

# Fact Sheet

## EMPLOYMENT DEVELOPMENT DEPARTMENT

The California Employment Development Department (EDD) offers a wide variety of services to millions of Californians under the Employment Services, Unemployment Insurance, State Disability Insurance, Workforce Development, and Labor Market Information programs. As California's largest tax collection agency, the EDD also handles the collection, accounting, and auditing of payroll taxes, and maintains employment records for nearly 17 million California workers.

One of the largest departments in state government, the EDD has nearly 10,000 employees providing services at hundreds of locations throughout California. What follows is a brief look at the EDD's offerings.

### Employment Services

The federal Workforce Innovation and Opportunity Act (WIOA) of 2014 provides universal access to an integrated array of employment and training services through the America's Job Center of California<sup>SM</sup> (AJCC) network. These services are offered through a collaborative partnership between the EDD and Local Workforce Development Areas statewide at no cost.

The WIOA helps job seekers succeed in the labor market by providing access to employment, education, training, and support services while matching employers with the skilled workers they need to compete in the global economy by:

- Linking California employers and qualified job seekers based on employers' requirements and job seekers' qualifications.
- Providing comprehensive services to employers including applicant pool and screening, space to conduct interviews, and much more.
- Accessing CalJOBS<sup>SM</sup>, an online labor exchange system, gives employers the ability to directly post job openings and search, screen, and select employees from a large database of resumes.
- Allowing job seekers to browse and apply for available jobs, create quality resumes, post resumes online to be visible to potential employers, and set up customized alerts to be immediately notified of job openings on CalJOBS<sup>SM</sup>.
- Assuring priority of services to veterans.
- Offering targeted assistance, such as job search workshops, case management services, and referral to education, training, and supportive services to individuals with barriers for employment.

### Workforce Development

#### Worker Adjustment and Retraining Notification (WARN) ACT

The WARN Act, requires employers to give a 60-day advance notice to employees affected by relocations, plant closures, or mass layoffs. Through the WARN Act, EDD can respond quickly by providing affected employees with direct support and access to services through AJCC locations.

- The Trade Adjustment Assistance (TAA) Program assists workers who have been laid off or threatened with layoff due to foreign trade to regain employment through the use of employment, training, and case management services. An eligible worker may qualify for job search and relocation allowances, and income support in the form of Trade Readjustment Allowances (TRA).
- The California Work Opportunity Tax Credit (WOTC), which promotes the hiring of individuals who qualify as members of certain target groups, by providing a federal tax credit incentive of up to \$9,600 for employers who hire them.

### State Disability Insurance

Through the State Disability Insurance (SDI) program, the EDD provides partial wage-replacement benefits to eligible California workers. The SDI program stabilizes California's economy and is designed to assist those who cannot work due to a disability or a family leave.

Funded through state mandated payroll deductions, the SDI program is comprised of two separate benefits for California workers: Disability Insurance (DI) and Paid Family Leave (PFL). DI provides benefits to workers who have a loss of wages when they are unable to work due to a non-work-related illness, injury, or pregnancy. PFL

provides benefits to workers who have a loss of wages while taking time off work to care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner. Benefits are available to parents to bond with a new child entering the family through birth, adoption, or foster care placement. Benefits are also available to workers who take time off to participate in a qualifying event as a result of a spouse, registered domestic partner, parent, or child's military deployment to a foreign country.

Both DI and PFL claims may be filed online using [SDI Online](https://edd.ca.gov/disability) (<https://edd.ca.gov/disability>). Information is available by phone and online 24 hours a day. Visit [SDI Office Locations](https://edd.ca.gov/Disability/Contact_SD1.htm) ([https://edd.ca.gov/Disability/Contact\\_SD1.htm](https://edd.ca.gov/Disability/Contact_SD1.htm)) for more information about in-person services.

## Unemployment Insurance

Through the Unemployment Insurance (UI) program, the EDD provides partial wage-replacement benefits to eligible California workers. The UI program is funded from UI taxes paid by employers annually on the first \$7,000 of each employee's wages.

The Unemployment Insurance program provides a strong stabilizer to California's economy and is designed to assist those who are out of work due to no fault of their own. In addition to being out of work due to no fault of their own, key eligibility requirements include being physically able to work, being available for work, and looking for work each week.

