

FACT SHEET



UNEMPLOYMENT INSURANCE ALTERNATE BASE PERIOD PROGRAM

In April 2012, the Employment Development Department (EDD) implemented the Alternate Base Period (ABP) program in accordance with California law. Under certain circumstances, the ABP program requires the EDD to use more recently earned wages to calculate monetary eligibility for new Unemployment Insurance (UI) claims.

The ABP provisions only apply to unemployed individuals who do not qualify for a UI claim based on the current Standard Base Period, but monetarily qualify for a UI claim based on the Alternate Base Period. The current "Standard" Base Period is the first four of the last five completed calendar quarters prior to the beginning date of the UI claim. The "Alternate" Base Period is the four most recently completed calendar quarters.

Employer Quarterly/Annual Wage Reporting

California's ABP law does not change employers' current statutory wage reporting requirements. However, employers may receive requests for wage information before their customary wage reports are due.

Requests for ABP Wages

The EDD will only request wages from employers if it appears that individuals have enough wages to qualify for a UI claim using the ABP and the wages are not showing in the EDD's database.

When it is necessary for the EDD to obtain the wages from the employer, a *Request for Wages* (DE 1919) will be mailed to the employer. Employers will be asked to provide specific wage information related to specific quarters and to respond in accordance with the instructions provided on the form. Employers will have 10 days to respond to the EDD's request for wages.

In addition to mailing the employer a DE 1919, the EDD will mail the unemployed individual an *Affidavit of Wages* (DE 23A) to request the wage information from the unemployed individual.

If the employer fails to respond to the DE 1919 within 10 days, and the individual returns the DE 23A along with tangible proof of wages he/she earned, California's ABP law requires the EDD to file the UI claim based on the wage information provided by the individual.

Untimely Employer Responses to Wage Requests

It is important for employers to respond timely within 10 days to the EDD's original DE 1919. Pursuant to California's ABP law, if the base period wages on an ABP claim are later adjusted, no overpayment will be established on the ABP claim, unless the claim was funded based on fraudulent information provided by the claimant. This means that employers who do not respond timely to the EDD's original DE 1919 may incur reserve account charges they might not have otherwise incurred had they responded timely.

Minimizing ABP Wage Requests

The EDD understands that employers are vital to California's economy and that today's employers are very busy. In order to minimize the number of potential ABP wage requests that employers receive, the EDD recommends that employers:

- File returns and reports as quickly as possible following the due dates.
- Explore the advantages of using the EDD's e-Services for Business that enables employers to file their returns and reports electronically.

For More Information

More information **for employers** can be found in the *2014 California Employer's Guide* (DE 44) available on the EDD website at www.edd.ca.gov.

More information **for individuals filing for UI benefits** is available on the EDD website at www.edd.ca.gov.

For more information on other EDD programs and services, or to apply for UI benefits online, visit the EDD website 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.