POLICY BRIEF

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CALIFORNIA POLICY LAB

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 May 7th, this brief adds information on two key federal labor market policies during the crisis, Pandemic Unemployment Assistance (PUA) and Federal Pandemic Unemployment Compensation (FPUC), and an analysis of how they have impacted unemployed workers in California. The brief also reports information on new claims through May 9th, and hence allows us to take stock of the state of the labor market before the gradual 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] Where indicated, we will also report information on initial claims to Pandemic Unemployment Assistance for those that do not qualify for regular UI benefits.

Key Insights from mid-March to May 9th

- The start of the processing of PUA claims on April 28th led to a spike in total UI claims the week ending on May 2nd. Including PUA claims, one in four Californian workers has filed a UI claim since the start of the crisis, reaching levels not seen since the Great Depression.
- Without FPUC, the estimated median weekly benefit amount for regular UI benefits during the crisis was $334, and lower in certain groups (for example, $230 among Accommodation and Food Services industry claimants). The added $600/week FPUC benefits played a substantial role in preventing low levels of weekly income among those hardest hit by the crisis.

- Since the majority of UI claimants during the crisis have been lower-income workers, $600 FPUC payments have raised the estimated median replacement rate to nearly 140% – and close to 170% for some lower-wage industries.
- Lower-educated and younger workers continue to be harder-hit by the crisis. One in three workers from Generation Z (age 16-23), one in four Millennials (Age 24-39), and a staggering one in two lower-educated workers have filed for benefits since the start of the crisis.
- At 69%, the recall rate for those receiving regular UI is still substantially higher than the average of 40% in February but has continued to decline from a peak of 91% at the beginning of the crisis in mid-March. As the economy reopens, we outline how California's Work Sharing program allows firms to rehire these workers at reduced hours, who then remain eligible for partial benefits and the $600 PUA.
- The vast majority of PUA claimants report being self-employed, and we find that about 20% of self-employed in California filed for PUA benefits. Relative to workers filing for regular UI benefits, individuals filing PUA are more likely to be White and Asian, older, and more concentrated in large urban counties.

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 hence the numbers in this policy brief should be taken as preliminary.

Acknowledgments

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Evolution of Total Claims Since New Pandemic Unemployment Assistance (PUA) Became Available

There were a total of 348,842 initial unemployment insurance (UI) claims filed in the week of May 3rd–May 9th in California, down from 611,812 during the week of April 26th–May 2nd, but up from 322,599 during the week of April 19th–April 25th. These numbers include Pandemic Unemployment Assistance (PUA) claims, which the EDD began processing during the week of April 26th-May 2nd. PUA claims made up 48% of total claims during the week ending May 2nd, and 39% of total claims during the week ending May 9th (Table 1). Counting both PUA and regular UI claimants, just under 24% of the entire labor market in California has now filed for unemployment insurance. Despite the initial burst of PUA claimants in the week ending May 2nd, the overall trend in UI claims continues to be downward sloping – the number of regular UI claimants in the latest week (ending May 9th) is among the lowest seen since the onset of the crisis, albeit still 5 times that of the weekly average in February.[2]

The total number of claims during the COVID-19 crisis continues to climb to historical heights. Over 4.6 million initial claims were filed in California in the eight weeks between March 15th and May 9th. In contrast, during one of the worst years of the Great Recession, 2009, California experienced about 3.8 million initial claims.[3] 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.

Typically, not all unemployed workers apply for UI. If one assumes the unemployed apply to UI benefits roughly at the same rate as during the Great Recession, the underlying total increase in the rate of unemployment could be one-and-a-half times as large as the total fraction of UI claimants of the labor force. In other words, if all 23.8% of workers claiming since March 15th are still unemployed, this would imply an unemployment rate of over 30%.[4] These numbers indicate levels of unemployment in California on par with those seen during the Great Depression.[5]

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, Asian workers, and Black workers. This summary updates a more in-depth discussion from our previous report. Women continue to file half of all UI claims, even though they make up 45% of the labor force (Table 2).[6]

By May 9th, over 27% of women in the labor force have filed initial UI claims since the start of the crisis in mid-March (Table 6). Younger workers also continue to be disproportionately affected by the crisis, with one in three 20-24 year olds in the labor force filing for benefits since mid-March (Table 3).

