POLICY BRIEF

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An Analysis of Unemployment Insurance Claims in California During the COVID-19 Pandemic

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SUMMARY

A defining feature of the COVID-19 crisis in the labor market has been sharp and historically unprecedented increases in the number of initial unemployment insurance (UI) claims. This policy brief uses close to real-time information on daily initial UI claims in California from the state's Employment Development Department to better understand the magnitude of COVID-19's labor market impacts and how different types of workers are experiencing these impacts. This research is based on a partnership between the Labor Market Information Division of the California Employment Development Department and the California Policy Lab, a research center at the University of California, with sites at the UCLA and Berkeley campuses.

The size and richness of the administrative data we use allows examining how the crisis in the labor market has affected workers by gender, age, education, race, and ethnic groups, as well as by detailed regions and industries. These analyses complement both traditional survey-based measures of labor market outcomes, which are very detailed but suffer from large lags and low frequency, and weekly publications of total UI claims, which are timely but lack the detail available here. Our findings are especially important given the fast-moving nature of the crisis and their potential usefulness in better assisting workers and firms affected by the upheaval in the labor market.

Relative to the brief published on June 11th, this brief presents new estimates of the number of individuals receiving UI benefits in a given week, which of these received partial UI, and which of these were denied their payment because of earnings. The brief also analyses the impact of Pandemic Unemployment Assistance (PUA) and Federal Pandemic Unemployment Compensation (FPUC) on unemployed workers in California. The brief reports information on new claims through June 20th, and hence allows us to take stock on the state of the labor market during the reopening of the California economy.

Unless otherwise stated, we focus on initial claims for regular UI benefits originating from claimants residing in California. In this policy brief, we will refer to these claims as "initial UI claims."[1] We will also report information on initial claims to Pandemic Unemployment Assistance for those that do not qualify for regular UI benefits, as well as payment information from Continuing Claims data.

Key Insights from mid-March to June 20th:

- In the week ending June 6, 3.2 million claimants, or about 16.4% of the CA labor force, were potentially eligible to receive unemployment insurance benefits. 2.65 million individuals, or 13.6% of the labor force, received full benefits, without a reduction for earnings. Unlike more common statistics of weekly UI payment receipt, this measure counts claimants in terms of when they were unemployed, not when they were paid (which is usually several weeks later).
- Without $600/week additional benefits from FPUC, more than half of all potential eligible UI claimants would receive benefits below the Federal Poverty Level. California claimants have received $1.8 billion in FPUC payments between May 31st and June 6th.

- We find the number of individuals receiving UI benefits is 91% of the number that report themselves unemployed in the May Current Population Survey. The percentage is likely smaller for broader measures of underemployment currently not published at the state level.
- Labor market signals from UI data are uneven. Reflecting continuing difficulties in the labor market, the number of initial UI claims has increased steadily in the past four weeks. In each of the last four weeks, initial UI claims were double the peak of weekly initial claims in the Great Recession.
- Over one in three California workers has filed for UI benefits since the start of the COVID-19 crisis in mid-March. The industry and demographic distribution of the last four weeks of claims has been largely unchanged and has become more evenly distributed across industries and demographic groups compared to the beginning of the crisis, confirming the recession is now affecting most sectors and individuals in the state.
- In a sign of partly improving labor market conditions, about 1 in 6 potential UI beneficiaries had their benefits denied or reduced because of earnings in the week ending June 6th. The fraction of UI claimants with some earnings was increasing rapidly in Retail Sales and Accommodation and Food Services. Only workers earning less than two thirds of their prior weekly wages qualify for partial UI and FPUC, creating a difficult decision for workers in an uncertain labor market.
- We find that in the week ending June 6th, a total of 537,485 individuals (or 2.8% of the labor force) either received partial UI or were denied benefits because of excess earnings. This indicates a substantial fraction of individuals that recently returned to work are working reduced hours and may still be attached to the Unemployment Insurance system.
- The cumulative impact of the crisis remains substantially greater for less advantaged workers – over one in three women, close to one in two members of Generation Z, and almost two out of three workers with a high school degree have filed for benefits.
- A silver lining of more recent increases in initial UI claim is that the self-reported rate of recall reversed its downward trend. However, while the shift occurred throughout demographic and industry groups, the gap between Black workers and other ethnic and race groups has remained stable.
- As the economy slowly re-opens, programs such as Work Sharing, which allow working claimants to keep a share of their UI benefits and maintain eligibility for the $600 FPUC payment, would help strengthen the financial outlook for workers who are working at reduced time and earnings.

This policy brief was first published on April 29, 2020, and it will be updated regularly as additional information on UI claims becomes available. Administrative data sources such as these sometimes get revised, and the numbers in this policy brief should be taken as preliminary.

Acknowledgments

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Initial UI Claims Rising Again

There were a total of 379,480 initial Unemployment Insurance (UI) claims filed in the week of June 14th – June 20th in California, an 18% increase from the 321,367 filed during the week of June 7th – June 13th, and a 12% increase from 338,410 filed during the week May 31st – June 6th. These numbers include Pandemic Unemployment Assistance (PUA) claims, which the EDD began processing on April 28th. PUA claims made up 22% of total claims during the week ending June 20th, and the share has remained steady throughout June. (Table 1). Accounting for both PUA and regular UI, over one third (34%) of the entire labor market in California has now filed for Unemployment Insurance benefits. The downward trend in initial UI claims seen in April and early May appears to have not only stopped, but reversed, as initial claims have risen 3 of the last 4 weeks. Worryingly, this trend reversal is occurring while initial claims are still at levels never before seen prior to the COVID-19 pandemic. In the single worst week of the Great Recession, (Week ending January 9th, 2010), California recorded 115,000 initial regular UI claims. Regular initial claims have been at least *double* this previous peak in 5 of the last 6 weeks, and 11 of the past 13 weeks.

Accordingly, the cumulative number of claims during the COVID-19 crisis continues to climb to historical heights. Over 6.6 million initial claims were filed in California in the fourteen weeks between March 15th and June 20th. In contrast, during one of the worst years of the Great Recession, 2010, California experienced

about 3.8 million initial claims, just over 60 percent of what we have seen in this crisis.[2] Since initial UI claims began to grow quickly starting the week beginning March 15th, we treat that date as a benchmark for the start of the COVID-19 related crisis in the labor market. We treat claims and employment in February as the pre-crisis benchmark that is not yet affected by the COVID-19 crisis.

Since March 15th, 34% of the California labor force has applied for benefits (Table 9). Typically, not all unemployed workers apply for UI. Later in this report, we directly compare the number of UI claimants with estimates of the number of unemployed.

Younger, Lower-Educated, Asian, and Black Workers Continue to be Most Affected by the Crisis

The COVID-19 crisis in the labor market continues to have a disproportionate impact on women, younger workers, lower educated workers, Hispanic workers, and Black workers. This summary updates a more in-depth discussion from our report released on May 7th. Women continue to file over half of all UI claims (53% in week ending June 13th), despite only making up 45% of the labor force (Table 2).[3]

By May 23rd, over 38% of women in the labor force have filed initial UI claims since the start of the crisis in mid-March, compared to 30% of Men (Table 9). Younger workers also continue to be disproportionately affected by the crisis, with over half of 20-24 year-olds in the labor force filing for benefits since mid-March (Table 9). Figure 2 breaks the data out by birth cohorts. Over the last six weeks, there has been little change in the generational distribution of claimants, though there has been a subtle trend towards a lower share of older claimants (Baby-Boomers).

The share of claims by education level of workers has returned to pre-crisis levels (Figure 3), though cumulatively, lower-educated workers have been disproportionately impacted, with over 49% of workers with a high school degree or less filing for UI benefits (Table 7). Not including PUA claims, we see that almost 30% of workers with some college filed for regular UI benefits since the onset of the crisis, over twice the share seen by workers with a Bachelor's degree (Table 4). Finally, the share of claims from self-reported Asian claimants continues its gradual decline towards pre-crisis levels since peaking in mid-April. In contrast, the share of Hispanic and Black claimants is steadily rising towards its pre-crisis level (Figure 4). Including PUA, over 39% of Black workers and 36% of Asian workers have filed for UI benefits since the beginning of the crisis (Table 9).

About 80% of New Initial Claims Were Found to be Eligible for Their First Benefit Payment

An important question is whether and which UI claimants are ultimately paid benefits, and how long they have to wait for them after filing a claim. We focus on the status of the first payment of new initial UI claims filed since the start of the COVID-19 crisis in the labor market on March 15th. We find that among the 6.6 million new initial UI claims filed since March 15th (the start of the COVID-19 crisis), 3.6 million have received at least one payment by June 20th (Column 2 of Table 6). These claimants had their initial claims approved, subsequently certified that she or he was still unemployed, and received benefits.[4]

Most claims filed within the last two to weeks are likely still being processed. There are several other reasons for an initial claim submitted earlier could go unpaid, either temporarily or permanently, and we do not observe all of this information. However, we can identify a key additional group of claimants who certified that they were seeking benefits, but were denied payment because of their employment status in the given week. During the same time period (March 15th – June 20th), we find there were 357,000 such claims (3.945 million potentially eligible - 3.587 million paid) (Table 6).

In order to better approximate the group of claims that could have been paid, we define a claim as 'potentially eligible' for a benefit payment if it either was paid or would have been paid if not for excess earnings in the relevant week. Among claims filed since March 15th, 3.95 million new initial UI claims fit our definition of potentially eligible (Table 6).[5]

For regular UI claims filed between March 15th and May 30th, we approximate that 77% of initial claims were potentially eligible for their first payment (Table 6).[6] Claimants that were not found to be potentially eligible for their first payment may be eligible in subsequent weeks. It is difficult to assess the status of more recently-filed claims (i.e., claims filed after May 30th) because of normal time lags in processing of first payments. We found that, for the median claimant, just under two weeks passed between claim filing and the date when the first payment was certified, which usually means a payment was processed. This was relatively unchanged throughout the crisis. It is important to note that we only observe time to first payment information for claims we labeled as potentially eligible.

When looking at demographic characteristics (Table 6), we find that the fraction of claims potentially eligible for first payments is high among all groups, but that Black workers, younger workers,

and older workers had the lowest rates of potential eligibility. Moving to percent of claims paid, the average is 70.2%, with claims from Black workers (66.5%) and from middle-aged workers (68-69%) on the lower end, and workers aged 20-24 (77%) at the higher end. The data we analyzed does not explain the reasons for lack of eligibility beyond initial denial which can be either due to issues pertaining to program rules or because the claimant did not certify after being found eligible.

Close to 16% of the Labor Force in California is Currently Receiving UI Benefits

In this section, we report new estimates of the total number of individuals eligible to receive benefits in a given week. The number we produce is directly comparable to the number of unemployed individuals or the number in the labor force reported from Current Population Survey data. Unemployment statistics typically show the total number of UI payments that were "certified" in a given week, not the number of UI recipients who were actually unemployed in a given week. Since individuals can certify for payments for multiple weeks retroactively, both the level and the timing of this measure may not accurately reflect the number of individuals actually receiving benefits. Our measure sidesteps these problems by focusing directly on the number of individuals receiving UI benefits for any given week and hence provides a more accurate measure UI benefit trends as they evolve. In addition, our approach allows examining how many individuals substantially benefit from the $600/week FPUC benefit in the next section.

Once a UI claim is deemed eligible, the claimant must meet separate eligibility criteria in each week of unemployment to receive payment for that week. These weekly eligibility criteria are verified through a process known as certification. To receive benefits, in California claimants have to certify for benefits every other week. At each certification, a claimant informs the EDD that they met the relevant eligibility criteria in the two (or more) weeks that they are requesting payment for, including whether they had any earnings in the relevant week. Importantly, at the time of certification these weeks are *in the past*. This means that measures of UI receipt which count payment certifications in each week reflect unemployment experienced at least 1-2 weeks prior.

Since UI claimants in California typically certify for payments for two weeks at a time, the total number of payment certifications per week should be approximately equal to the number of individuals receiving UI benefits. However, the two numbers can differ for several reasons. First, claimants sometimes certify retroactively for more than two weeks. This might happen if a claimant's initial eligibility took longer than normal to establish, or if a claimant simply delayed their certification for some other reason. Second, the number of payments certified can be affected by changes in the speed of processing of benefit claims. Finally, if workers delayed filing for UI benefits even though they are unemployed, it would lead certifications processed to be initially below the number of individuals being paid, and then higher if individuals certify retroactively for those weeks in unemployment.

Instead of counting the number of payments by the week of their certification, we are instead counting the number of people that either receive UI benefits or are denied benefits because of excess earnings *for a given week of unemployment*. We call individuals that were either paid UI benefits in a given week, or who could have received benefits if not for excess earnings in that week `potentially eligible'. Figure 5 shows that the number of individuals potentially eligible for UI benefits for a given week of unemployment has evolved more gradually than payment certifications. There is evidence of an initial lag as unemployed individuals started to file for benefits and had their payments processed. Starting early May, the number of UI recipients has been gradually declining, suggesting an improvement in labor market conditions. (We do not show the weeks since June 6th, since too few claims have been processed for meaningful analysis.) It also appears that processed payments in May and June are larger than the number of individuals receiving benefits, likely because individuals retroactively claimed benefit weeks.

The figure also shows the number of individuals certifying for benefits each week. This line is smaller than the number of individuals receiving benefits, since the bi-weekly pattern of certification implies only half of claimants have to certify each week. These findings confirm that the number of people certifying is roughly half the number of people receiving individual benefits. This ratio doesn't hold when looking at the ramp-up of filing and processing at the start of the crisis, and during the lag in processing in June.

Using our approach of counting individuals paid for a given week, we find that for the week ending on June 6th (the last week this can be measured in our data given typical processing lags), 3.2 million individuals were potentially eligible to receive UI benefits (Table 7). Among those potentially eligible, we find 7.1% of individuals were denied benefits in the week ending June 6th because of excess earnings (column 4 of Table 7). When looking only at those that were paid partial or full benefits, we find that in the week ending on June 6th, 3 million received UI benefits. Among these, we find that 10.5% had partial UI, i.e., their WBA was reduced because of positive earnings in the given week.[7]

In contrast to payments certified, the number of individuals being paid UI benefits can be directly compared to estimates of the number of individuals in the labor force or the number of individuals unemployed from the Current Population Survey (CPS). Among

individuals in the California labor force in February, our pre-crisis benchmark, 16.4% were potentially eligible for UI benefits the week ending June 6th. Since some individuals dropped out of the labor force due to the COVID-19 crisis, the fraction relative to the labor force in May is greater at 17.3% (shown in Appendix Table 7B). If one uses the number of individuals actually paid UI benefits in the week ending June 6th, the fraction of the February labor force is 15.2% (and 16.1% of the May labor force). These numbers are discussed further in the context of appropriate benchmarks in next section.

Table 7 shows the same statistics for various demographic groups. The fraction of the labor force potentially eligible to receive UI benefits is substantially higher for groups that have been most affected by the crisis. For example, the fraction of potentially eligible workers in the February labor force has been above 20% for young workers, Black workers, and less educated workers. These fractions are lower than the cumulated fraction of workers filing for UI benefits since the start of the COVID-19 crisis among the labor force reported elsewhere in this report, since not all UI claimants are eligible, and some UI claimants have returned to work and are not counted as UI claimants in Table 7. We discuss how many unemployed people are likely to get UI benefits in California in the next section.

A Large Fraction of Unemployed People Are Likely Eligible to Receive UI Benefits in California

A key question during the COVID-19 crisis in the labor market has been how the number of individuals receiving UI benefits compares to the number of people reporting themselves unemployed in the CPS (the data source of the official unemployment rate). This question is difficult to answer with commonly available measures of UI receipt, since those measures count the number of payments by certification dates, not the number of individuals when they are unemployed. We believe that our estimates of the number of individuals receiving UI benefits for a given week of unemployment are better suited to answering this question. Using these estimates, we find that the number of individuals being paid their full UI benefits (i.e., that do not have any partial employment) is somewhat smaller than the number reporting themselves unemployed in the CPS. However, a more appropriate benchmark is a measure that includes discouraged workers which is currently not published for the state of California.

