

MARCH 2017

CALIFORNIA STATE

UNEMPLOYMENT COST FACT SHEET



\$342

Average SUTA Cost per Employee

Factors used in calculating employer state unemployment rates have *increased*; therefore increasing the average unemployment tax cost per employee by **21%** since 2009.

UNEMPLOYMENT CLAIM STATS

\$11,700

Total Maximum Benefits

A claimant can collect up to a maximum of \$11,700 on a single claim.

\$373 Million

Unemployment Claim Overpayments

California's 3rd quarter 2015 through 2nd quarter 2016 unemployment claim overpayment rate was 7.091%, equaling over \$373 million.

\$2.9 Billion

NEGATIVE Unemployment State Trust Fund

The California Employment Development Department owes more than \$2.9 billion to the federal government. This loan is used to pay the excess unemployment claims the State Trust Fund cannot cover. According to the U.S. Department of Labor, California is financing unemployment at 48% less than their minimum adequate financing rate.

In order to meet adequate financing, EDD will have to increase average SUTA costs per employee from \$342 to \$653.

What do state unemployment tax (SUTA) costs, claims costs and wage base amounts mean to your organization?

These factors could mean less money for your cause.

First Nonprofit Group provides state compliant, individually insured, cost-saving options to satisfy SUTA requirements for nonprofit, governmental and tribal entities.



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Visit our website or call to request a free, no-obligation cost savings evaluation. Evaluations include a 2018 rate projection!

First Nonprofit's 2017 costs averaged 31% less than SUTA!