Figure 2 breaks the data out by birth cohorts. Compared to pre-crisis levels, workers from Generation Z (age 16-23) have a higher share of new claims than before the crisis (including PUA), while the share of claims from Millennials (age 24-39) has returned to pre-crisis levels (Figure 2B). Given their high share in employment, Generation X (age 40-55) has also substantially contributed to UI claims during the crisis, and together with Baby Boomers (age 56+) had a higher share of PUA claims (Table 6).

Lower-educated workers were hit disproportionately during the peak of the crisis, leading to almost one in two workers with a high school degree filing for regular UI benefits (Table 4). In early May, the share of lower-educated workers claiming regular UI benefits has returned to pre-crisis levels (Figure 3B). In contrast, the share of claims from workers with some college has continued to rise and is now five points higher than at the beginning of the crisis. One in five workers with some college filed for UI benefits since the onset of the crisis, in contrast to one in ten for workers with a Bachelor's degree (Table 4). Finally, the share of claims from self-reported Asian claimants continues to be higher than pre-crisis levels (Figure 4B). Including PUA, a staggering one in four Black workers and one in four Asian workers have filed for UI benefits since the beginning of the crisis (Table 6).

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

Starting on April 28th, unemployed individuals who did not qualify for regular UI could apply for the new Pandemic Unemployment Assistance (PUA) program. This has led to a sharp increase in initial filings for UI benefits, with 431,864 individuals filing PUA claims by May 9th. 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.[7]

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 6). Not surprisingly, the characteristics of UI claimants partly reflect the demographic structure of self-employed workers in California.[8] 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 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.[9] 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.[10] For all initial claimants between April 26th and May 9th projected to qualify for regular UI benefits, the median WBA was $334 per week (Figure 5).[11]

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).[12] FPUC benefits make a substantial difference for UI claimants in CA. For example, $934 per week puts the median claimant at 56% of median family income (MFI), and above the 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.[13]

For regular UI claimants, WBAs depend on prior earnings and hence partly reflect differences in wage levels in the California labor market. Table 7 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 $334 for the weeks ending on May 2nd and May 9th (Figure 5). Yet, Table 7 shows that median WBAs have declined even within groups, indicating that in each demographic group lower-earning workers were disproportionately affected.

Similarly, median WBAs differed substantially across industries prior to the crisis, reflecting differences in wage levels (Table 11). During the crisis, the median WBA in some lower-wage sectors declined by 10-20% as lower-wage workers filed for benefits – such as Accommodation and Food Services, Other Services, and Retail Trade. For workers in these hard-hit sectors, FPUC payments of $600 lifted weekly benefits from slightly above $200 to above $800. Hence, FPUC payments provides an important lift from very low WBA levels especially for lower-wage workers that were particularly hit during the crisis.

In contrast, the WBA from regular UI in many higher-wage sectors was unchanged. An exception is Education Services, which saw a reduction of median WBA of close to 50%. Only Health Care and Social Assistance saw an increase in median WBA, possibly because of a higher share of typically higher-earning Asian UI claimants in this sector (see Figure 9).

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 $334 (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 2-person household with a single earner, $334 is below the Federal Poverty Level for the given week. Close to 80% of low income workers in California spend more than 50% on rent, and hence would not be able to afford rent based on regular UI benefits for a single earner alone.[14] It is important to bear in mind that low benefit levels are not a reflection of the UI system, but of low wages among workers particularly hit by the crisis, 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.[15] 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% (Figure 6). 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 8 and 11). During the crisis, the average replacement from regular UI benefits (not counting FPUC benefits) rose to close to 45% as more low-income workers filed for benefits and fewer workers qualified for the maximum benefit amount.

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, this implies a rise of the replacement rate to 150% of mean weekly earnings. The implied median replacement rate including FPUC was 136%.

Looking across demographic and industry groups (Tables 8 and 11), 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 177% and 167% in the weeks ending in May 2nd and May 9th, 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).[16] 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. Hence, 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.

High Expected Recall Rate Continues Downward Trend as Crisis Drags On

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." Sixty-nine percent of all initial UI claimants during the two weeks from April 26th to May 9th reported that they expect to be recalled (Figure 7). This is down from the 91% of claimants who reported this when they filed in the week of March 21st-March 28th, but still significantly higher than the 40% average during February. The fraction of workers expecting to be recalled was still substantially above the February average among all demographic groups filing an initial claim (Table 7).

