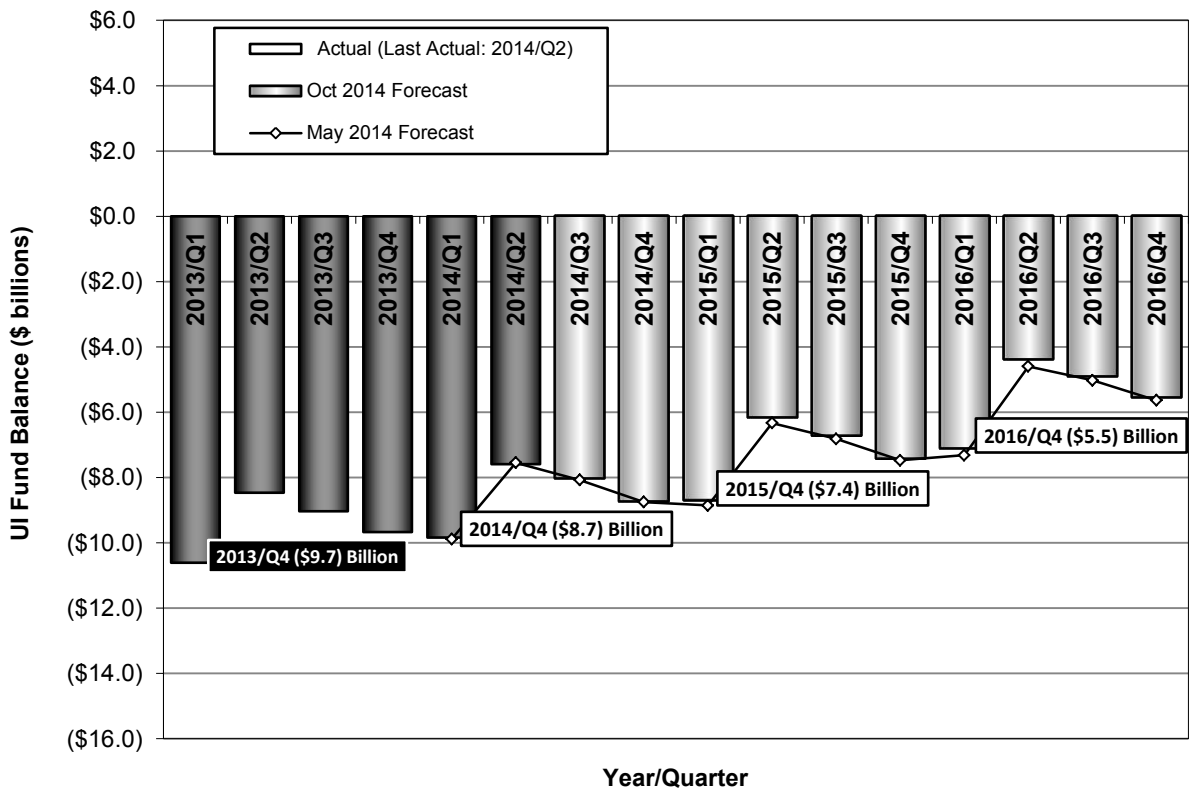
After ending 2013 with a deficit of \$9.7 billion, the UI Fund is projected to have a deficit of \$8.7 billion at the end of 2014, \$7.4 billion at the end of 2015 and \$5.5 billion at the end of 2016. The current financing structure leaves the UI Fund unable to self-correct and achieve a positive fund balance.

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 2014 forecast due to lower projections of expected unemployment levels as a result of an improving economy.

The chart below shows the projected quarterly UI Fund balance through 2016. These estimated balances could change depending upon actual employment levels and claims filed.

**UI Fund Balance 2013 - 2016**



The UI Fund has a projected deficit of \$8.7 billion at the end of 2014.