The official unemployment rate is defined as the fraction of individuals in the labor force that report themselves out of work, and wanting and actively searching for a job. In May, there were 3 million such unemployed in California, leading to an unemployment rate of 16.3%.[8] The most comparable number are those UI recipients that do not work and hence received their full benefits, which from Table 7 are 2.65 million (89.5% of column 2), amounting to 14.4% of the May labor force (Appendix Table 7B). This suggests that a large share of the unemployed may be receiving UI benefits. However, the official unemployment rate does not count individuals that want a job but are not looking for work. Since the typical requirement to look for a job is not being enforced in California during the COVID-19 crisis, such workers are likely receiving UI benefits. Moreover, as discussed in this report, many UI recipients have partial earnings while unemployed. Thus, our UI estimate of unemployment is likely to capture workers not included in the official unemployment definition.

A more comprehensive measure of unemployment that captures workers that want a job but are currently not actively searching for one, or workers working part-time but wanting full-time work — both groups likely to be among current UI recipients — stood at 21% at the federal level in May.[9] While this number was not reported at the state level, our own calculations based on the May CPS suggest it was closer to 25% in California. In contrast, the fraction of all UI beneficiaries paid (including those on partial UI) among the May labor force was 16.1% (Appendix Table 7B), suggesting that there is a share of underemployed workers not currently receiving UI benefits either because they have not applied or they are not eligible. Some UI claimants are also denied benefits due to excess earnings and if we include these claimants the fraction of the labor force receiving UI payments rises to 17.3%.

In the final column of Table 7, we directly show the ratio of the number of UI beneficiaries that do not work (and so do not have their benefits reduced) and the number of workers reporting themselves to be unemployed in the CPS. This ratio is often referred to as the recipiency rate of UI benefits. Statewide, the recipiency rate is 91%. This does not necessarily mean 91% of the unemployed receive UI benefits for the reasons just discussed. But the ratio is useful to contrast orders of magnitude of UI beneficiaries and unemployment for different groups. This ratio is higher for women, lower educated workers, Asian and Black workers, and lower for men, Hispanic Workers, White Workers, and more educated workers.[10] The recipiency rates would be higher if we included workers with partial UI benefits as well, especially for Hispanic workers, White workers, and more educated workers that have higher rate of partial UI benefits. For example, in this case the recipiency rate rises from 68% to 77% for Hispanic Workers and 77% to 86% for White Workers.

Overall, past experience suggest that it is unlikely that the CPS captures all those not employed because of COVID-19, and also unlikely that all those unemployed due to COVID-19 are receiving

UI benefits. However, our numbers suggest that a substantial fraction of underemployed individuals in California are currently receiving UI benefits.

About Half of UI Recipients in California Are Lifted Above FPL by $600/week FPUC Payments

Our estimate of the number of individuals currently receiving UI benefits allows us to infer how many individuals are currently receiving the $600/week payment from FPUC, how much total federal funding from FPUC California is currently receiving, and which individuals would be most affected if FPUC benefits expire end of July. Since each UI beneficiary receives the $600/week payment, in the calendar week ending June 6th, three million claimants were benefiting from the program. This means that from May 31st to June 6th, a total of $1.8 billion in FPUC payments have been paid out to California claimants in addition to their regular UI benefits. Since the start of the crisis, California claimants have received $20.43 billion in FPUC payments.

We find that if FPUC benefits were terminated today, a large number of UI claimants would receive benefits below the Federal Poverty Level (FPL), and an even larger number would be considered "very poor" by standards of the Department for Housing and Urban Development (HUD). We calculated the fraction of claimants receiving benefits during the week ending June 6th whose weekly benefit amount (WBA) would be lower than the implied weekly FPL (obtained by dividing the annual FPL for a single individual by the number of weeks in a year) without the $600/week FPUC benefit. Statewide, 51% of individuals would receive a WBA that falls below the FPL (Appendix Table 7B). Since we do not know the family income of UI claimants, our data does not allow us to tell whether these individuals' income would actually fall below the FPL. However, as we further discuss below, given the high cost of living in California, this likely indicates that a large number of individuals would be at risk of poverty absent FPUC benefits.

Looking at demographic groups, we see that the beneficial effect is particularly large for younger workers (only 32% of 20-24 year olds would receive a WBA above the FPL absent FPUC benefits), female workers, and Black workers. We discuss differences in WBA and how they compare with different benchmarks of poverty further below.

A Steady Fraction of Regular UI Claims are Either Not Paid Because of Excess Earnings or Their Benefits are Reduced, Reflecting Improving Economic Conditions

We find that a substantial number of UI claimants had either their benefits denied or had reduced UI benefits because of concurrent earning in a given week. The share of such claimants has slowed in its upward trend since early May. Workers are allowed to earn wages while receiving UI benefits up to a threshold. For claimants whose Weekly Benefit Amount (WBA) is below the maximum of $450, the threshold is typically two-thirds of prior average weekly earnings.[11] If earnings are above that threshold, UI benefits are denied for that week.

If reported earnings are below that threshold but above zero, an individual receives a reduced UI payment for that week. This system is often referred to as "partial UI."[12] Since partial UI benefits are determined at the payment level, a partial UI claimant may later receive higher UI payments (up to their full WBA) if their earnings decrease in subsequent weeks. Similarly, a claimant whose payment is denied in a given week due to excessive earnings can later receive partial UI or full benefits if their earnings decrease in subsequent weeks.

Among the total number of potentially eligible claimants in the week ending June 6th, about 7.1% had their benefit payment denied because of excess earnings if we include PUA claimants (Table 7). It is 8% if we exclude PUA claimants, since these are less likely to report positive earnings (Figure 6). This share had been increasing in early May since bottoming out at about 3% in late April, but the trend has flattened significantly in recent weeks. However, it is still above the approximately 7% seen before the start of the crisis.

An important question is how many claimants that were actually paid UI benefits received partial UI. We found that among claimants receiving benefits in the week ending June 6th, the fraction receiving partial UI was 10.5% when we include PUA claimants (Table 7) or 12% when we exclude them (Figure 6). This has been consistently increasing since late April, indicating that a larger share of impacted workers are seeing at least some employment opportunities. The fraction receiving partial UI rose briefly above 14% at the beginning of the crisis, compared to 6% in February (Figure 6). This suggests that initially employers may have thought the crisis was temporary and kept a larger group of workers on part-time. The fraction then fell to just above 5% by the end of April as employers engaged in layoffs instead of reducing hours, before beginning its recent ascent. It will be important to monitor how this share evolves going forward, given the upturn in COVID-19 cases and the recently re-imposed restrictions on businesses in counties around the State.

Overall, a total of 537,485 claimants either had their benefits denied or reduced because of earnings in a given week (7.1% times column 1 plus 10.5% times column 2 of Table 7). Hence, one in six claimants (17%) had their benefits reduced or denied because they worked in that week. This amounted to about 2.8% relative to the labor force in May. This means that a potentially large number of workers with some employment are still attached to the UI system. This has two important implications. First, as further discussed below, some of these workers would benefit from increases in the earnings disregard for partial UI benefits or from wider use of the Work Sharing program. Second, some of these workers may report that they are unemployed in survey data because they are receiving UI benefits, potentially making CPS based unemployment measures harder to interpret.

In our last report, we analyzed the incidence of denied or reduced benefits because of concurrent earnings for those initial claims that certified for their first benefits. These numbers for initial claims filed during the weeks from March 24th to June 6th are shown in Table 6. With respect to all continuing claims, first benefit claims see a lower share of partial UI and a higher share of benefits denied because of excess earnings. The larger share of partial UI suggests that over time, a rising share of claimants are finding some work. The higher fraction of denials indicates a larger share among initial claims may be returning to the labor force than among continuing claimants, consistent with the fact that the chance of reemployment tends to decline with unemployment duration.

Turning to demographic groups (Table 7), we find women, Hispanic workers, and higher educated workers have typically larger shares of partial UI, whereas excluding the very young, there is little difference by age groups. Women, the middle aged, higher educated, and White and Hispanic workers have the highest shares of payment denied because of excess earnings, while Black workers and younger workers have the lowest. However, overall the differences between demographic groups tend to be relatively moderate. Looking at developments over time, we find that the level of the fraction partial UI and denied because of excess earnings held steady for all demographic groups. Across industries (Figure 7), since late May, the share of partial UI and the fraction denied rose rapidly in Retail Trade and in Accommodation, and Food Services, suggesting a growing availability of jobs in those sectors. In contrast, claimants from Health Care and Social Assistance and Manufacturing saw a gradual decline in the fraction who received partial UI and who were denied because of excess earnings. In the week ending June 13th, 25% of claimants from Retail Trade, Manufacturing, and Accommodation and Food Services had partial UI, compared to 30% from Health Care and Social Assistance. These patterns confirm that analyzing employment of UI claimants can serve as a useful leading indicator of economic activity.

For UI claimants with low prior earnings, the availability of part-time employment at reduced hours creates a choice between uncertain employment with low earnings and more certain UI benefits that reduce the risk of poverty. The additional $600 weekly FPUC payment makes this decision especially stark. For example, the median claimant in the week ending June 6th had a WBA of $252, implying prior average weekly earnings of $504. If they earn more than two-thirds of that amount ($338 per week), they are denied both UI benefits and the $600 FPUC payment. If, for example, they instead earned 50% of that amount ($252 per week), they would receive $63 in partial UI benefits, plus $600, for a total of $663 in UI benefits, in addition to the $252 from working ($915 total) .

These findings suggest that it is worth considering programs that allow a greater number of claimants to keep a larger share of their benefits as they return to work on a part-time basis. One such program is Work Sharing. Work sharing programs allow firms and employees to spread some of the burden of decreased work by reducing hours for a group of employees and replacing a portion of their lost pay with UI benefits, thus avoiding layoffs. During the COVID-19 crisis, Work Sharing programs can also be used to rehire laid off workers at less than full-time hours. Eligible workers receive a prorated WBA. If, for example, their hours were reduced by 50% they would receive 50% of the WBA they would be eligible for in the event of a layoff. Importantly, Work Sharing participants are eligible for the $600 per week FPUC benefit. Relative to partial UI, an advantage of Work Sharing is that workers can earn up to 90% of their prior earnings and still receive both pro-rated UI benefits and the $600 FPUC payment. This is in contrast to only 66% of prior earnings under partial UI.[13] The last section of our previous report discussed a concrete example of how low-wage workers could benefit from Work Sharing in this context.

Rising Impact of Crisis on Female and Younger Higher Educated Workers

We see that the education distribution of initial UI claims has shifted substantially throughout crisis. In particular, while the share of initial claims by workers with at most a high school degree rose dramatically at the beginning of the crisis, since then, their share of claims, along with the share of claims by workers in the other two education groups, have returned to and remained at pre-crisis levels. We analyzed the demographic and industry patterns of new initial claims within these three major education groups in Table 8 and Figure 8. Given the wealth of data, we only point to a selected set of results here.

We find that within each major education group, claims by the youngest workers (Generation Z, age 16-23) have been largest

relative to the size of their labor force, while also steadily rising throughout the crisis. In contrast, claims by Millennials (age 24-38) experienced a large temporary jump in mid-March among all education groups, with only small changes since.[14] Focusing on workers with some college, over one in three workers from Generation Z with some college claimed UI, in contrast to less than one in four older workers (Table 8). Similarly, among individuals that graduated with a Bachelor's degree or more, over one in five workers from Generation Z claimed UI, in contrast to one in ten among more mature workers (e.g., Generation X and Baby Boomers, ages 40 and up).

Among workers with at most a high school degree, a substantially higher share of women as fraction of the labor force has filed for benefits than men (Table 8). Women are the majority among higher educated claimants, but the difference in shares of the respective labor force is smaller. Similarly, the differences in rates of UI claiming by race tend to be smaller for workers with some college, and even smaller for workers with a Bachelor's degree or more.

In Figure 8, we plot the share of claims among the most represented industries by major education groups. There are both common patterns and expected differences. The most striking trend is the consistently rising share of claims from the Education Services Industry among those with a Bachelor's Degree or more, now making up close to 18% of initial claims for the group. The rising share of claims form Health Care and Social Assistance appears to have stopped in recent weeks, and is even declining among those with some college. Other industries have remained steady as a share of claims within education groups during recent weeks. It will be important to monitor how the type of industries and the type of workers filing initial UI claims changes as overall economic conditions continue to evolve.

Claimants for PUA Reflect Characteristics of State's Self-Employed Workers

We found that over 95% of PUA claims were from previously self-employed individuals, with the remainder from individuals that had not qualified for regular UI for other reasons. Since there were approximately 2.2 million self-employed individuals in CA, these numbers suggest that approximately 19% of these individuals claimed PUA benefits.[15]

When analyzing the characteristics of PUA claimants, we found that compared to regular UI claimants they are more likely to be older, more likely to be White or Asian, and less likely to be Black or Hispanic (Table 9).[16] Not surprisingly, the characteristics of UI claimants partly reflect the demographic structure of self-employed workers in California.[17] We currently do not have access to information about the education levels of self-employed claimants. Initially, the Employment Development Department pays every PUA claimant that is found eligible a weekly benefit amount of $167, plus $600 in weekly benefits from the Federal Pandemic Unemployment Compensation from March 29th to July 25th, 2020. Over time, claimants that are eligible for higher benefits have to apply to have their benefits reconciled.[18] For this reason, we exclude PUA claimants from calculations of median weekly benefit amounts and median replacement rates in the following two sections.

Federal Pandemic Unemployment Compensation (FPUC) Helps UI Claimants Avoid Near-Poverty Benefit Levels

Analysis of weekly benefit amounts (WBA) from regular UI benefits of initial claimants during the Covid-19 crisis shows many claimants are at risk of having very low income levels during unemployment. In California, a claimant found to be eligible is paid 50% of average weekly earnings in a base period in benefits, up to a maximum of $450 per week.[19] For all initial claimants between June 7th and June 20th projected to qualify for regular UI benefits, the median WBA was $330 per week (Table 10).[20]

For time in unemployment covered by UI starting on March 29th, all claimants are eligible to receive an additional $600 per week from Federal Pandemic Unemployment Compensation (FPUC).[21] FPUC benefits make a substantial difference for UI claimants in CA. For example, $930 per week ($330 + $600) puts the median claimant at about 56% of median family income (MFI), and above the HUD threshold for very poor (50% MFI). The claimant would still be deemed "low-income" (below 80% MFI) in the absence of other income sources in the household. (Figure 9)[22]

For regular UI claimants, WBAs depend on prior earnings and hence partly reflect differences in wage levels in the California labor market. Table 10 shows that the median WBA was lower for women, less educated claimants, younger claimants, and non-White claimants even before the COVID-19 crisis.

Unsurprisingly, since the crisis has substantially increased the number of claimants that were women, younger, and lower-educated, we see that the statewide median WBA declined in the course of the crisis from $418 in February to $330 for the two weeks from June 7th to June 20th (Figure 9, Table 10). Yet, Table 10 shows that median WBAs have declined even within groups, indicating that in each demographic group lower-earning workers were disproportionately affected.

Similarly, median WBAs for initial claimants differed substantially across industries prior to the crisis, reflecting differences in wage levels

(Table 13). While higher-earning industries have seen median WBAs stay steady at or near the $450 maximum throughout the crisis (i.e., Professional., Scientific, and Technical Services, and the Mining Oil and Gas industry), lower-earnings industries who are not affected by the maximum threshold have seen their median WBAs vary with time, indicating a changing composition of workers filing claims within the industry. For example, the median WBA for an initial claimant from the Accommodation and Food Services industry jumped from $282 in February up to $373 in early March, then dropped down to $236 in the last 2 weeks. This suggests most-recent claimants are lower-wage workers than the earlier claimants in this industry.