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 April 26th to May 9th, 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 6 points at the peak of the crisis, and was again ten points in the last two weeks.

We also analyzed the percent of workers reporting they expect to be recalled by major industry (Table 10). 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 stark contrast, during the peak of the COVID-19 crisis, reported rates of recall were between 70 and 90% in all industries. In the two weeks from April 26th to May 9th, there were substantial differences in recall rates between industries, as low as 51% in Finance and Insurance, but still as high as 79% 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.

One program that could be used to allow firms to rehire previously laid off workers at reduced hours is California's Work Sharing program. Instead of hiring a smaller number of workers full time, a firm can re-hire a larger number of previous workers at lower hours, while these workers get prorated UI benefits– plus the full amount of $600 in FPUC. This makes the Work Sharing program very attractive to workers, preserves valuable employment relationships for firms, and raises the number of workers attached to their jobs as the economy gradually reopens.[17]

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.[18] We see that Accommodation and Food Services had by far the earliest and largest rise in initial UI claims in the second half of March, followed by Retail Trade and Health Care and Social Assistance (Figure 8). It appears that most sectors have experienced a similar pattern in applications since the end of March, with a large number of claims in the first week of April and a smaller number of claims in the following weeks.

Relative to claimants' industries before the crisis, Accommodation and Food Services, Retail Trade and Health Care and Social Assistance have accounted for a substantially higher share of total initial claims since March 15th than they did before the crisis. The unusual incidence of initial UI claims in these sectors is not surprising in light of social distancing and 'stay in place' orders. About 38% workers in the Accommodation and Food Services industry and 29% of workers in the Retail Trade industry had filed initial UI claims since mid-March, while over 51% of workers in the Arts, Entertainment, and Recreation industry have filed claims. In several other industries, the fraction of the California labor force (within that industry) that filed an initial UI claim between March 15th and April 25th was well over 20% (Table 9). As previously mentioned, historically less than two-thirds of laid-off workers have applied for UI benefits, so the implied increase in the overall unemployment rate by industry could be one and one-half to two times these numbers.

In our last report, we found that the disproportionate rise in initial UI claim filing by younger and lower-educated workers is partially explained by the type of businesses affected by the COVID-19 crisis. In contrast, the differences in the patterns of claimants by race and ethnicity seem to hold within the four industries that experienced particularly large increases in initial claims. These patterns continued to be true during the weeks from April 26th to May 9th. In particular, the rise in the share of claims by Asian workers and the reduction in the share of claims by Black workers continued to be apparent within the major industries that experienced large increases in claims (Figure 9). In particular, we find a more pronounced increase in the share of UI claims from Asian workers and a reduction in the share for Black workers in Accommodation and Food Services and Health Care and Social Assistance.

The same pattern is visible in Retail Trade and Administrative Support, Waste Management, and Remediation Services, although to a more moderate degree. If we compare the patterns to Asian workers' share of the labor force in these sectors, it appears that before the crisis, Asian workers were relatively under-represented in UI claims. In the course of the crisis, they have become slightly over-represented relative to their underlying share in the labor force.[19]