## DISBURSEMENTS, REGULAR UI BENEFITS

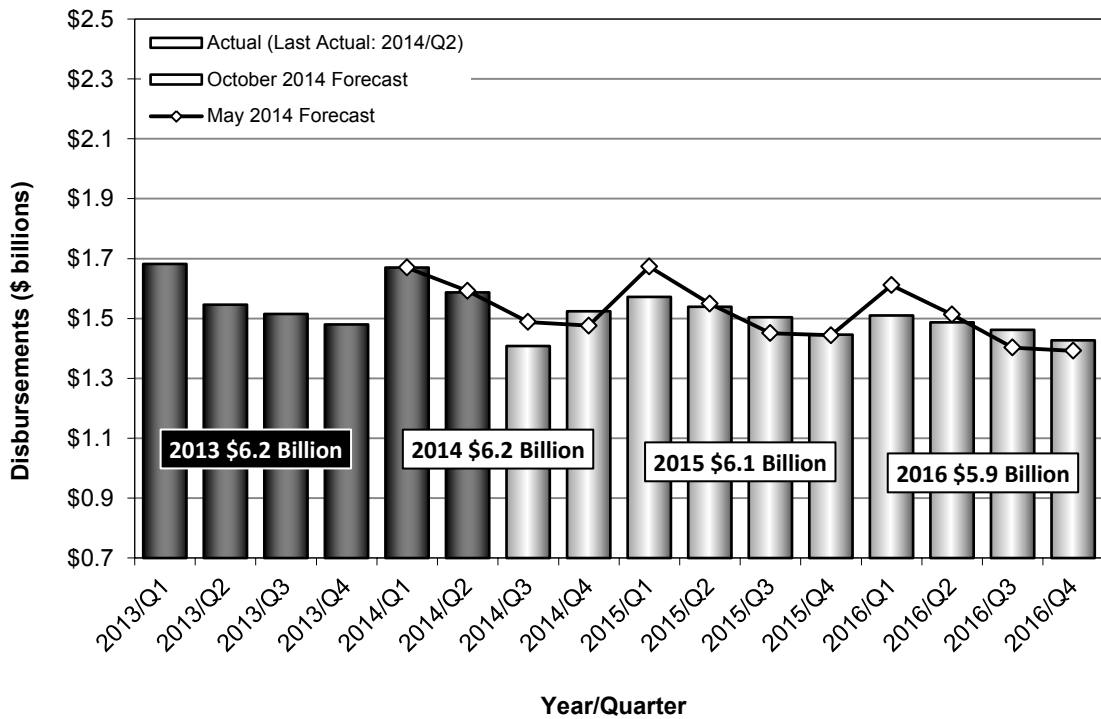
Total regular UI benefit payments were \$6.2 billion for 2013, down from \$6.6 billion in 2012. Regular UI benefit payments are projected to be approximately \$6.2 billion in 2014, \$6.1 billion in 2015 and \$5.9 billion in 2016. The year-over decline in the projected benefit payments for 2014 through 2015 is due to a projected decline in the unemployment level.

While regular UI benefit amounts are declining from the peak of the recession, the current

financing system cannot self-correct during better economic times because of the significant deficit owed, even if disbursement levels were to reach pre-recessionary levels.

The chart below shows the projected quarterly disbursements through 2016. These estimated disbursements could change depending upon actual claims filed.

**Regular UI Benefits Disbursements 2013 - 2016**



Regular UI benefit payments are projected to be \$6.2 billion in 2014.

## EMPLOYER CONTRIBUTIONS

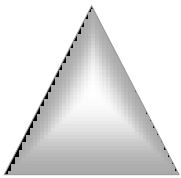
Employer contributions were \$5.7 billion in 2013, an increase from \$5.4 billion in 2012. Contributions are projected to remain at \$5.7 billion in 2014, and increase to \$5.8 billion in 2015 and 2016. Total receipts were \$6.2 billion in 2013 and are projected to be \$6.2 billion in 2014 and \$6.1 billion in 2015 and 2016. Total receipts include employer contributions, interest, reimbursements, and other receipts (see Table 1, page 5).

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

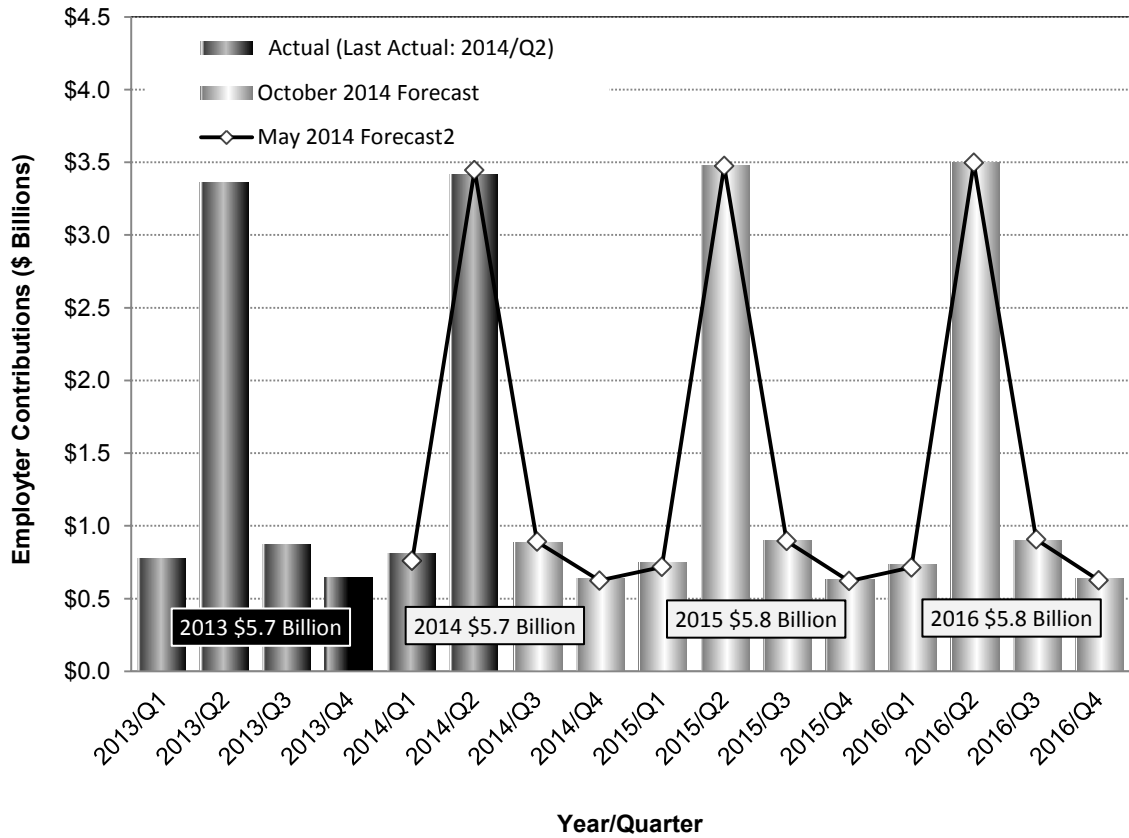
2014. Employers are projected to be on this same schedule throughout the forecast period and beyond if changes are not made to the financing structure (refer to page A4 in the Appendix for an explanation of the contribution rate schedules).