Comparing the WBAs of recent claimants with the WBAs of all those filing since the crisis began, we see that the evolution varies between industries: Education Services has seen a significant increase in the WBA of recent workers, for example, a pattern mirrored by the increasing share of college-educated claimants filing from the industry. Meanwhile the median WBA for claimants from the Administrative Support and Waste Management industry has fallen significantly. The impact the additional $600 in FPUC benefits is especially high for recent claimants from these lower-wage industries. For a recent claimant from the Retail Trade industry, FPUC lifts weekly benefits from just $240 per week to $840 per week, providing an important lift for a group of workers that were particularly impacted by this crisis.

To put these benefit amounts into perspective, one can compare it to commonly used measures of poverty. Based on our data, we cannot tell whether an individual or a family would actually qualify as poor by these definitions, since we do not observe other sources of income. While a WBA of $330 (the statewide median) would put a single individual above the Federal Poverty Level for the given week, it is below 30% of MFI in California, and hence would be considered "Extremely Low Income" by the standards of the Department of Housing and Urban Development (HUD). For a two-person household with a single earner, $330 is below the Federal Poverty Level for the given week. Close to 80% of low income workers in California spend more than 50% of their income on rent, and would not be able to afford rent based on regular UI benefits for a single earner alone.[23] While in most countries UI benefits are a limited share of earnings by design, in this crisis more low-wage worker claim benefits compared to past recessions, highlighting potential implications of low benefit levels as further discussed below.

Benefit Replacement Rates for Regular UI Claimants Above 100% due to Low Income Levels

The data allows us to calculate the fraction of a claimant's earnings that is replaced by UI benefits, which is commonly referred to as the benefit replacement rate. We define the replacement rate to be the ratio of the weekly benefit amount to average weekly earnings in the highest paid quarter of the base period.[24]

The replacement rate is often used to measure the generosity of UI benefits. Before the COVID-19 crisis in the labor market, the average replacement rate of initial UI claimants projected to be eligible for UI benefits through standard criteria in California was 41% (Table 11). This is as expected, since UI benefits are rarely more than 50% of prior earnings and are capped at $450 per week. As a result, the median replacement rate is 50% for most groups, but less for higher-earning claimants, since the cap implies that a smaller share of higher incomes is replaced by UI benefits (Tables 11 and 14). During the crisis, the average replacement from regular UI benefits (not counting FPUC benefits) rose to 44% as more low- income workers filed for benefits and fewer workers qualified for the maximum benefit amount, and has remained around 43% since mid-April (Figure 10).

For weeks of UI-covered unemployment starting on March 29th, claimants became eligible to receive an additional $600 a week from FPUC. For the average claimant over the last two weeks, this implies a rise of the replacement rate to 164% of mean weekly earnings. The implied median replacement rate without FPUC was lower at 136%, pointing to the fact that many lower-earning workers had substantially higher replacement rates.

Looking across demographic and industry groups (Tables 11 and 14), it is clear that claimants with typically lower wages also had higher replacement rates before the crisis. During the crisis, the statewide replacement rate from regular UI benefits increased, partly because applications from lower- earning groups of workers – such as high-school graduates – increased, and partly because the average earnings of workers within several demographic and industry groups fell as well, resulting in increases in the replacement rates for those groups. FPUC benefits helped to substantially increase replacement rates especially among women, Black workers, younger claimants, and lower-educated claimants, and in some lower earnings industries. For example, for workers in the Accommodation and Food Industry and Retail Trade, the median replacement rate was 173% and 170% in the two week period ending on June 20th, respectively.

Our discussion of WBA in the previous section makes clear that these increases are not surprising given the low pre-crisis earnings

of these workers in California, and reflect the role of FPUC benefits in alleviating the poverty risk of workers affected by the COVID-19 crisis in the labor market. For example, the Bureau of Labor Statistics reports that annual mean earnings for workers in Food Preparation and Serving Related Occupations was $30,720 in 2019, implying average weekly earnings of only $614 for 50 working weeks (and a median close to $500).[25] The corresponding values for Sales and Related Occupations are mean annual earnings of $46,660, with implied mean weekly earnings of $933, and median weekly earnings close to $600. The values of the replacement rate reflect very low underlying earnings of many of the workers affected by the current crisis in the labor market in California.

Downward Trend in Expected Recall Rate Reversed in Last Four Weeks

Upon filing an initial UI claim, individuals are asked to report whether they expect to return to their prior job, i.e., to be "recalled." Seventy-five percent of all initial UI claimants during the two weeks from June 7th to June 20th reported that they expect to be recalled (Figure 10, Table 11). While recent recall rates are lower than the 91% seen at the peak of the crisis, they have slowly increased from below 70%, in late April and early May, and are still significantly higher than the 40% average during February. Furthermore, the fraction of workers expecting to be recalled was still substantially above the February average even when looking within various demographic groups filing an initial claim (Table 10).

In February, a higher share of male workers, older workers, White, Hispanic, and lower-educated workers reported that they expected to be recalled. At the peak of the crisis in the end of March and early April, differences in recall expectations across most groups had shrunken considerably. In the two weeks from June 7th to June 20th, differences across some demographic groups have started to become more pronounced again, most notably by age and race. For example, in February, differences in recall expectations between White and Black workers were 12 points, this shrank to less than six points at the peak of the crisis, and grew to eight points in the last weeks (Table 10).

We also analyzed the percent of workers reporting they expect to be recalled by major industry (Table 13). Before the crisis the incidence of self-reported recall expectation varied from low rates of 7.5% in Finance and Insurance and 15.6% in Management, to high rates in Construction of 56.4% and Agriculture, Forestry, Fishing and Hunting of 80.4%, with an average rate of 32% across major industries. In the two weeks from June 7th to June 20th, the substantial differences in recall rates between industries have begun to reappear, with rates as low as 62% in Finance and Insurance, but still as high as 81% in Arts, Entertainment, and Recreation, one of the hardest-hit sectors in the crisis.

Although recall information is self-reported by the claimant and may change in the course of the unemployment spell, this does suggest some reason for optimism about the economic effects of the COVID-19 crisis. While still costly both for the workers themselves and for the economy as a whole, temporary job separations in which the worker eventually returns to the same employer are likely to be much less costly than permanent separations. For these reasons, it will be important to monitor the evolution of recall expectations among initial UI claimants throughout the course of the crisis, and find ways to support a speedy return of workers to their previous employers.

Customer-Facing Service Industries Saw the Largest Increases in Claims

To assess the impact of COVID-19 on different industries in California we categorized claimants by the major NAICS code associated with the primary employer in their base period.[26] Over the last three weeks, initial claims have continued to be concentrated in a few top industries. Of initial claimants, 14% were employed in Accommodation and Food Services industry, 13% were employed in Retail Trade, and 15% were employed in Health Care and Social assistance (Table 12).

Looking at claims by industry over time, it appears that most sectors have experienced a similar pattern in applications since the end of April, with the exception of Health Care and Social Assistance, which steadily climbed as a share of claims since early-April, then slightly declined over the past four weeks, but still made up the largest share (about 15%) of claims in the week ending June 20th. (Figure 12).

The prolonged concentration of initial UI claims among a few industries has led to significant differences in the fraction of the industry's labor force filing for UI benefits. In several large industries the fraction of the labor force that filed an initial UI claim between March 15th and June 20th was over 30%– including Accommodation and Food Services (49%), Retail Trade (39%), Arts, Entertainment, and Recreation (64%), Education Services (54%), Other Services (40%), and Construction (33%).[27]

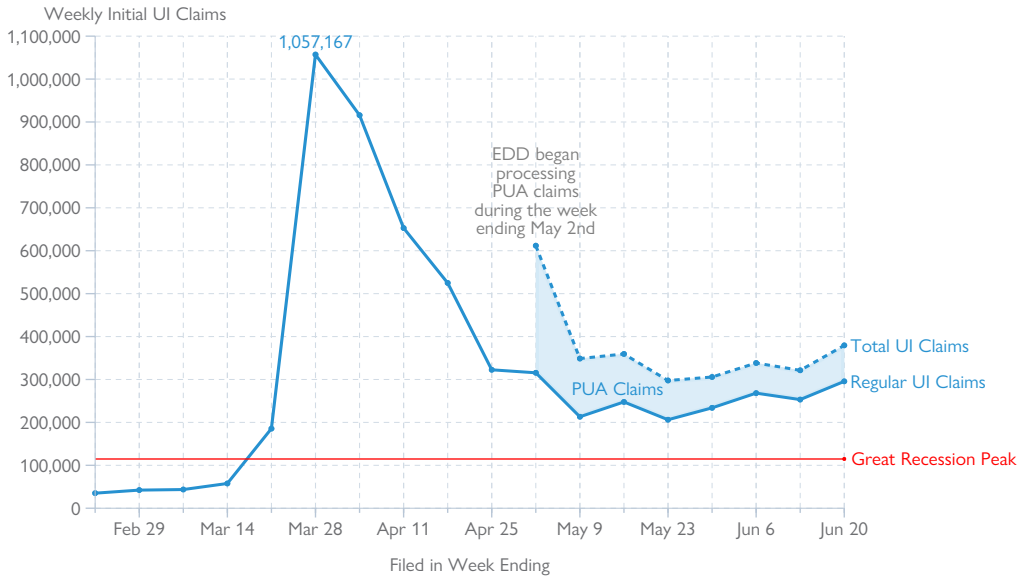
Increases in UI Claims More Pronounced in Urban Counties

We also analyzed whether the COVID-19 crisis had disparate impacts across the state. Among the most populous counties (Table 15), Los Angeles County continued to account for the largest share of claims, with over 1.6 million claims filed since

March 15th.[28] As a fraction of the labor force in the respective county that filed initial claims, more populous counties continued to be hardest hit. Los Angeles and Orange County had 3% and 2.7% of their labor forces file claims over the last two weeks, respectively, bringing the total fraction since March 15th to 31% in both counties. Riverside and San Bernardino Counties continued to be hit even harder, with 3.4 and 3.3% of their labor forces filing claims in the last two weeks, respectively, for a total of 33% and 30% since mid-March. Because not all unemployed workers file for UI, the actual number of people who are unemployed could be larger.

The data also allows assessing how industries fared across counties. In Figure 13, we show the industry shares of claims filed in the 20 largest counties of the state in the last three weeks (to obtain sufficient data for smaller industries within counties). While Health Care and Social Assistance, Accommodation and Food Services, and Retail Trade were the most impacted industries in all counties, there are some noticeable differences in the numbers of initial claims by industry across counties. For example, the Accommodation and Food Services industry made up 20% of initial UI claims in San Diego County from June 7th – June 20th, but only 13% of claims in Los Angeles County. Turning to other sectors, the share of initial UI claims in Education Services was 10% in Los Angeles County over the last 2 weeks, but just 7% and 6% in San Diego and San Francisco Counties, respectively. As restrictions relating to efforts to contain the COVID-19 pandemic are either lifted or re-instated, it will be important to monitor how different sectors fare relative to others, and how this affects the fortunes of regions across the state.

FIGURE 1: Weekly Initial UI Claims (including PUA) During the COVID-19 Crisis in California, 2/22/2020–6/20/2020



X-axis Labels Correspond to Saturdays.
Total UI claims combines initial claims to regular UI and Pandemic Unemployment Assistance (PUA).
California reported 114,793 initial UI claims in the week ending January 9, 2010. (OUI DOLETA Table 539)

TABLE 1: Weekly Initial UI Claims During the COVID-19 Crisis in California, 2/22/2020–6/20/2020

WEEK ENDING	TOTAL INITIAL CLAIMS	CUMULATED INITIAL CLAIMS SINCE MARCH 15TH	PUA CLAIMS	FRACTION OF PUA CLAIMS AMONG TOTAL CLAIMS
Feb 22	35,129	–	–	–
Feb 29	42,265	–	–	–
Mar 07	43,609	–	–	–
Mar 14	57,707	–	–	–
Mar 21	185,545	185,545	–	–
Mar 28	1,057,167	1,242,712	–	–
Apr 04	915,815	2,158,527	–	–
Apr 11	652,886	2,811,413	–	–
Apr 18	524,958	3,336,371	–	–
Apr 25	322,599	3,658,970	–	–
May 02	611,812	4,270,782	296,183	48%
May 09	348,842	4,619,624	135,681	39%
May 16	359,468	4,979,092	111,815	31%
May 23	297,680	5,276,772	91,468	31%
May 30	305,799	5,582,571	71,890	24%
June 06	338,410	5,920,981	70,212	21%
June 13	321,367	6,242,348	68,204	21%
June 20	379,480	6,621,828	83,815	22%

Notes: Total initial claims refer to initial claims for regular unemployment insurance (UI) benefits and for Pandemic Unemployment Assistance among California residents. Tabulations based on initial UI claims file.

TABLE 2: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Gender

GENDER	WEEK ENDING JUNE 6TH	WEEK ENDING JUNE 13TH	WEEK ENDING JUNE 20TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Female	139,557	135,784	156,523	2,933,488	8,824,000	33.2
Male	128,177	116,891	138,583	2,747,159	10,605,000	25.9
Column Total	267,734	252,675	295,106	5,680,647	19,429,000	29.2
% Female	52.1	53.7	53.0	51.6	45.4	-

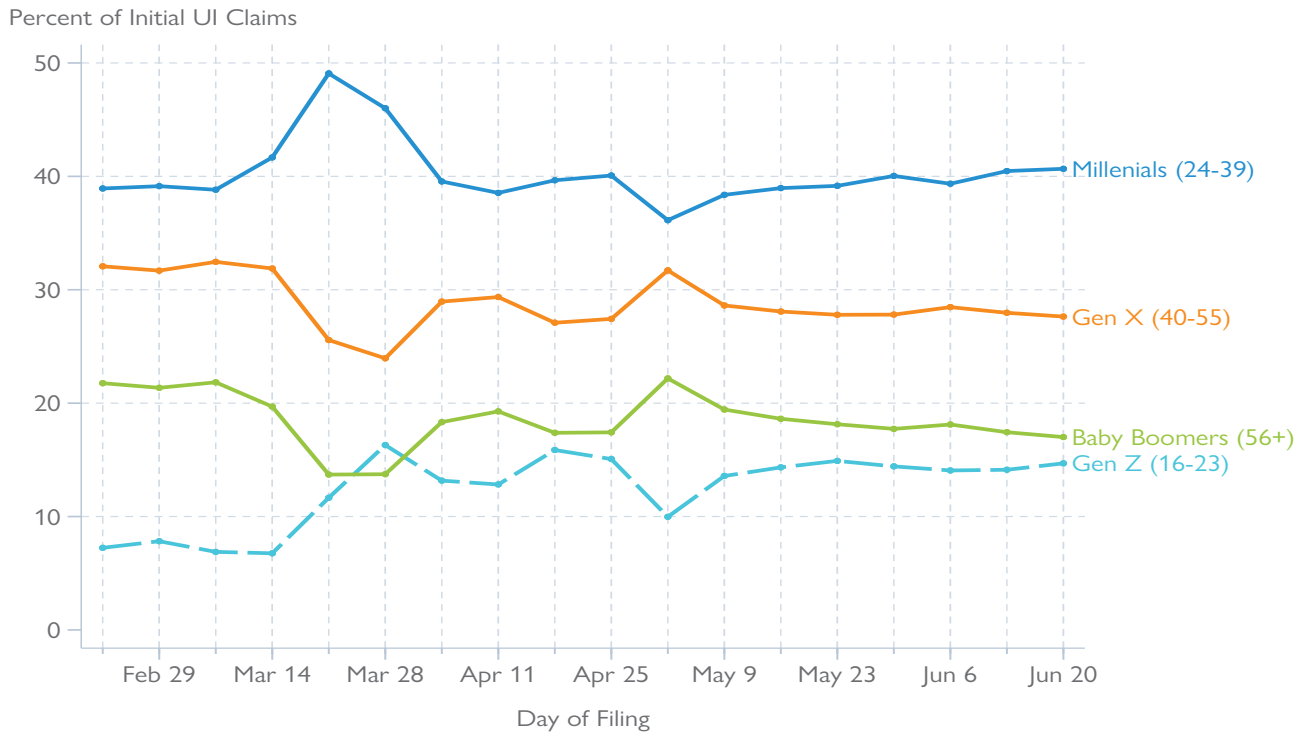
Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Does not include PUA claims. Tabulations based on initial UI claims file. Column Total excludes claimants not reporting Gender.

