

FACT SHEET



EMPLOYMENT DEVELOPMENT DEPARTMENT

The California Employment Development Department (EDD) offers a wide variety of services to millions of Californians under the Employment Service, 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. Here is a brief look at what the EDD offers:

Employment Services

The federal Wagner-Peyser Act and the Workforce Innovation and Opportunity Act of 2014 authorize the EDD to offer universal access to an integrated array of labor exchange and employment services as a fundamental part of the America's Job Center of CaliforniaSM (AJCC) statewide delivery system. Based on customer choice, the EDD provides these quality services via self-service, online, and staff-assisted service.

The EDD:

- Links California employers and qualified job seekers based on employers' requirements and job seekers' qualifications.
- Provides comprehensive services to employers including applicant pool and screening, space to conduct interviews, and much more.
- Administers CalJOBSSM, an online labor exchange system that gives employers complete access to post job openings directly and search, screen, and select employees from a large database of résumés.
- Grants job seekers full access to CalJOBSSM through self-registration to browse and apply for available jobs, create quality résumés, post résumés online to be visible to potential employers, and set up customized alerts to be immediately notified of job openings.
- Is committed to state and local economic development and workforce preparation services.

- Assures priority of services to veterans.
- Offers targeted assistance, such as job search workshops, case management services, and referral to education, training, and supportive services to individuals with barriers for employment.

Through regional Local Workforce Development Areas (Local Areas), the EDD oversees a comprehensive approach for providing workforce development activities. The Local Areas administer the federally funded program through activities that benefit job seekers, dislocated workers, youth, incumbent workers, new entrants to the workforce, veterans, people with disabilities, and employers. These activities promote an increase in employment, job retention, wages, and occupational skills of the participants, and contribute to the global economic environment in California.

The AJCC locations serve individuals who are seeking employment, changing jobs, re-entering the workforce, and learning new skills, as well as those employers who are looking for qualified individuals to fill their vacancies. The job centers provide an array of services to businesses and job seekers under one roof and at no cost. Some of the programs offered include:

- The Worker Adjustment and Retraining Notification Act (WARN), which requires employers to give a 60-day advance notice of plant closures or mass layoffs to affected employees. The state provides these dislocated workers with special assistance and access to services through AJCC locations.
- The Trade Adjustment Assistance program, which offers a full range of employment services including training, job search allowances, and relocation allowances to workers who lost their jobs as a result of increased imports, or shift in production to foreign countries.
- The California Work Opportunity Tax Credit (WOTC), which promotes the hiring of individuals who qualify as members of target groups, by providing a federal tax credit incentive of up to \$9,600 for employers who hire them.

State Disability and Unemployment Insurance

Through the Unemployment Insurance (UI) and State Disability Insurance (SDI) programs, the EDD provides partial wage-replacement benefits to eligible California workers. These insurance programs provide a strong stabilizer to California's economy and are designed to assist those who are out of work.

Funded through employee payroll deductions, the SDI program is comprised of two separate benefits: Disability Insurance (DI) and Paid Family Leave (PFL). DI provides benefits to eligible workers who suffer a loss of wages when they are unable to work due to a non-work-related illness, injury, or pregnancy. PFL provides benefits to covered workers who have a wage loss due to the need to provide care for a seriously ill child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner, or to bond with a new child.

Both DI and PFL claims may be filed online using SDI Online, which is available at www.edd.ca.gov/disability. Information is available by phone and online 24 hours a day. SDI Online Mobile is available and can be accessed anywhere from a computer, smartphone, or tablet. In-person assistance continues to be offered at all local SDI sites.

The UI program is funded from UI taxes paid by employers on the first \$7,000 of each employee's wages. The UI program provides unemployment insurance payments to workers who lose their job through no fault of their own and who are able to work, available for work, looking for work each week, and who meet all other UI eligibility requirements.

For UI claims, the EDD offers multiple filing methods including Internet, phone, mail, and fax. For additional information, the UI Internet application (eApply4UI), UI OnlineSM, and paper UI applications are available on the EDD's website at www.edd.ca.gov. Claim information is available online at UI OnlineSM and by phone 24 hours a day.

In 2014, the EDD:

- Paid \$6.1 billion in regular UI benefits (excluding any federal extensions), and over \$5.3 billion in SDI benefits.
- Received and processed more than 2.8 million initial regular UI claims (excluding extensions) and over 938,000 SDI claims.

Employment Training Panel

The Employment Training Panel (ETP) provides funds to California businesses to support workforce training programs as follows:

- Retraining programs to train 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 frontline workers who meet the eligibility requirements below:
 - Small business owners.
 - Workers of companies that do not face out-of-state competition.
 - Workers who earn at least the state average hourly wage.
 - Workers with barriers to full-time employment.
 - Workers employed by companies in seasonal industries.

The ETP also funds training to support workforce development for veterans, at-risk youth, and displaced workers impacted by the recent drought. Additionally, the ETP program provides workforce training funds to support career technical education and apprenticeship programs, and partners with the California Energy Commission to deliver workforce development and training that supports the development and employment of renewable and alternative fuels and clean vehicle technologies in the marketplace. For more information, visit the ETP Internet site at www.etp.ca.gov.

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 SFY 2013-14, nearly \$59 billion was collected including nearly \$47 billion in PIT.
- Process payroll tax forms, UI, and DI benefit claim forms.
 - In SFY 2013-14 more than 62 million documents were captured.
- Collect benefit overpayments from claimants, including UI and DI.
 - In SFY 2013-14 more than \$408 million was collected by the UI and Tax Branches.
- Collect new hire and independent contractor information to support programs, which locates parents who are delinquent in their 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 EDD's 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. For additional information go to <https://eddservices.edd.ca.gov>.

Labor Market Information

As the major source of labor market information in California, the EDD provides national, state, and local area employment and unemployment statistics, economic planning information, career information, and other labor market statistics. Visit LMID's website at www.labormarketinfo.edd.ca.gov to access data, applied research studies, and publications on a wide variety of economic and employment issues, needed to make informed Information is available on employment, unemployment, industry and occupational outlook, wages, social and demographic characteristics, and other labor market topics. Locally based staff can assist customers to locate and understand the local information they need.

Additionally, the EDD:

- Works with the California Employer Advisory Council, the statewide umbrella organization for 45 local Employer Advisory Councils located throughout the state. Members represent a cross-section of business and industry, and their mission is to assist the EDD in improving services to California's employers.
- Offers business owners and self-employed individuals the opportunity to protect themselves against loss of income due to a disabling condition, or the need to care for an ill family member, or bond with a new child through the SDI Elective Coverage program.
- 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 our Internet site at www.edd.ca.gov.

The EDD is an equal opportunity employer/program.
Auxiliary aids and services are available upon request to individuals with disabilities.