The following chart shows the projected quarterly employer contributions through 2016. These estimated employer contributions could change depending upon actual employment levels.

**Employer Contributions 2013 - 2016**



*Employer Contributions are projected to total \$5.7 billion in 2014.*



UNEMPLOYMENT INSURANCE FUND  
FORECAST FOR CALENDAR YEARS 2014 – 2016

Table 1\*  
(Dollars in millions)

	2013	2014(F)	2015(F)	2016(F)
YEAR END FUND BALANCE	(\$9,669.2)	<b>(\$8,723.0)</b>	<b>(\$7,402.8)</b>	<b>(\$5,537.4)</b>
Fund Balance as a Percentage of:				
Receipts	-	-	-	-
Employer Contributions	-	-	-	-
Disbursements	-	-	-	-
RECEIPTS PLUS FUTA CREDIT REDUCTION MINUS DISBURSEMENTS	\$514.1	<b>\$946.2</b>	<b>\$1,320.2</b>	<b>\$1,865.4</b>
RECEIPTS	\$6,163.6	<b>\$6,216.0</b>	<b>\$6,109.0</b>	<b>\$6,086.4</b>
Employer Contributions	\$5,658.9	<b>\$5,739.1</b>	<b>\$5,752.6</b>	<b>\$5,776.8</b>
Interest <sup>(a)</sup>	(\$0.2)	<b>(\$0.2)</b>	<b>\$0.0</b>	<b>\$0.0</b>
Reimbursements	\$501.6	<b>\$461.3</b>	<b>\$356.4</b>	<b>\$309.6</b>
Other Receipts <sup>(b)</sup>	\$3.2	<b>\$15.7</b>	<b>\$0.0</b>	<b>\$0.0</b>
FUTA CREDIT REDUCTION <sup>(c)</sup>	\$593.8	<b>\$945.2</b>	<b>\$1,292.4</b>	<b>\$1,665.3</b>
DISBURSEMENTS	\$6,243.3	<b>\$6,215.0</b>	<b>\$6,081.3</b>	<b>\$5,886.4</b>
Regular Benefits	\$6,223.7	<b>\$6,189.1</b>	<b>\$6,081.3</b>	<b>\$5,886.4</b>
Other <sup>(d)</sup>	\$19.5	<b>\$25.8</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 2014. Bolded numbers are estimates.  
Totals may not be exact due to rounding.

(a) Net Fund Interest Adjustment for the prior calendar year.

(b) 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.

(c) 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.

(d) Other Disbursements include 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.

\* The basis for the projections in this fund forecast is the June 2014 Labor Market Information Division economic outlook.