TABLE 3: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Age Group

AGE GROUP	WEEK ENDING JUNE 6TH	WEEK ENDING JUNE 13TH	WEEK ENDING JUNE 20TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
16–19	10,114	9,271	11,178	209,514	531,000	39.5
20–24	38,712	37,178	44,778	831,981	1,741,000	47.8
25–34	71,963	70,561	82,343	1,590,990	4,780,000	33.3
35–44	51,177	47,977	55,821	1,076,372	4,303,000	25.0
45–54	45,856	42,430	48,566	940,559	3,904,000	24.1
55–64	37,556	34,514	39,376	770,665	3,019,000	25.5
65–85	11,952	10,515	12,646	252,846	1,152,000	21.9
Column Total	267,330	252,446	294,708	5,672,927	19,430,000	29.2

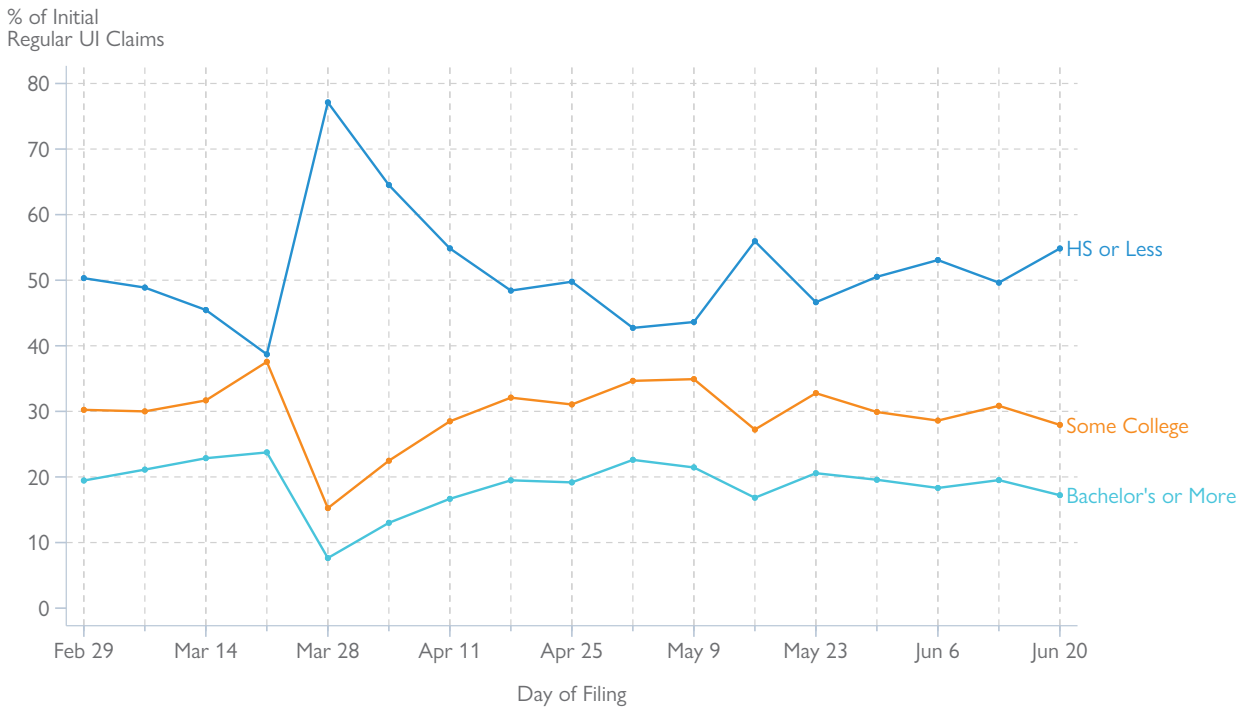
Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Does not include PUA claims. Tabulations based on initial UI claims file. Column Total excludes claimants with unreported age or those reporting age less than 16 or greater than 85.

FIGURE 2: Distribution of Initial UI Claims by Generation, 2/22/2020 - 6/20/2020



X-axis labels correspond to Saturdays.
This figure combines initial claims to regular UI and Pandemic Unemployment Assistance (PUA).

FIGURE 3: Share of Initial UI Claims During the COVID-19 Crisis in California by Education Group, 2/29/2020–6/20/2020



X-axis labels correspond to Saturdays.
Our data do not contain education levels for claimants for Pandemic Unemployment Assistance (PUA).

TABLE 4: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Education

EDUCATION GROUP	WEEK ENDING JUNE 6TH	WEEK ENDING JUNE 13TH	WEEK ENDING JUNE 20TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Less Than High School Degree	27,121	26,218	28,937	523,501	2,283,877	22.9
High School Degree or GED	109,138	93,579	126,975	2,705,696	4,295,053	63.0
Associate's Degree or Some College	73,415	74,466	79,436	1,499,279	5,075,283	29.5
Bachelor's Degree	35,355	35,621	37,000	703,661	4,927,569	14.3
Graduate Degree	11,691	11,495	11,951	198,220	2,848,218	7.0
Column Total	256,720	241,379	284,299	5,630,357	19,430,000	29.0

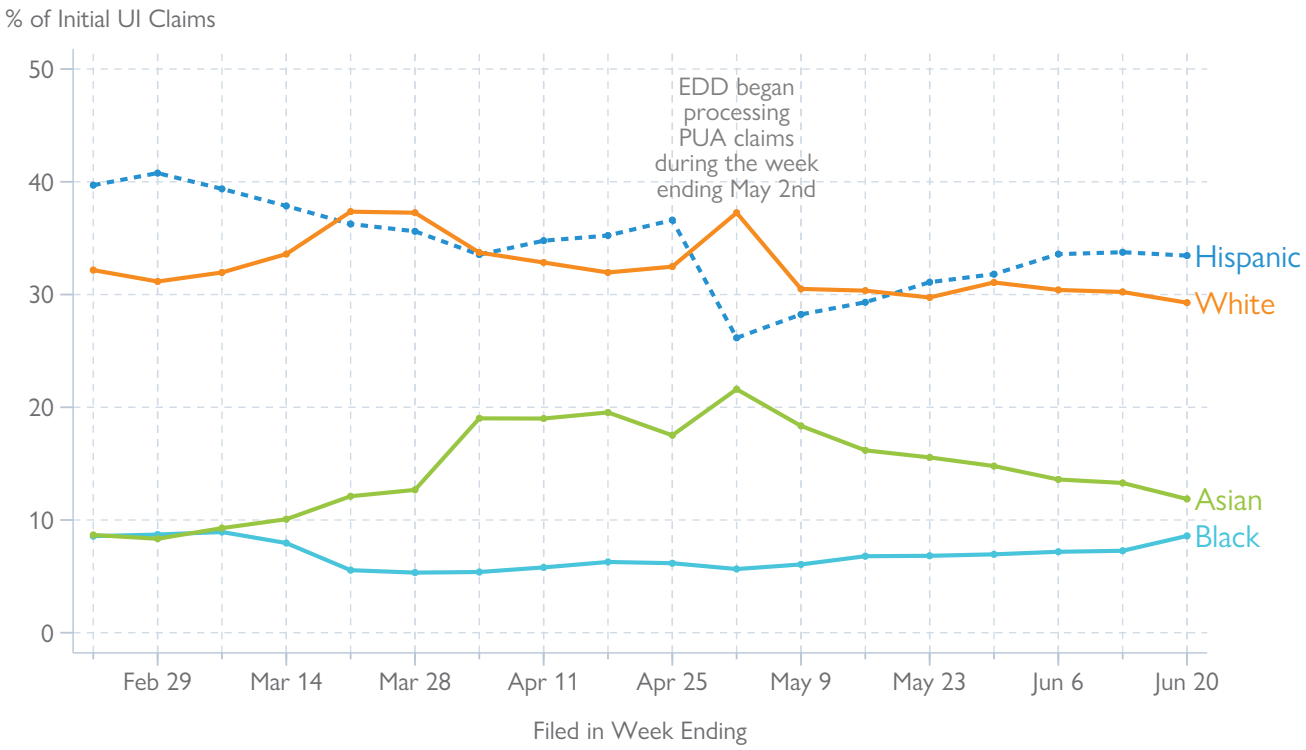
Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Does not include PUA claims. Tabulations based on initial UI claims file. Column Total excludes claimants with unreported education level. Labor force numbers have been calculated using a 12-month moving average ending in February from the CPS to be consistent with EDD's numbers.

TABLE 5: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Race and Ethnicity

RACE	WEEK ENDING JUNE 6TH	WEEK ENDING JUNE 13TH	WEEK ENDING JUNE 20TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
White	82,971	78,128	89,545	1,891,914	7,506,246	25.2
Hispanic	103,294	98,528	115,566	2,040,555	7,304,335	27.9
Asian	39,372	37,182	39,461	936,975	3,035,206	30.9
Black	19,376	17,526	24,990	355,264	1,038,524	34.2
Column Total	245,013	231,364	269,562	5,224,708	18,884,310	27.7

Notes: Claims refer to initial claims for regular unemployment insurance benefits among California residents. Does not include PUA Claims. Tabulations based on initial UI claims file. White and Black do not include those identifying as Hispanic. Table does not show information on claimants in which race is unknown, specified as 'other,' or specified as Native American or Alaskan Native, due to small sample sizes. Labor force numbers have been calculated using a 12-month moving average ending in February from the CPS to be consistent with EDD's numbers.

FIGURE 4: Share of Initial UI Claims (including PUA) During the COVID-19 Crisis in California by Race and Ethnicity, 2/22/2020–6/20/2020



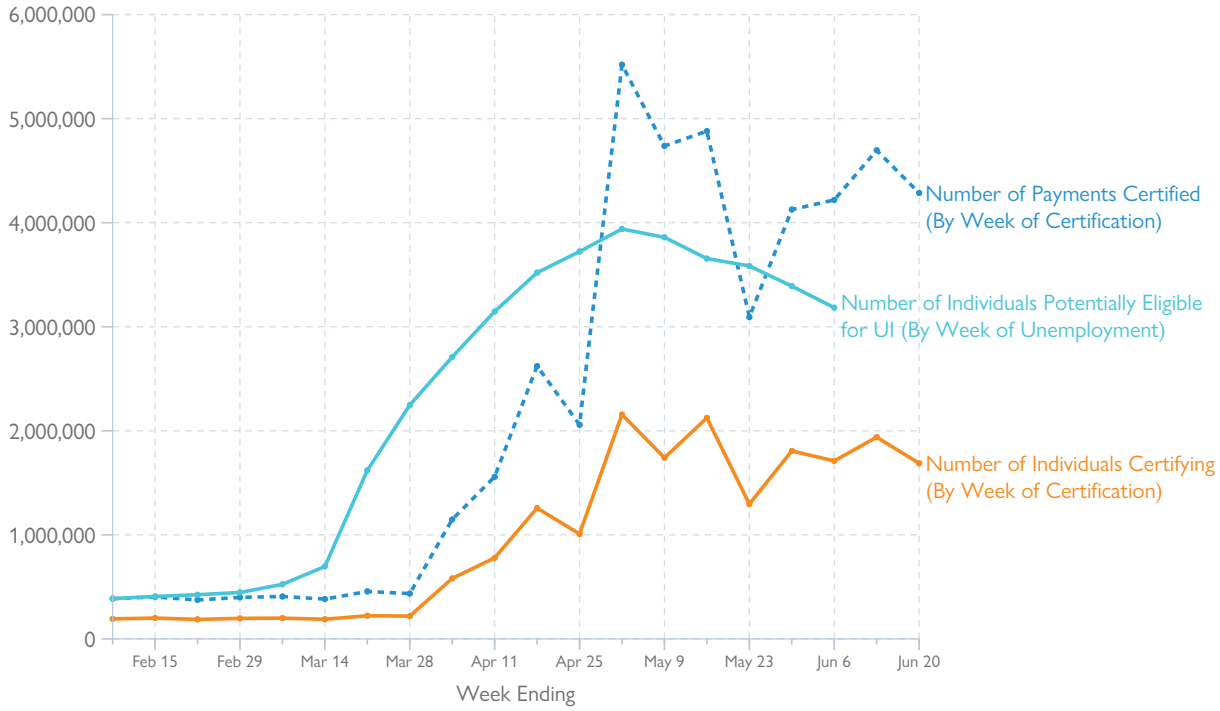
X-axis labels correspond to Saturdays.
This figure combines initial claims to regular UI and Pandemic Unemployment Assitance (PUA).
Figure does not show information on claimants in which race is unknown, specified as 'other', or specified as Native American or Alaskan Native, due to small sample sizes.

TABLE 6: Status of First Payment for Initial UI Claims Filed During COVID-19 Crisis, by Demographic Group

GROUP	Since March 15th: TOTAL POTENTIALLY ELIGIBLE CLAIMS	Since March 15th: TOTAL CLAIMS PAID	March 15th - May 30th: PERCENT OF CLAIMS POTENTIALLY ELIGIBLE FOR PAYMENT	March 15th - May 30th: PERCENT OF CLAIMS PAID	Two weeks: May 31st - June 13th: PARTIAL UI CLAIMS AS A PERCENT OF REGULAR CLAIMS PAID (EXCLUDING PUA)	Two weeks: May 31st - June 13th: PERCENT OF POTENTIALLY ELIGIBLE REGULAR CLAIMS DENIED DUE TO EARNINGS (EXCLUDING PUA)
Statewide	3,945,473	3,587,761	77.2	70.2	11.8	14.8
By Gender						
Female	2,038,405	1,840,799	77.9	70.3	13.4	16.2
Male	1,898,903	1,739,420	76.5	70.1	10.2	13.2
By Age Group						
16–19	140,167	142,509	74.2	73.9	5.6	7.2
20–24	580,548	541,533	83.1	77.6	10.2	11.1
25–34	1,052,953	943,240	78.0	69.8	12.2	15.4
35–44	735,032	655,427	75.7	67.5	11.5	17.7
45–54	657,037	593,597	75.5	68.2	12.6	17.0
55–64	552,120	504,932	75.5	69.1	14.4	16.1
65–85	215,572	203,810	73.8	69.8	15.0	10.6
By Race and Ethnicity						
White	1,319,928	1,192,655	76.5	69.0	11.6	14.6
Hispanic	1,300,328	1,183,742	80.0	72.9	12.4	15.1
Asian	706,794	648,681	78.6	72.2	13.2	16.1
Black	228,948	211,150	72.3	66.5	9.1	12.3
By Education						
High School Degree or Less	1,678,861	1,514,120	70.9	64.0	9.2	17.2
Associate's Deg., Some College	808,579	733,186	79.7	72.5	12.7	22.0
Bachelor's Degree or More	477,222	418,623	80.5	71.0	13.4	27.2

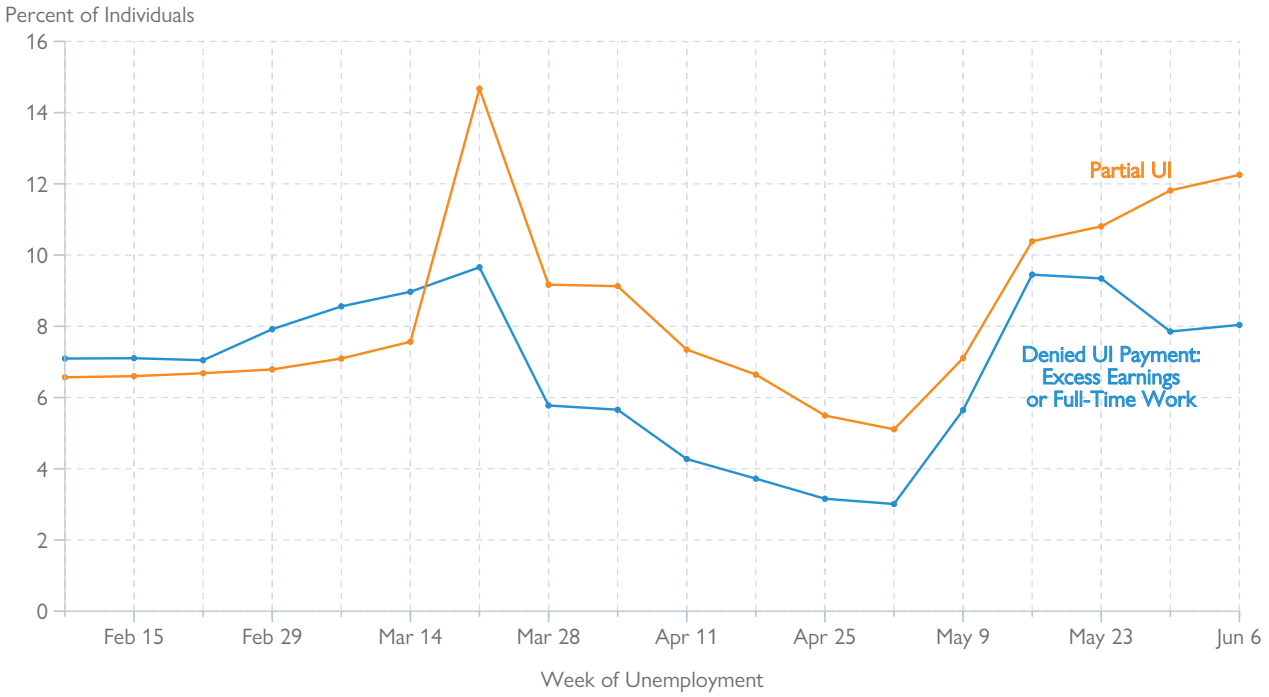
Notes: "Potentially Eligible" includes claims which are either paid or have payment denied due to excess weekly earnings or full-time work. Columns (1)-(4) include PUA, Columns (5)-(6) exclude PUA. Column (1) = Number of Claims paid + Number of payments denied due to excessive earnings or FT work. Column (3) = Potentially eligible Claims as a percent of all initial claims during period. Column (4) = Claims Receiving payment as a percent of all initial claims during period. Tabulations based on initial UI claims file and data on Continuing Claims. See Appendix for Table 6B: Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Education Level and Major Industry.