To file a UI claim, the EDD offers multiple filing methods including internet, phone, mail, and fax. In addition, [UI Online<sup>SM</sup>](https://edd.ca.gov/UI_Online) ([edd.ca.gov/UI\\_Online](https://edd.ca.gov/UI_Online)) allows claimants to file and manage their claims online.

Additional information on the UI program can be found on the [EDD's website](https://edd.ca.gov) ([edd.ca.gov](https://edd.ca.gov)).

## Employment Training Panel

The Employment Training Panel (ETP) supports California businesses by improving workforce skills through:

- Retraining programs for current employees of companies facing out-of-state competition – Primarily companies in manufacturing, biotechnology and life sciences, information technology services, health care, and other high-wage/high-skill sectors.
- New-Hire programs to train current UI recipients and/or those who have exhausted their UI benefits within the previous 24 months.

- Special Employment Training programs for companies and/or front-line workers who meet eligibility requirements. They must be:
  - o Small business owners.
  - o Workers of companies that do not face out-of-state competition.
  - o Workers who earn at least the state average hourly wage.
  - o Workers with barriers to full-time employment.
  - o Workers employed by companies in seasonal industries.
- Training to support workforce development for veterans, at-risk youth, and displaced workers.
- Workforce training funds to support career technical education and apprenticeship programs.
- A partnership with the California Energy Commission to deliver workforce development and training that supports employment in the renewable/alternative fuels and clean-vehicle industries.

For more information, visit the [ETP](https://etp.ca.gov) ([etp.ca.gov](https://etp.ca.gov)) internet site.

## Tax

The EDD administers the collection, accounting, and auditing functions of California's payroll tax program. The program consists of UI and Employment Training Tax, which are employer contributions, and SDI and Personal Income Tax (PIT), which are withheld from employees' wages. The Tax Branch performs the following activities to support the state's employment tax program:

- Collect payroll taxes.
  - In State Fiscal Year (SFY) 2019-20, nearly \$86 billion were collected including nearly \$72 billion in PIT.
- Process payroll tax returns.
  - In SFY 2019-20 more than 50 million documents, both paper and electronic, were captured.
- Collect benefit overpayments from claimants, including UI and DI.
  - In SFY 2019-20 more than \$221 million were collected by the UI and Tax Branches.
- Collect new hire and independent contractor information to support programs which locates parents who are delinquent in child-support obligations.

- Provide outreach and education to employers regarding their state employment-tax obligations in order to help promote voluntary compliance.
- Lead the Joint Enforcement Strike Force to help combat the underground economy, a partnership of seven state agencies that combat non-compliance with state tax, labor, and licensing laws.
- Provide employers and agents online access to their accounts through the EDD's [e-Services for Business](http://edd.ca.gov/e-Services_for_Business) ([edd.ca.gov/e-Services\\_for\\_Business](http://edd.ca.gov/e-Services_for_Business)). They can manage their payroll tax accounts, make deposits, file returns, and more, 24 hours a day, 7 days a week.

a disabling condition, care for an ill family member, or bond with a new child.

- Works with local community groups to develop programs that increase employment and educational opportunities for people with special needs.

To find the EDD office nearest you, visit the [EDD'S website](http://edd.ca.gov) ([edd.ca.gov](http://edd.ca.gov)).

## Labor Market Information

The EDD's Labor Market Information Division (LMID) is the state's premier source for high quality and timely economic and workforce information. The LMID collects, analyzes, and publishes labor market data describing a state's diverse economy with more than 1.4 million employers and more than 19 million individuals in the civilian labor force. Visit the [labor market information page](http://labormarketinfo.edd.ca.gov) ([labormarketinfo.edd.ca.gov](http://labormarketinfo.edd.ca.gov)) to access LMID data and reports on California's labor force, industries, occupations, employment projections, wages, and other important resources.

LMID's local labor-market consultants are placed in key cities throughout California and can assist customers locate and understand local labor-market information, provide analysis of regional employment and economic trends, and are available to make presentations.

## Additionally, the EDD:

- Works with the California Employer Advisory Council, the statewide umbrella organization for 48 local Employer Advisory Councils throughout the state. Members represent a cross-section of businesses and industries. Their mission is to assist the EDD in improving services to California's employers.
- Through the SDI Elective Coverage program, offers business owners and self-employed individuals afford to protect themselves against loss-of-income due to

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The EDD is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Requests for services, aids, and/or alternate formats need to be made by calling 1-866-490-8879 (voice). TTY users, please call the California Relay Service at 711.