UNEMPLOYMENT INSURANCE FUND  
FORECAST FOR CALENDAR YEARS 2014 – 2016  
Table 2

	2013	2014(F)	2015(F)	2016(F)
<b>CLAIM ACTION</b>				
New Claims <sup>(a)</sup>	1,993,419	<b>1,756,000</b>	<b>1,718,000</b>	<b>1,667,000</b>
First Payments	1,195,742	<b>1,207,000</b>	<b>1,152,000</b>	<b>1,118,000</b>
Weeks Compensated	21,875,643	<b>21,868,000</b>	<b>20,399,000</b>	<b>19,505,000</b>
Average Duration	18.3	<b>18.1</b>	<b>17.7</b>	<b>17.4</b>
Weekly Benefit Amount				
Maximum/Minimum	\$450/\$40	<b>\$450/\$40</b>	<b>\$450/\$40</b>	<b>\$450/\$40</b>
Average (All Claimants)	\$285	<b>\$290</b>	<b>\$298</b>	<b>\$302</b>
<b>COVERED WAGES</b>				
Total Wages (Less Reimbursables) (In billions)	\$696.7	<b>\$724.4</b>	<b>\$760.8</b>	<b>\$799.2</b>
Average Weekly Wage	\$1,077.9	<b>\$1,091.5</b>	<b>\$1,114.4</b>	<b>\$1,144.7</b>
Taxable Wages (In billions)	\$110.9	<b>\$113.7</b>	<b>\$117.3</b>	<b>\$120.1</b>
Percent of Total Wages	15.9%	<b>15.7%</b>	<b>15.4%</b>	<b>15.0%</b>
Regular Benefits/Taxable Wages	5.6%	<b>5.4%</b>	<b>5.2%</b>	<b>4.9%</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>	5.13%	<b>5.02%</b>	<b>4.88%</b>	<b>4.82%</b>
<b>EMPLOYMENT</b>				
Average Covered Employment	15,137,288	<b>15,544,000</b>	<b>15,989,000</b>	<b>16,352,000</b>
Reimbursables - Average Covered Employment	2,755,673	<b>2,830,000</b>	<b>2,911,000</b>	<b>2,977,000</b>
All Others - Average Covered Employment	12,381,615	<b>12,714,000</b>	<b>13,078,000</b>	<b>13,375,000</b>
Contributions/Employment All Others <sup>(c)</sup>	\$457	<b>\$451</b>	<b>\$440</b>	<b>\$432</b>
<b>CALIFORNIA LABOR DATA <sup>(d)</sup></b>				
Civilian Labor Force	18,596,000	<b>18,701,000</b>	<b>18,914,000</b>	<b>19,098,000</b>
Unemployment Level	1,663,000	<b>1,421,000</b>	<b>1,277,000</b>	<b>1,166,000</b>
Civilian Unemployment Rate	8.9%	<b>7.6%</b>	<b>6.7%</b>	<b>6.1%</b>

**(F) Forecast:** Last actual data for wages and employment through fourth quarter of 2013. 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 does not include the FUTA Credit Reduction totals. With FUTA, 2013 equals \$506; 2014 would equal \$526; 2015 would equal \$539; 2016 would equal \$556.

(d) California Labor Data is from the Labor Market Information Division's June 2014 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

the 2011 tax year, and is estimated to result in costs of \$606.6 million for the 2012 tax year and \$945.2 million for the 2013 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 and 2014. Moreover, an additional 0.3 percent reduction to the federal tax credit will be applied for each subsequent year (up to a maximum of 5.4 percent credit reduction) as California continues to have an outstanding federal loan.

## **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.

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.



### ***Federal Emergency Unemployment Compensation (EUC) Benefits:***

July 2008 Federal legislation for all states provided up to 13 weeks of extended benefits for workers who exhausted their regular UI benefits. November 2008 Legislation added up to seven weeks to the earlier extension (EUC Tier I), for a total of up to 20 weeks. These added benefits were only payable for weeks beginning on or after November 23, 2008, and included a second extension (EUC Tier II) of up to 13 weeks for high unemployment states, which included California, and also added an extra \$25 of UI benefits for each week a claimant was eligible for at least \$1 in UI benefits, also known as the Federal Additional Compensation (FAC). February 2010 legislation added additional extensions including Tier III (an additional 13 weeks), Tier IV (an additional 6 weeks), and an additional week to Tier II. For Tier II, an additional week of benefits was added to the original 13 weeks for a total of 14 weeks. FAC benefits expired as of December 11, 2010.

The "Middle Class Tax Relief and Job creation Act of 2012," enacted February 22, 2012, made some modifications to the original EUC provisions, lowering the total potential weeks available for Tiers I and III, and increasing the potential weeks available for Tier IV. This act did, however, ensure these 100% federally funded EUC benefits would continue through 2012. The "American Tax Payer Relief Act" enacted January 1, 2013, extended the last date to file EUC Tiers I - IV to December 22, 2013, however, due to the declining unemployment rate in California, the EUC Tier IV program ended, with no new claims filed after August 18, 2013. Individuals who established a Tier IV claim with an effective date of August 11, 2013, or before, could collect the remaining amount of their claim. The last payable date for all EUC claims was December 28, 2013.

## **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 CUIA, 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 CUIA 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.

**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)

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

**Average Contribution Rate:**

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

## **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)