FIGURE 5: Total Number of Individuals Potentially Eligible by Week of Unemployment, Total Number of Individuals Processed by Week of Certification, and Total Payments Processed by Week of Certification, 2/22/2020- 6/20/20



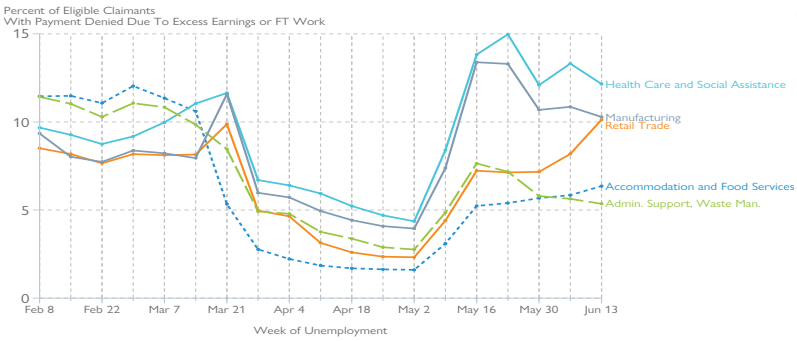
X-axis labels correspond to Saturdays. Individuals potentially eligible refers those who were either paid or had payment denied due to earnings or full-time work, after adjusting for individuals appearing in the data solely for underpayment adjustments. The "Number of Payments Certified" refers to the number of payments that were certified in a given week (the common definition of continuing UI claims). The "Number of Individuals Certifying" refers to the number of people that certify for UI benefits in a given week. The "Number of People Potentially Eligible" refers to the number of people either paid or denied benefits due to excess earnings or full-time work during a given week of unemployment.

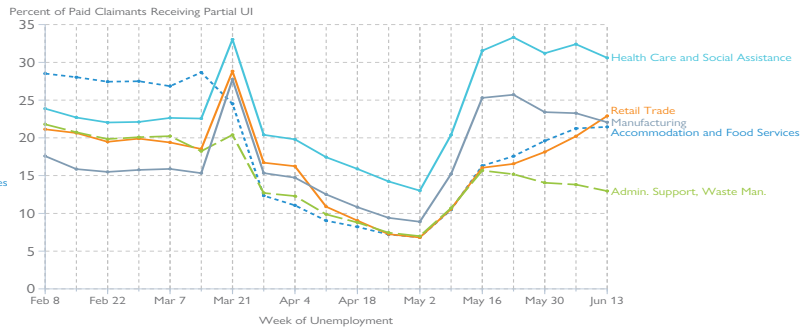
FIGURE 6: Percent of Potentially Eligible Claimants with Payment Denied Due to Excess Earnings, and Percent of Paid Claimants Receiving Partial UI, 2/8/2020 - 6/6/2020



X-axis labels correspond to Saturdays.
Partial UI refers to those reporting earnings during that week as a percent of all paid claims. Denied UI Payment is as a percent of Potentially Eligible Claims, which is the sum of the number of paid claims and the number of denied claims because of excess weekly earnings or full time work (see text). Does not include PUA Claims.

FIGURE 7: Percent of Potentially Eligible Claims with Payment Denied Due to Excess Earnings, and Partial UI as a Percent of Paid Claims, by Industry, 2/8/2020-6/6/2020





X-axis labels correspond to Saturdays. Does not include PUA claims. Partial UI is as a percent of all paid claimants. Denied UI payment is a percent of potentially eligible claimants, which is the sum of the number of paid claimantss and the number of claimants denied because of excess weekly earnings or full time work (see text).

TABLE 7: Individuals Potentially Eligible for UI Benefits and Receiving UI Benefits, Total and as Fraction of the Labor Force and the Unemployed, and Share with Reduced UI Benefits, for Unemployment in the Week Ending June 6th

GROUP	INDIVIDUALS WITH POTENTIALLY ELIGIBLE CLAIMS	INDIVIDUALS WITH CLAIMS PAID	INDIVIDUALS WITH PARTIAL UI PAYMENTS AS A PERCENT OF ALL PAID CLAIMS	PERCENT OF POTENTIALLY ELIGIBLE INDIVIDUALS WITH PAYMENT DENIED	INDIVIDUALS WITH POTENTIALLY ELIGIBLE CLAIMS AS A PERCENT OF FEB LABOR FORCE	INDIVIDUALS RECEIVING FULL WBA AS A PERCENT OF UNEMPLOYED IN MAY
Statewide	3,184,181	2,957,931	10.5	7.1	16.4	90.6
By Gender						
Female	1,626,549	1,499,409	12.3	7.8	18.4	93.5
Male	1,470,469	1,373,829	8.9	6.6	13.9	83.1
By Age Group						
16–19	111,679	104,844	7.6	6.1	21.0	50.9
20–24	444,472	415,865	11.5	6.4	25.5	90.9
25–34	842,384	781,218	11.6	7.3	17.6	96.1
35–44	588,169	542,843	10.0	7.7	13.7	102.8
45–54	515,431	474,897	9.9	7.9	13.2	81.4
55–64	429,455	396,707	10.3	7.6	14.2	95.6
65–85	161,548	153,179	11.5	5.2	14.0	61.7
By Race and Ethnicity						
White	1,013,827	937,181	10.4	7.6	13.5	77.1
Hispanic	1,020,251	936,529	12.0	8.2	14.0	67.8
Asian	558,684	523,487	10.9	6.3	18.4	122.5
Black	208,335	199,483	8.3	4.2	20.1	120.5
By Education						
High School Degree or Less	1,390,928	1,284,168	11.9	7.7	21.1	100.6
Associate's Deg., Some College	699,597	640,106	13.5	8.5	13.8	57.2
Bachelor's Degree or More	408,193	371,801	12.7	8.9	5.2	39.6

Notes: "Potentially Eligible" includes claims which are either paid or have payment denied due to excess weekly earnings or full-time work. FPL refers to the 2020 Federal Poverty Line, which was $12,760/year, or equivalent to $245/week. See Appendix for Table 7B: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Education Level and Demographic Group. Includes PUA, except for "By Education" section, as PUA claimants do not report education levels.

TABLE 8: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Education Level and Demographic Group

	High School or Less		Some College or Associates Degree		Bachelor's or More	
GROUP	CLAIMS SINCE MARCH 15TH	PERCENT OF GROUP'S LABOR FORCE	CLAIMS SINCE MARCH 15TH	PERCENT OF GROUP'S LABOR FORCE	CLAIMS SINCE MARCH 15TH	PERCENT OF GROUP'S LABOR FORCE
Statewide	3,229,197	49.1	1,499,279	29.5	901,881	11.6
			By Gender			
Female	1,562,971	60.5	832,250	32.7	508,128	13.7
Male	1,661,073	41.9	663,373	24.7	391,936	10.0
			By Race			
Asian	466,563	92.4	229,719	40.8	235,009	11.9
Black	199,218	78.9	108,838	29.5	44,714	11.0
Hispanic	1,356,084	33.1	522,550	25.9	142,866	12.1
White	951,558	61.2	522,962	24.9	404,787	10.5
			By Generation			
Gen Z (16-23)	537,871	65.9	270,889	33.2	48,116	20.6
Millenials (24-38)	1,206,778	53.1	608,536	31.0	411,294	12.9
Gen X (40-55)	876,135	39.6	366,062	24.5	259,190	9.9
Baby Boomers (56+)	539,532	44.1	219,043	22.5	158,860	9.9

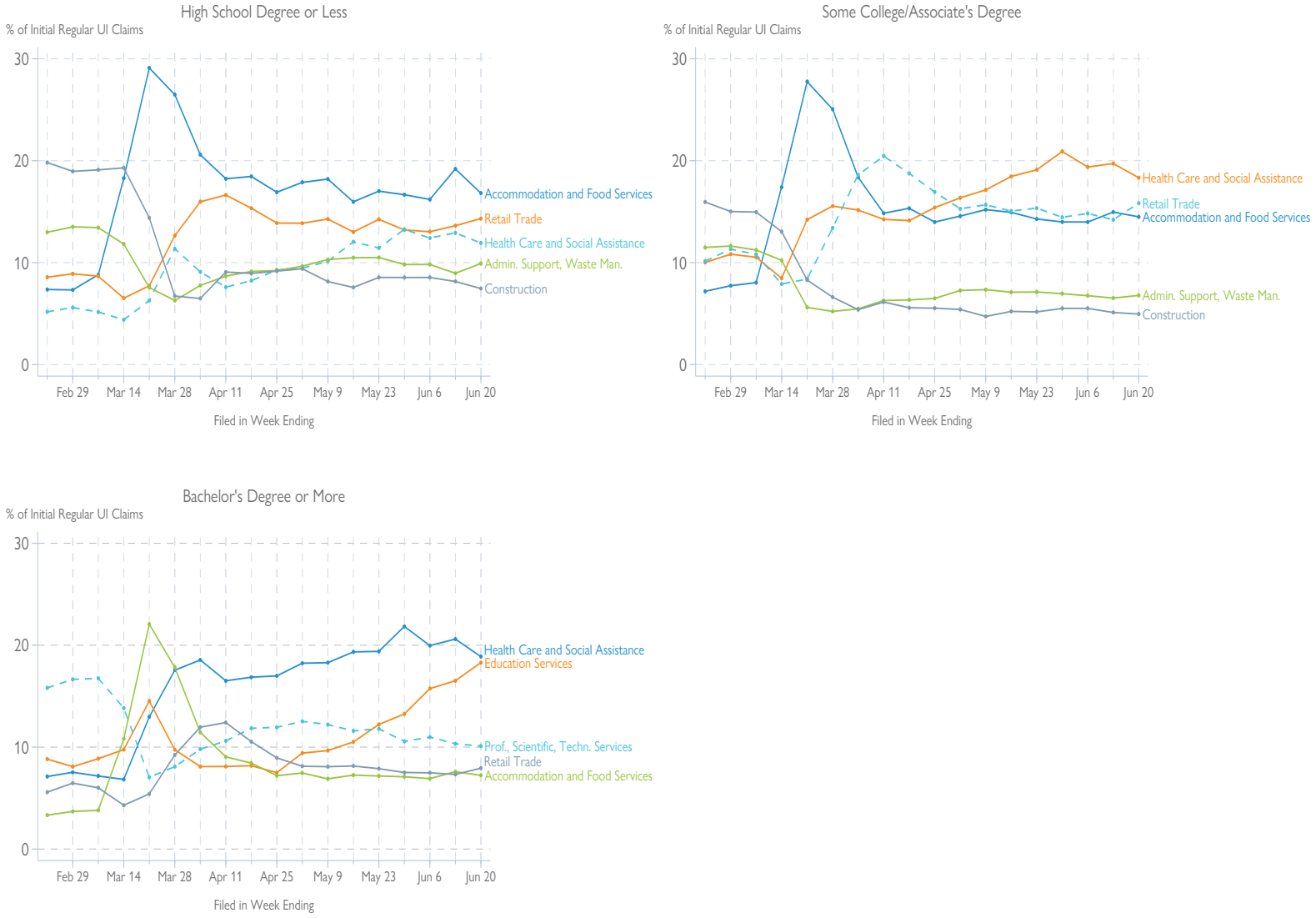
Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Table Includes PUA claims. See Appendix for Table 8B: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Education Level and Major Industry.

TABLE 9: Pandemic Unemployment Assistance (PUA) Claims in the Last Two Weeks by Demographic Group and Total UI Claims Since Mid-March

	Last Two Weeks: June 7th - June 20th			Since March 15th		
GROUP	PUA CLAIMS	PERCENT OF PUA CLAIMANTS	PERCENT OF REGULAR UI CLAIMANTS AS COMPARISON	TOTAL UI CLAIMS (PUA + REGULAR)	TOTAL CUMULATED CLAIMS SINCE MARCH 15TH (PUA+ REGULAR)	CUMULATED CLAIMS AS A PERCENT OF LABOR FORCE
Statewide	152,019	100	100	700,847	6,621,828	34.1
			By Gender			
Female	69,133	45.6	53.4	361,440	3,381,785	38.3
Male	82,491	54.4	46.6	337,965	3,226,877	30.4
			By Age Group			
16–19	5,662	3.8	3.7	26,111	231,678	43.6
20–24	12,566	8.3	15.0	94,522	885,295	50.8
25–34	36,316	24.1	27.9	189,220	1,780,045	37.2
35–44	32,795	21.8	19.0	136,593	1,281,648	29.8
45–54	28,451	18.9	16.6	119,447	1,138,348	29.2
55–64	23,456	15.6	13.5	97,346	945,337	31.3
65–85	11,430	7.6	4.2	34,591	336,261	29.2
			By Generation			
Gen Z (16-23)	15,499	10.3	15.6	100,707	924,155	49.5
Millennials (24-39)	56,564	37.5	41.4	283,144	2,670,948	36.0
Gen X (40-55)	46,594	30.9	26.9	193,911	1,835,341	29.0
Baby Boomers (56+)	32,019	21.3	16.1	120,068	1,168,168	30.6
			By Race and Ethnicity			
White	40,572	26.7	30.6	208,245	2,197,002	29.3
Hispanic	21,301	14.0	39.0	235,395	2,183,780	29.9
Asian	11,074	7.3	14.0	87,717	1,093,297	36.0
Black	13,434	8.8	7.7	55,950	408,642	39.3

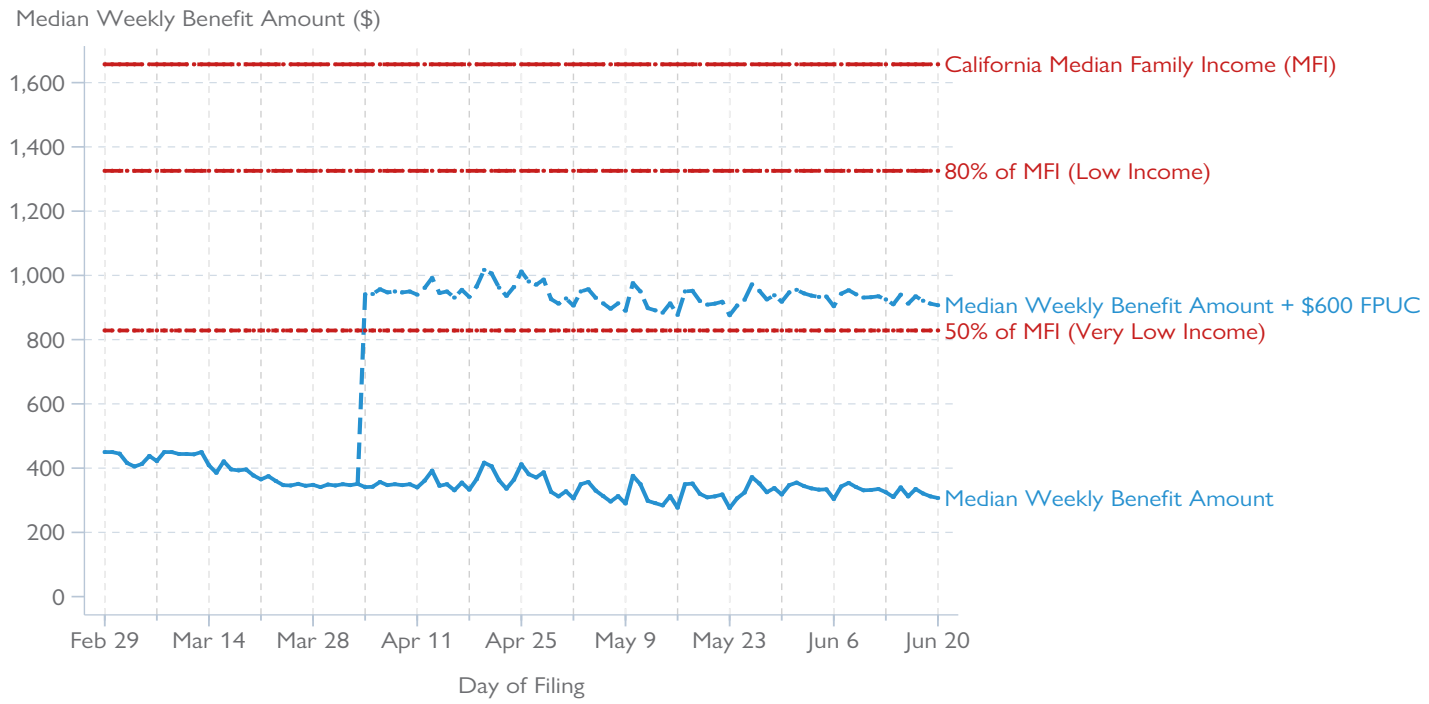
Notes: Claims refer to claims for Pandemic Unemployment Assistance and to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Table excludes claimants not reporting Gender. White and Black do not include those identifying as Hispanic. Table does not show information on claimants in which race is unknown, specified as 'other', or specified as Native American or Alaskan Natives, due to small sample sizes.

FIGURE 8: Share of Initial UI Claims During the COVID-19 Crisis in California by Education Group and Top Industries, 2/22/2020-6/20/2020



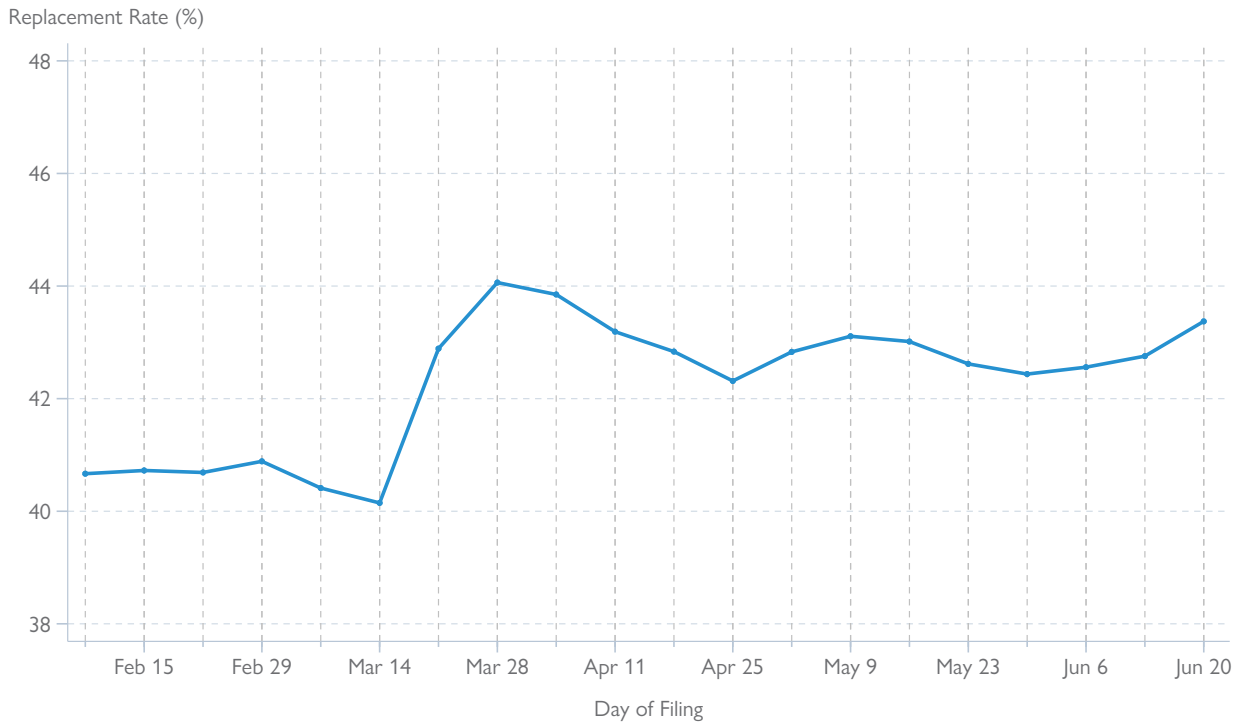
X-axis labels correspond to Saturdays. Our data do not contain education levels for claimants for Pandemic Unemployment Assistance (PUA).

FIGURE 9: Federal Pandemic Unemployment Compensation Significantly Raises Weekly Benefits Received



X-axis labels correspond to Saturdays. Median weekly benefit calculation excludes claimants receiving no benefits.
California Median Family Income (MFI) is $86,165 (Census, 2018 ACS). Using $86,165/52 weeks gives $1,657/week.
Low Income and Very Low Income definitions from HUD: https://www.huduser.gov/portal/datasets/il/fmr98/sect8.html
Median Weekly Benefit Amount based on initial claims for regular UI, and does not include claims from Pandemic Unemployment Assistance.

FIGURE 10: Average Replacement Rates Continue to be Higher Than Pre-Crisis Levels, Indicating a Larger Share of Lower-Income Claimants



X-axis labels correspond to Saturdays. Does not include PUA claims.

TABLE 10: Percent of Initial UI Claimants Expecting Recall and the Median Weekly Benefit Amount Before and After the Start of the COVID-19 Crisis in California

	PERCENT EXPECTING RECALL			WEEKLY BENEFIT AMOUNT ($)		
GROUP	FEBRUARY AVERAGE	SINCE MARCH 15TH	LAST 2 WEEKS (JUNE 7TH- JUNE 20TH)	FEBRUARY AVERAGE	SINCE MARCH 15TH	LAST 2 WEEKS (JUNE 7TH- JUNE 20TH)
Statewide	39.3	80.7	75.2	418	343	330
			By Gender			
Female	33.3	81.3	75.9	328	304	296
Male	42.8	80.0	74.4	450	397	388
			By Age Group			
16–19	32.4	80.3	73.4	166	127	121
20–24	33.5	78.6	72.3	263	216	200
25–34	34.7	79.8	74.2	388	352	333
35–44	36.8	80.6	75.5	450	436	422
45–54	41.3	81.9	77.0	450	437	433
55–64	44.1	82.4	77.8	450	425	424
65–85	50.1	83.6	78.1	369	334	347
			By Education Group			
High School Degree or Less	46.5	86.8	80.1	347	318	305
Associate's Deg., Some College	33.8	74.1	71.1	435	345	334
Bachelor's Degree or More	27.6	70.2	67.5	450	446	447
			By Race and Ethnicity			
White	35.2	81.0	75.0	450	390	376
Black	23.1	73.6	66.9	330	296	277
Hispanic	48.3	81.2	76.9	356	323	311
Asian	28.4	81.7	76.8	450	358	371

Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Does not include PUA claims. Median weekly benefit amount calculation excludes claimants receiving no benefits.

TABLE 11: Average and Median Replacement Rates Before and During the COVID-19 Crisis, by Demographic Group with and without Additional Benefits from Pandemic Unemployment Compensation

	AVERAGE REPLACEMENT RATE (%)			MEDIAN REPLACEMENT RATE (%)		
GROUP	FEBRUARY	JUNE 7TH-JUNE 20TH	JUNE 7TH-JUNE 20TH INCLUDING +$600	FEBRUARY	JUNE 7TH-JUNE 20TH	JUNE 7TH-JUNE 20TH INCLUDING +$600
Statewide	40.7	43.1	164.2	50.0	50.0	136.3
By Gender						
Female	43.9	44.9	176.4	50.0	50.1	146.6
Male	38.6	41.0	149.5	43.7	50.0	123.0
By Age Group						
16–19	49.4	49.4	327.7	50.1	50.2	291.2
20–24	47.8	48.7	229.8	50.1	50.1	194.0
25–34	43.2	44.4	159.2	50.0	50.0	136.4
35–44	39.0	40.4	136.1	45.4	48.8	116.6
45–54	37.9	39.8	132.5	43.7	48.5	115.0
55–64	38.6	40.1	134.5	45.5	49.4	117.4
65–85	42.2	42.5	162.6	50.0	50.0	133.3
By Education Group						
High School Degree or Less	44.0	44.9	175.2	50.0	50.1	144.4
Associate's Deg., Some College	40.8	44.0	168.2	49.8	50.0	139.4
Bachelor's Degree or More	32.9	37.4	130.0	32.6	43.7	103.2
By Race and Ethnicity						
White	36.6	40.9	156.5	39.6	50.0	126.3
Black	44.4	45.8	195.5	50.0	50.1	154.7
Hispanic	44.2	45.4	168.6	50.0	50.1	143.3
Asian	38.2	41.5	157.3	45.8	50.0	126.8

Notes: Table includes initial regular claims for unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Replacement rate calculation exclude claimants receiving no benefits. Does not include PUA claims. Table excludes claimants not reporting Gender. White and Black do not include those identifying as Hispanic. Table does not show information on claimants in which race is unknown, specified as 'other', or specified as Native American or Alaskan Natives, due to small sample sizes.

TABLE 12: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Major Industry

MAJOR INDUSTRY (2 DIGIT NAICS)	WEEK ENDING JUNE 6TH	WEEK ENDING JUNE 13TH	WEEK ENDING JUNE 20TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Accommodation and Food Services	30,747	32,950	34,595	837,364	1,724,000	48.6
Retail Trade	28,000	26,624	32,700	647,683	1,654,500	39.1
Health Care and Social Assistance	35,207	34,867	35,942	621,376	2,461,900	25.2
Admin. Support, Waste Man. (a)	18,827	16,524	20,335	349,033	1,143,700	30.5
Manufacturing	16,361	15,419	17,342	309,211	896,400	23.5
Construction	14,633	12,884	13,912	297,978	1,318,500	33.2
Prof., Scientific, Techn. Services (a)	12,086	10,520	11,680	238,034	581,300	17.5
Other Services	8,440	8,013	9,189	232,821	332,500	40.1
Education Services	16,330	15,975	21,002	214,131	1,357,200	54.5
Arts, Entertainment, Recreation	7,151	6,791	7,393	214,081	689,700	64.4
Wholesale Trade	8,891	8,196	8,853	184,156	393,100	26.7
Transportation, Warehousing and Utilities	10,056	8,966	10,284	178,259	718,300	24.8
Information	6,333	5,486	6,383	147,464	586,600	25.1
Real Estate and Leasing	3,321	3,176	3,641	83,389	305,300	27.3
Agriculture, Forestry, Fishing (a)	5,859	5,732	6,300	61,887	431,100	14.4
Finance and Insurance	2,869	2,290	2,868	51,702	544,100	9.5
Management	1,300	1,114	1,266	24,824	252,900	9.8
Mining, Oil and Gas	339	223	307	5,624	22,800	24.7
Column Total	226,750	215,750	243,992	4,699,017	15,413,900	30.5

Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Does not include PUA claims. Industry of main employer prior to layoff was obtained from the Quarterly Census of Employment and Wages according to North American Industrial Classification Systems (Naics, see https://www.bls.gov/iag/tgs/iag_index_naics.htm). Column Total excludes NAICS Code 92 (Public Admin), Unclassified NAICS codes, and those with unreported NAICS codes.

(a) Full Names of Sectors: Administrative Support, Waste Management, and Remediation. Agriculture, Forestry, Fishing, and Hunting. Professional, Scientific, and Technical Services.

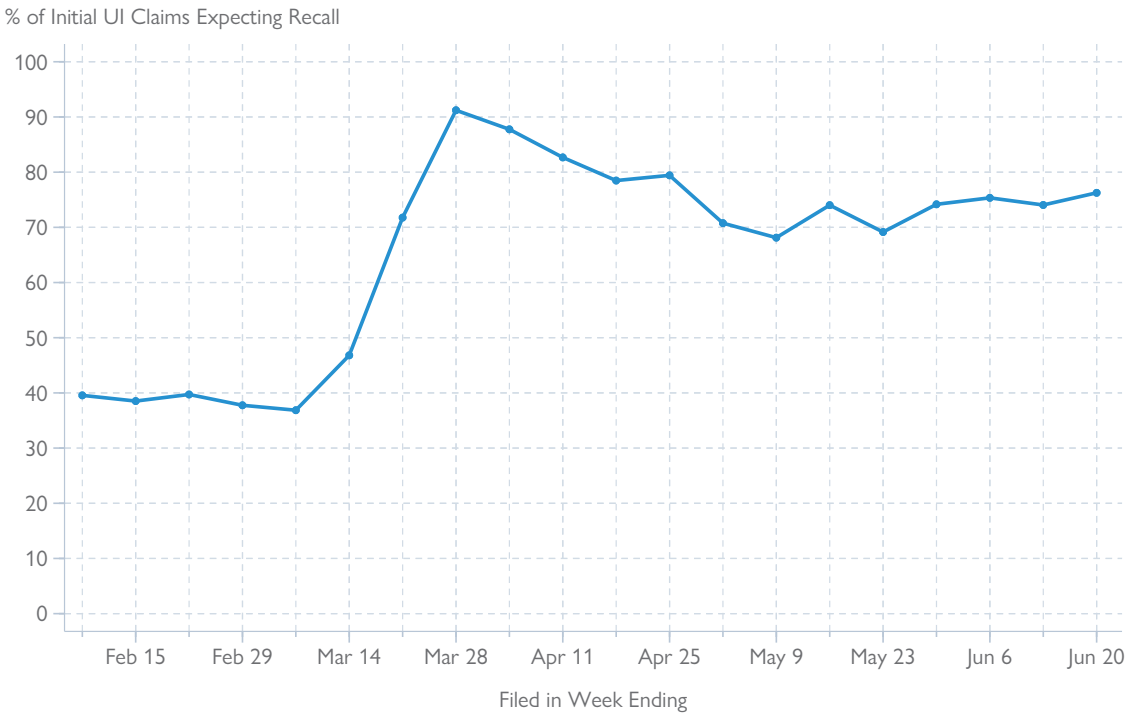
TABLE 13: Percent of Initial UI Claimants Expecting Recall and the Median Weekly Benefit Amount Before and After the Start of the COVID-19 Crisis in California

	PERCENT EXPECTING RECALL			MEDIAN WEEKLY BENEFIT AMOUNT ($)		
MAJOR INDUSTRY (2 DIGIT NAICS)	FEBRUARY AVERAGE	SINCE MARCH 15TH	2 WEEKS (JUNE 7TH-JUNE 20TH)	FEBRUARY AVERAGE	SINCE MARCH 15TH	2 WEEKS (JUNE 7TH-JUNE 20TH)
Accommodation and Food Services	30.6	83.4	78.7	282	256	236
Retail Trade	18.2	79.4	75.9	275	259	240
Health Care and Social Assistance	18.5	79.7	77.1	337	372	367
Admin. Support, Waste Man. (a)	32.4	72.7	67.9	313	304	289
Manufacturing	33.2	80.0	78.2	424	422	422
Construction	56.5	79.7	76.0	450	450	450
Prof., Scientific, Techn. Services (a)	23.8	72.6	70.3	450	450	450
Other Services	21.3	82.8	77.9	347	277	292
Education Services	33.2	77.1	72.8	389	255	310
Arts, Entertainment, Recreation	39.9	85.9	81.0	338	297	297
Wholesale Trade	19.6	77.1	76.2	450	444	450
Transportation, Warehousing and Utilities	41.5	74.9	70.4	391	390	386
Information	46.7	76.1	73.6	450	450	450
Real Estate and Leasing	19.0	76.4	73.0	447	425	411
Agriculture, Forestry, Fishing (a)	80.4	82.5	80.2	275	281	265
Finance and Insurance	7.4	64.6	61.9	450	421	403
Management	16.4	75.0	72.5	450	449	450
Mining, Oil and Gas	37.4	71.7	74.1	450	450	450

Notes: Industries sorted in descending order of total UI claims as in Table 9. Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Industry of main employer in base period (see text) according to North American Industrial Classification Systems (NAICS see https://www.bls.gov/iag/tgs/iag_index_naics.htm). Does not include PUA claims. Median WBA calculation excludes claimants reciving no benefits.

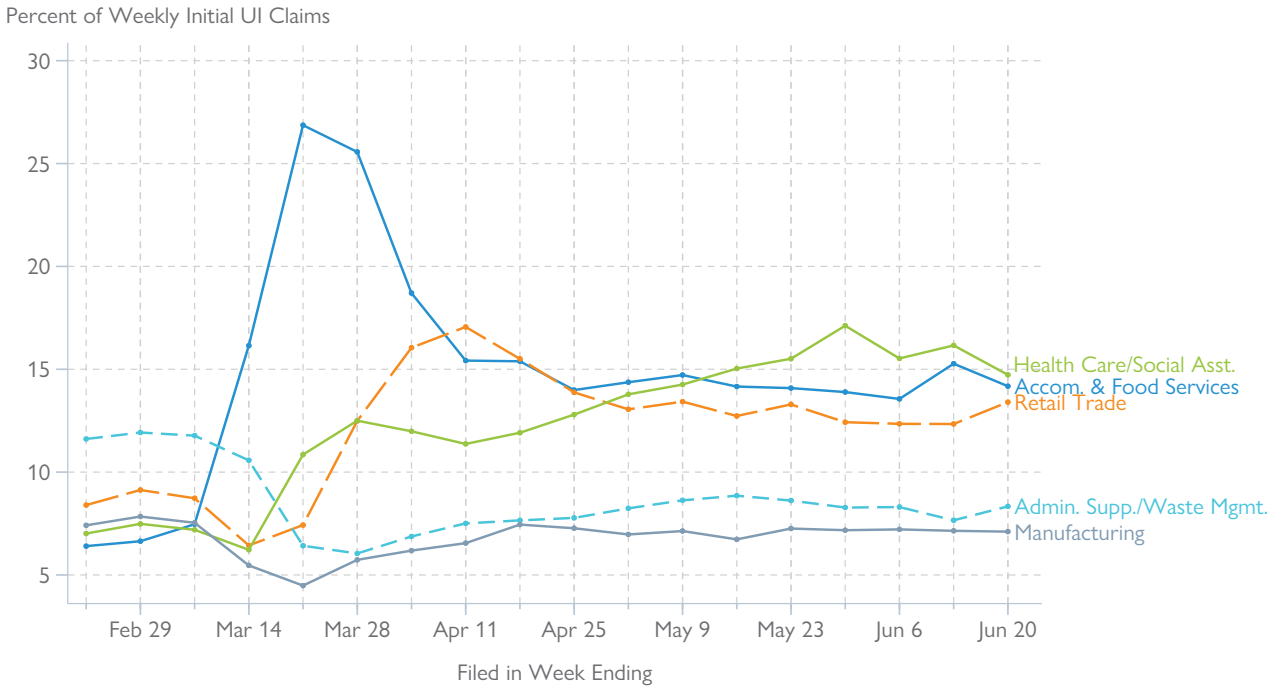
(a) Full Names of Sectors: Administrative Support, Waste Management, and Remediation. Agriculture, Forestry, Fishing, and Hunting. Professional, Scientific, and Technical Services.

FIGURE 11: Percent of Claimants Reporting They Expect to be Recalled to Prior Job Before and After Start of COVID-19 Crisis in California in Mid-March



X-axis labels correspond to Saturdays.
This figure is based on initial claims for regular UI. It does not include information from claims for Pandemic Unemployment Assistance, most of which were self-employed.

FIGURE 12: Share of Initial UI Claims by Five Most Impacted Industries During the COVID-19 Crisis in California, 2/22/2020 - 6/20/2020



X-axis labels correspond to Saturdays.
This figures is based on initial claims for regular UI. It does not include information from claims for Pandemic Unemployment Assistance, most of which were self-employed (see text).

TABLE 14: Percent of Initial UI Claimants Expecting Recall and the Median Weekly Benefit Amount By Industry, Before and After the Start of the COVID-19 Crisis in California

	AVERAGE REPLACEMENT RATE (%)			MEDIAN REPLACEMENT RATE (%)		
MAJOR INDUSTRY (2 DIGIT NAICS)	FEBRUARY	LAST 2 WEEKS: JUNE 7TH-JUNE 20TH	LAST 2 WEEKS INCLUDING +$600	FEBRUARY	LAST 2 WEEKS: JUNE 7TH-JUNE 20TH	LAST 2 WEEKS INCLUDING +$600
Accommodation Food Svc	46.6	47.0	203.6	50.1	50.1	172.8
Retail Trade	45.7	46.5	200.3	50.1	50.1	169.5
Health Care and Social Assistance	44.7	42.6	150.5	50.0	50.0	129.4
Admin. Support, Waste Man. (a)	44.5	45.2	183.1	50.1	50.1	150.2
Manufacturing	41.0	39.8	115.8	46.8	44.2	107.0
Construction	35.2	36.0	108.5	34.6	36.6	86.2
Prof., Scientific, Techn. Services (a)	33.5	36.8	124.1	33.5	41.3	97.6
Other Services	44.1	45.6	182.6	50.0	50.1	149.6
Education Services	43.1	45.5	181.2	50.0	50.1	144.0
Arts, Entertainment, Recreation	42.8	44.0	188.0	50.0	50.1	146.8
Wholesale Trade	39.4	39.9	122.0	47.1	46.9	110.4
Transportation, Warehousing and Utilities	43.4	42.7	148.0	48.7	48.3	126.4
Information	28.8	33.4	124.3	24.9	34.0	80.3
Real Estate and Leasing	40.3	41.4	142.5	48.4	49.8	121.5
Agriculture, Forestry, Fishing (a)	48.0	48.2	195.3	50.1	50.1	160.9
Finance and Insurance	35.5	40.6	130.7	40.0	50.0	122.4
Management	33.2	37.8	117.4	33.1	43.6	102.8
Mining, Oil and Gas	32.8	29.2	74.0	32.1	28.2	65.7

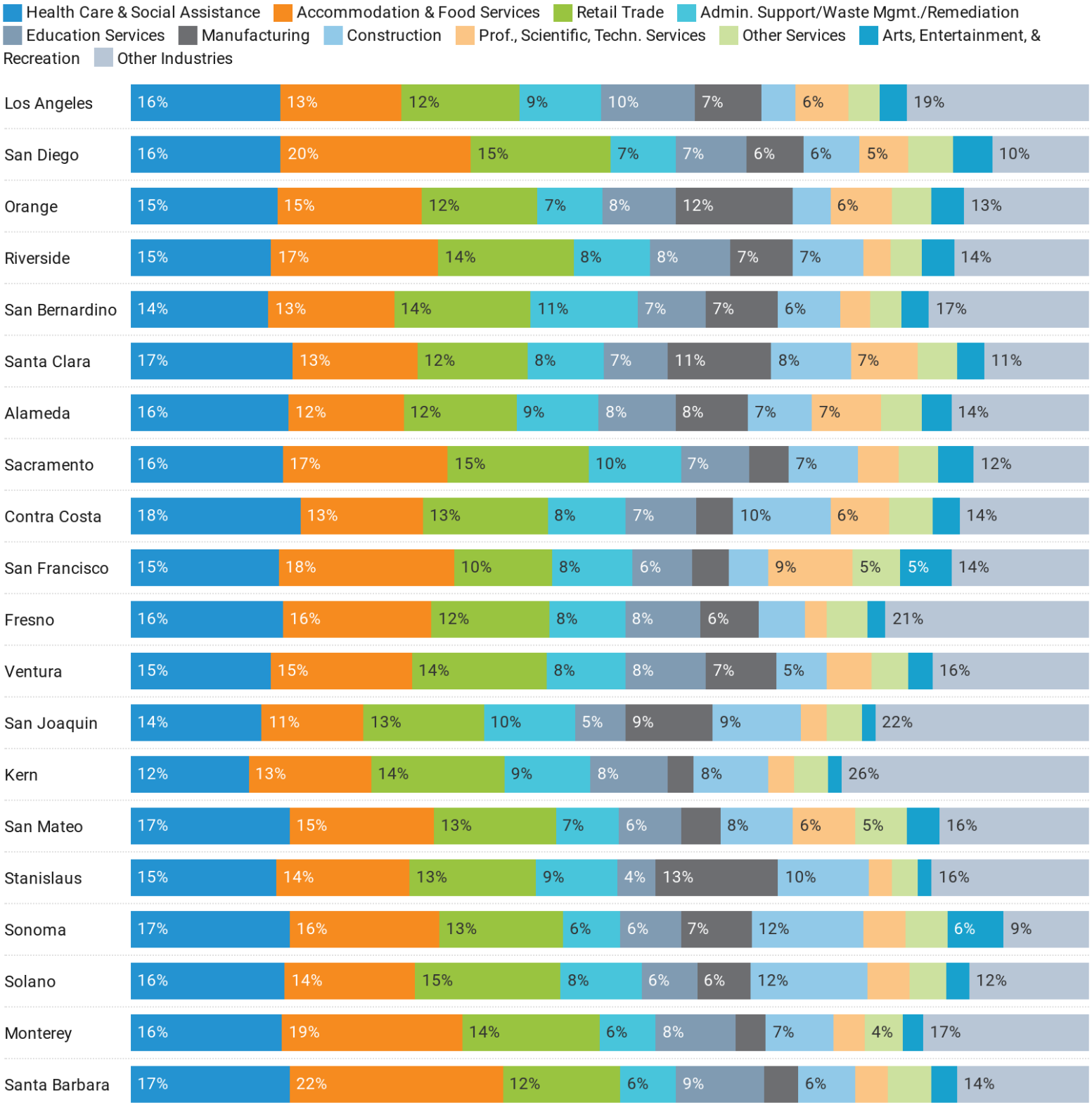
Notes: Industries sorted in descending order of total UI claims as in Table 9. Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Industry of main employer in base period (see text) according to North American Industrial Classification Systems (NAICS see https://www.bls.gov/iag/tgs/iag_index_naics.htm). Does not include PUA claims.
(a) Full Names of Sectors: Administrative Support, Waste Management, and Remediation. Agriculture, Forestry, Fishing, and Hunting. Professional, Scientific, and Technical Services.

TABLE 15: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force in 20 Largest Counties

COUNTY	WEEK ENDING JUNE 6TH	WEEK ENDING JUNE 13TH	WEEK ENDING JUNE 20TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Los Angeles	74,814	68,369	86,518	1,627,729	5,222,800	31.2
Orange	22,338	21,195	24,070	504,401	1,623,900	31.1
San Diego	22,801	22,345	24,410	504,217	1,577,600	32.0
Riverside	17,978	17,232	20,163	363,096	1,104,700	32.9
San Bernardino	15,749	14,327	17,785	292,807	969,700	30.2
Santa Clara	10,240	10,051	10,427	242,888	1,055,300	23.0
Alameda	10,380	9,810	10,588	238,249	840,400	28.3
Sacramento	10,057	9,494	11,146	214,236	714,800	30.0
Contra Costa	7,006	6,723	7,275	160,976	541,300	29.7
San Francisco	5,364	4,999	5,327	134,796	587,200	23.0
Fresno	6,881	6,823	8,168	118,632	454,000	26.1
Ventura	5,442	5,354	5,956	118,614	424,700	27.9
San Joaquin	5,644	5,489	6,323	107,835	326,500	33.0
Kern	6,480	5,925	7,422	102,666	395,800	25.9
San Mateo	4,177	3,900	4,023	99,782	462,900	21.6
Stanislaus	3,985	3,899	4,412	74,839	244,000	30.7
Sonoma	2,934	2,696	2,968	72,271	258,500	28.0
Solano	2,896	2,799	3,216	62,124	208,500	29.8
Monterey	2,722	2,378	2,475	54,562	217,100	25.1
Santa Barbara	2,370	2,330	2,668	54,343	215,500	25.2
Column Total	240,258	226,138	265,341	5,149,061	17,445,200	29.5

Notes: Counties listed in descending order of total claims. Claims refer to initial claims for regular unemployment insurance benefits among California residents. Does not include PUA claims. Tabulations based on initial UI claims file. Column Total excludes counties outside the top 20.

FIGURE 13: Industry Distribution of Total Initial UI Claims In Large Counties Filed from June 7th- June 20th



Interpretation Example: In the 2 weeks between June 7th and June 20th, 12% of initial UI claims in LA County came from the Retail Trade industry. Counties listed in descending order of total claims. Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file.

Supplementary Appendix

TABLE 6B: Outcomes of Continuing Claims During the COVID-19 Crisis, by Major Industry

MAJOR INDUSTRY (2 DIGIT NAICS)	Since March 15th: TOTAL POTENTIALLY ELIGIBLE CLAIMS	Since March 15th: TOTAL CLAIMS PAID	March 15th - May 30th: PERCENT OF CLAIMS POTENTIALLY ELIGIBLE FOR PAYMENT	March 15th - May 30th: PERCENT OF CLAIMS PAID	Two weeks: May 31st - June 13th: PARTIAL UI CLAIMS AS A PERCENT OF REGULAR CLAIMS PAID	Two weeks: May 31st - June 13th: PERCENT OF POTENTIALLY ELIGIBLE REGULAR CLAIMS DENIED DUE TO EARNINGS
Accommodation Food Svc	612,644	578,784	90.9	85.9	13.7	11.1
Retail Trade	449,113	413,403	89.6	82.6	11.4	12.1
Health Care and Social Assistance	379,052	324,539	89.6	76.9	15.3	21.7
Admin. Support, Waste Man. (a)	211,364	193,177	83.7	76.6	7.8	10.0
Manufacturing	192,573	170,366	90.9	80.5	12.9	17.8
Other Services	172,888	162,215	91.0	85.3	10.7	12.8
Construction	162,026	145,558	89.2	80.1	6.4	10.9
Arts, Entertainment, Recreation	161,199	149,282	91.3	84.6	11.4	9.9
Prof., Scientific, Techn. Services (a)	151,018	131,167	89.2	77.6	11.3	16.1
Education Services	127,236	114,993	86.5	78.8	13.5	16.8
Wholesale Trade	119,371	104,117	90.5	79.0	12.3	17.3
Transportation, Warehousing and Utilities	105,808	95,822	85.6	77.4	15.1	11.7
Information	87,080	77,933	85.9	76.9	13.0	12.4
Real Estate and Leasing	57,615	51,943	89.7	80.8	11.7	14.5
Finance and Insurance	32,697	29,295	86.6	77.0	14.2	11.6
Agriculture, Forestry, Fishing (a)	23,160	25,789	75.1	82.6	4.7	3.8
Management	15,727	13,254	90.9	76.2	17.1	15.7
Mining, Oil and Gas	2,020	2,654	58.0	73.5	12.8	0.0

Notes: "Potentially Eligible" includes claims which are either paid or have payment denied due to excess weekly earnings or full-time work. Columns (1)-(4) include PUA, Columns (5)-(6) exclude PUA. Column (1) = Number of Claims paid + Number of payments denied due to excessive earnings or FT work. Column (3) = Potentially eligible Claims as a percent of all initial claims during period. Column (4) = Claims Receiving payment as a percent of all initial claims during period. Does not include PUA claims. (a) Full Names of Sectors: Administrative Support, Waste Management, and Remediation. Agriculture, Forestry, Fishing, and Hunting. Professional, Scientific, and Technical Services.

TABLE 7B: Different Measures of the Fraction of the Labor Force Potentially Eligible For UI Benefits, Receiving UI Benefits, and Receiving Full WBA for the Week Ending June 6th

	February Labor Force			May Labor Force			
GROUP	INDIVIDUALS POTENTIALLY ELIGIBLE AS A PERCENT OF LABOR FORCE	INDIVIDUALS PAID AS A PERCENT OF LABOR FORCE	INDIVIDUALS PAID FULL WBA AS A PERCENT OF LABOR FORCE	INDIVIDUALS POTENTIALLY ELIGIBLE AS A PERCENT OF LABOR FORCE	INDIVIDUALS PAID AS A PERCENT OF LABOR FORCE	INDIVIDUALS PAID FULL WBA AS A PERCENT OF LABOR FORCE	INDIVIDUALS PAID LESS THAN FPL AS A PERCENT OF ALL PAID
Statewide	16.4	15.2	13.6	17.3	16.1	14.38	48.76
By Gender							
Female	18.4	17.0	14.9	19.4	17.9	15.7	54.6
Male	13.9	13.0	11.8	14.7	13.7	12.5	43.4
By Age Group							
16–19	21.0	19.7	18.2	20.9	19.6	18.1	92.2
20–24	25.5	23.9	21.1	27.8	26.0	23.0	68.1
25–34	17.6	16.3	14.5	18.8	17.4	15.4	44.3
35–44	13.7	12.6	11.3	14.4	13.3	12.0	42.1
45–54	13.2	12.2	11.0	13.9	12.8	11.6	43.1
55–64	14.2	13.1	11.8	14.9	13.7	12.3	43.9
65–85	14.0	13.3	11.8	14.6	13.9	12.3	51.2
By Race and Ethnicity							
White	13.5	12.5	11.2	14.2	13.2	11.8	46.1
Hispanic	14.0	12.8	11.3	14.7	13.5	11.9	48.3
Asian	18.4	17.2	15.4	19.6	18.4	16.4	52.6
Black	20.1	19.2	17.6	21.4	20.5	18.7	51.7
By Education							
High School Degree or Less	21.1	19.5	17.2	22.6	20.8	18.3	46.7
Associate's Deg., Some College	13.8	12.6	10.9	14.3	13.1	11.3	46.9
Bachelor's Degree or More	5.2	4.8	4.2	5.6	5.1	4.4	33.7

Notes: "Potentially Eligible" includes claims which are either paid or have payment denied due to excess weekly earnings or full-time work. PUA claimants do not report education, and thus are excluded from the "By Education" section.

TABLE 8B: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Education Level and Major Industry

MAJOR INDUSTRY (2 DIGIT NAICS)	HS or Less		Some College or Associates Degree		Bachelor's or More	
	CLAIMS SINCE MARCH 15TH	PERCENT OF GROUP'S LABOR FORCE	CLAIMS SINCE MARCH 15TH	PERCENT OF GROUP'S LABOR FORCE	CLAIMS SINCE MARCH 15TH	PERCENT OF GROUP'S LABOR FORCE
Accommodation and Food Services	539,395	73.9	220,409	45.0	76,312	33.3
Retail Trade	364,188	45.2	210,245	30.7	71,594	17.7
Health Care and Social Assistance	268,182	53.3	212,118	28.3	139,575	12.3
Admin. Support, Waste Man. (a)	216,073	41.0	82,300	40.8	48,276	26.8
Manufacturing	189,939	30.1	69,941	18.2	43,673	7.0
Construction	204,911	25.2	74,168	22.0	16,375	7.8
Prof., Scientific, Techn. Services (a)	96,576	56.4	57,480	19.0	82,140	5.3
Other Services	141,511	30.2	65,270	21.0	25,493	10.8
Arts, Entertainment, Recreation	107,652	72.8	65,069	35.3	40,991	18.8
Education Services	76,086	43.7	54,594	15.6	82,747	7.7
Wholesale Trade	101,754	60.7	47,303	40.8	34,310	24.5
Transportation, Warehousing and Utilities	105,308	19.3	51,830	14.6	19,876	9.2
Information	59,242	73.5	34,967	34.3	52,736	16.4
Real Estate and Leasing	43,807	39.7	22,342	17.9	16,952	7.6
Agriculture, Forestry, Fishing (a)	46,713	13.7	5,829	11.8	1,751	4.7
Finance and Insurance	22,488	20.4	15,988	9.1	12,871	3.0
Management	10,910	173.7	6,751	93.4	7,047	85.5
Mining, Oil and Gas	3,767	32.7	1,272	11.2	487	5.9

Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Table excludes PUA claims. Total Claims as percent of labor force for individuals with HS or Less in the Management industry is not reported due to the small size of the group's labor force.
(a) Full Names of Sectors: Administrative Support, Waste Management, and Remediation. Agriculture, Forestry, Fishing, and Hunting. Professional, Scientific, and Technical Services.

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The California Policy Lab builds better lives through data-driven policy. We are a project of the University of California, with sites at the Berkeley and Los Angeles campuses.

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Endnotes

[1] This includes new claims, additional claims, and transitional claims. It excludes claims filed in CA by workers residing in a border state (but working in CA), and short- time compensation claims. When a claimant first files for UI benefits following a job loss they start a 52 week benefit year, a period during which their benefits (typically available for 26 weeks) are payable. A "new claim" is the first claim for a given benefit year. An "additional claim" is a second (or higher) claim filed during the same benefit year after a temporary return to work. A "transitional claim" is filed when a claimant is still collecting benefits at the end of their benefit year period and is eligible to begin a new one. As per the California Employment Development Department, see: https://www.edd.ca.gov/about_edd/Quick_Statistics_Information_by_County.htm (Accessed April 24th, 2020).

[2] As per the U.S. Department of Labor Employment and Training Administration's report No. 539.
Available at https://oui.doleta.gov/unemploy/DataDownloads.asp (accessed on April 24th 2020).

[3] Labor force numbers by age and gender provided here: https://www.labormarketinfo.edd.ca.gov/specialreports/CA_Employment_Summary_Table.pdf Labor Force numbers by county provided here: https://www.labormarketinfo.edd.ca.gov/geography/lmi-by-county.html.

[4] In normal circumstances, it is not possible for a claimant to receive a payment for a given week of unemployment without certifying their eligibility for that week. During the COVID-19 crisis, a subset of payments have been made automatically without requiring the claimant to certify. In such cases a payment received for a given week does not necessarily imply that the claimant was unemployed in that week. We cannot currently identify whether a payment was made with or without certification. For this reason and others these results may be updated and should be taken as preliminary.

[5] These numbers are not comparable from those published in EDD's report from June 4th 2020 for several reasons. We purposefully focus on initial outcomes of new initial claimants during the COVID-19 crisis. As a result, our numbers are based on claims instead of claimants; we use the date that the initial claim was filed instead of the date that the payment was filed; we exclude the subset of initial claims that are "additional" (reopened) claims; we exclude individuals that were already unemployed prior to March 15th; and we focus only on the first payment.

[6] In our past report, we stated that a large fraction of the remainder was due to individuals denied initially due to insufficient earnings.

[7] We define a payment (or claim) as "partial UI" if the claimant worked at all in the relevant week. For a small fraction of cases, this counts a payment or claim as partial UI even though the claimant received a full UI payment, since their earnings were below the partial UI income disregard of $25.

[8] https://www.edd.ca.gov/newsroom/unemployment-june-2020.htm

[9] The more comprehensive measure is called U-6, see https://www.bls.gov/news.release/empsit.t15.htm.

[10] It is important to bear in mind that estimates of the number of unemployed at the state level have a non-trivial amount of statistical noise for small groups. Hence, estimates of the recipiency rate above 100% for Asian and Hispanic workers should be interpreted with caution.

[11] We exclude PUA claims from this section since most of them are filed by self-employed individuals. Benefits are denied if 75% of earnings in a given week are above the Weekly Benefit Amount (WBA), i.e., if 0.75*earnings (or earnings less $25, whichever is smaller) are greater than the claimant's WBA. Thus the claimant can earn 4/3 of their WBA and maintain eligibility. The WBA, and hence the earnings cut off for partial UI, depends on the highest earning quarter in the base period, and is generally about ½ of average prior weekly earnings. Thus, a claimant can earn about 4/3 x ½ = 2/3 of their prior average weekly earnings while maintaining eligibility.

[12] In partial UI, the first 25% of earnings in a week, or $25 (whichever is less) is disregarded, to incentivize part-time work. Every dollar earned beyond this disregard amount is deducted 1 for 1 from the claimants WBA. Thus, for claimants earning greater than $25 a week but less than 133% of their WBA, the following applies: Partial UI Payment = WBA – 0.75 x Weekly Earnings. If the claimant earns $25 or less per week, they receive the full WBA, and if they earn more than 133% of their WBA, they are not considered unemployed by EDD, and thus do not receive payment.

[13] Eligibility rules for work-sharing require hours reductions be no more than 60% and no less than 10% relative to normal hours, see https://www.edd.ca.gov/pdf_pub_ctr/de8684.pdf. Thus, an individual seeing for example a 20% reduction in work hours who is participating in an STC program would be eligible for a payment of 20% of their WBA + $600, whereas they would be denied UI benefits because their earnings are greater than 66% of prior earnings. See the Appendix for further examples.

[14] Figure shown in Appendix available at https://www.capolicylab.org/california-unemployment-insurance-claims-during-the-covid-19-pandemic/.

[15] According to http://laborcenter.berkeley.edu/pdf/2017/What-Do-We-Know-About-Gig-Work-in-California.pdf, approximately 12% of the labor force in California was self-employed in 2016 (combining both incorporated and unincorporated self-employed individuals). Our estimates based on the Current Population Survey suggests a share of 11% of self-employed in February 2020 for a 12 month moving average. Relative to the total California labor force in February 2020 reported by EDD, this implies approximately 2.15 million self-employed individuals. The number of unincorporated self-employed, that are often associated with independent contractors, is 1.5M. The remainder are incorporated self-employed.

[16] PUA claimants were also more likely to either identify as Native American, Alaskan Native, "Other", or choose not to report their race. Such individuals made up 35.8% of PUA claimants, but only 8.8% of regular UI claimants.

[17] Table 3 of http://laborcenter.berkeley.edu/pdf/2017/What-Do-We-Know-About-Gig-Work-in-California.pdf shows demographic characteristics of the self-employed in CA in 2016; we replicated their results for February 2020 and found them to be similar.

[18] This process has started and is ongoing. For further information, see https://edd.ca.gov/about_edd/coronavirus-2019/pandemic-unemployment-assistance.htm

[19] The standard base period includes the first four of the last five completed calendar quarters as of the date of the claim. The WBA is approximately equal to 50% of average weekly earnings during the highest earning quarter of the base period, up to the maximum of $450. The earnings cut off to receive the maximum WBA is $898/week. Claimants are eligible for benefits if earnings in the highest quarter are at least $1300, or if earnings in the highest quarter are at least $900 and earnings in the entire base period are at least 125% of the highest quarterly amount. Workers not meeting these thresholds may qualify through the so-called Alternative Base Period, as described below. The data on initial claims used in this report contain an indicator for whether a claimant is eligible for UI benefits based on their prior earnings history. For those eligible, the data also contains an estimate of the WBA. This information is not based on actual benefit payments, and in some cases actual weekly payment amounts may deviate from what is recorded in the initial claims file. To receive FPUC starting March 29th, the worker does not have to file by that date, and will receive FPUC as long as their unemployment spell is covered by UI and falls on or after March29th. In some cases, UI benefits, including FPUC payments, are paid retroactively. Hence, not all beneficiaries started receiving FPUC payments on March 29th. As discussed elsewhere in this report, these WBA us reduced if an claimant earnings above a disregard.

[20] The data on initial claims used in this report contain an indicator whether a claimant is eligible for UI benefits based on their prior earnings history. For those eligible, the data also contains an estimate of the WBA. This information is not based on actual benefit payments, and in some cases actual weekly payment amounts may deviate from what is recorded in the initial claims file.

[21] To receive FPUC starting March 29th, the worker does not have to file by that date, and will receive FPUC as long as their unemployment spell is covered by UI and falls on or after March29th. In some cases, UI benefits, including FPUC payments, are paid retroactively. Hence, not all beneficiaries started receiving FPUC payments on March 29th.

[22] The federal poverty level and HUD's classification of low income households are based on annual income, see for example https://www.huduser.gov/portal/datasets/il/fmr98/sect8.html and https://www.federalregister.gov/documents/2020/01/17/2020-00858/annual-update-of-the-hhs-poverty-guidelines. To get a sense of where UI benefits would locate an individual in the income distribution, we divide the annual amounts by 52 to obtain weekly thresholds.

[23] See Figure 2 of https://calbudgetcenter.org/wp-content/uploads/2019/04/Report_California-Housing-Affordability-Crisis-Hits-Renters-and-Households-With-the- Lowest-Incomes-the-Hardest_04.2019.pdf

[24] We obtain information on earnings in a claimants base period from the UI Base-Wage file. Claimants who do not earn enough to be eligible for UI in the standard base period are potentially eligible in an alternative base period, defined as the last four completed calendar quarters as of the claim. Since we currently do not observe earnings in the entire alternative base period for the most recent claimants, we omit alternative base period claimants from our replacement rate calculation calculations.

[25] https://www.bls.gov/oes/current/oes_ca.htm#35-0000

[26] We obtain industry by the North American Industry Classification System (NAICS) from the main employer in the worker's base period as recorded in the Quarterly Census of Employment and Wages (QCEW). The base period consists of the first four of the last five completed quarters as of the date of the claim. Since the QCEW is last available for the second calendar quarter of 2019, tabulations by industry are only available for firms that were active in the second quarter of 2019. We were able to link the vast majority of claims to a NAICS industry code in this way. It is important to note that the primary employer in a claimant's base period is not necessarily the claimant's last employer before the claim is filed.

[27] We see that while only 4.9% of accumulated claims since Mid-March are attributed to the Arts, Entertainment, and Recreation industry, 56% of the industry's labor force has filed initial claims (Table 10). Similarly, while Education Services make up less than 4% of initial claims, over 38% of the labor force from that industry has filed for UI.

[28] The data by county represents the mailing address given by the claimant at the time of filing for UI. It is possible that an individual can reside in a different county than their mailing address. Also, this information does not represent the county where the individual worked. It is also possible that a claimant could have moved or changed their mailing address after filing for UI which would not be reflected here. Data for claimants residing outside of California but collecting benefits are not included in these figures nor are invalid addresses in California where a county cannot be determined.