Increases in UI Claims More Pronounced in Urban Counties

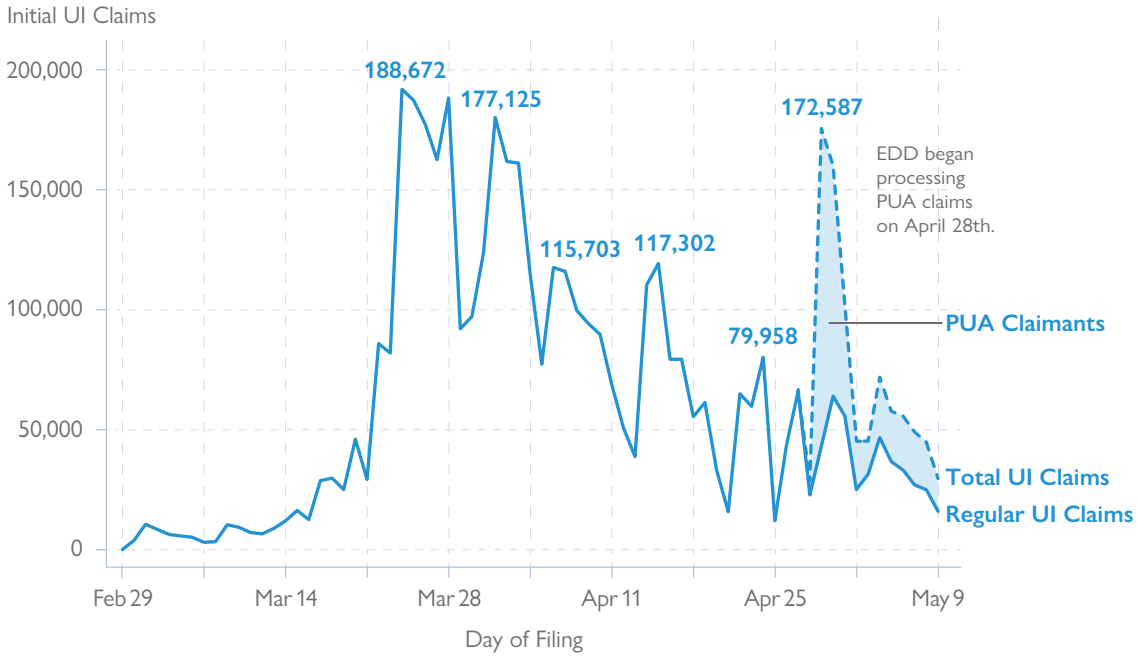
We also analyzed whether the COVID-19 crisis had disparate impacts across the state. Among the most populous counties (Table 12), Los Angeles County saw the largest total of initial claims since March 7th, followed by Orange County, while San Diego County saw the third most initial claims.[20] Since these counties differ in population, we also computed the fraction of the labor force in the respective county that filed initial claims. In Los Angeles County, 25.5% of individuals in the labor force filed initial UI claims, while it was 25.9% in Orange County, and 26.1% in San Diego County. Because not all unemployed workers file for UI, the actual number of people who are unemployed could be larger.

We also examined differences across regions, especially with an eye towards how areas with traditionally higher unemployment fared during this crisis. Figure 10 shows the growth in initial claims since the beginning of the COVID-19 crisis relative to the average number of initial UI claims prevailing in February in six economic areas of the state.[21] As we discussed in our prior report, the growth in daily initial UI claims relative to the average in February has affected all regions in the state, but has been particularly pronounced in the usually economically strong areas of the state, the Bay Area, Los Angeles County, and the rest of southern California. Throughout April, the number of initial UI claims has declined in all regions, until the end of the month when EDD began processing PUA claims.

The data also allows assessing how industries fared across counties. In Figure 11, we show the industry shares of claims in the 20 largest counties of the state. While Accommodation and Food Services, Retail Trade, and Health Care and Social Assistance 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 33% of initial UI claims in San Francisco County, presumably reflecting

the role of the COVID- 19 crisis on the tourism industry. Turning to other sectors, the share of initial UI claims in Manufacturing is 10% and 9% in Santa Clara and Alameda County, respectively, but only 6% in Los Angeles and San Bernardino County. Similarly, Construction has a 12% share in Santa Clara County, but only 4% in Los Angeles County. As restrictions relating to efforts to contain the COVID-19 pandemic are lifted, it will be important to monitor whether some sectors recover faster than others, and how this affects the fortunes of regions across the state.

FIGURE 1: Daily Initial UI Claims (including PUA) During the COVID-19 Crisis in California, 2/29/2020–5/9/2020



X-axis labels correspond to Saturdays.

Total UI claims combines initial claims to regular UI and Pandemic Unemployment Assistance (PUA).

TABLE 1: Weekly Initial UI Claims During the COVID-19 Crisis in California, 2/8/2020–5/09/2020

WEEK ENDING	TOTAL INITIAL CLAIMS	CUMULATED INITIAL CLAIMS SINCE MARCH 15TH	PUA CLAIMS	FRACTION OF PUA CLAIMS AMONG TOTAL CLAIMS
Feb 08	40,754	–	–	–
Feb 15	43,623	–	–	–
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%

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 APRIL 25TH	WEEK ENDING MAY 2ND	WEEK ENDING MAY 9TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Female	160,032	157,662	107,502	2,152,762	8,824,000	24.4
Male	161,766	157,568	105,439	2,025,531	10,605,000	19.1
Column Total	321,798	315,230	212,941	4,178,293	19,429,000	21.5
% Female	49.7	50.0	50.5	51.5	45.4	–

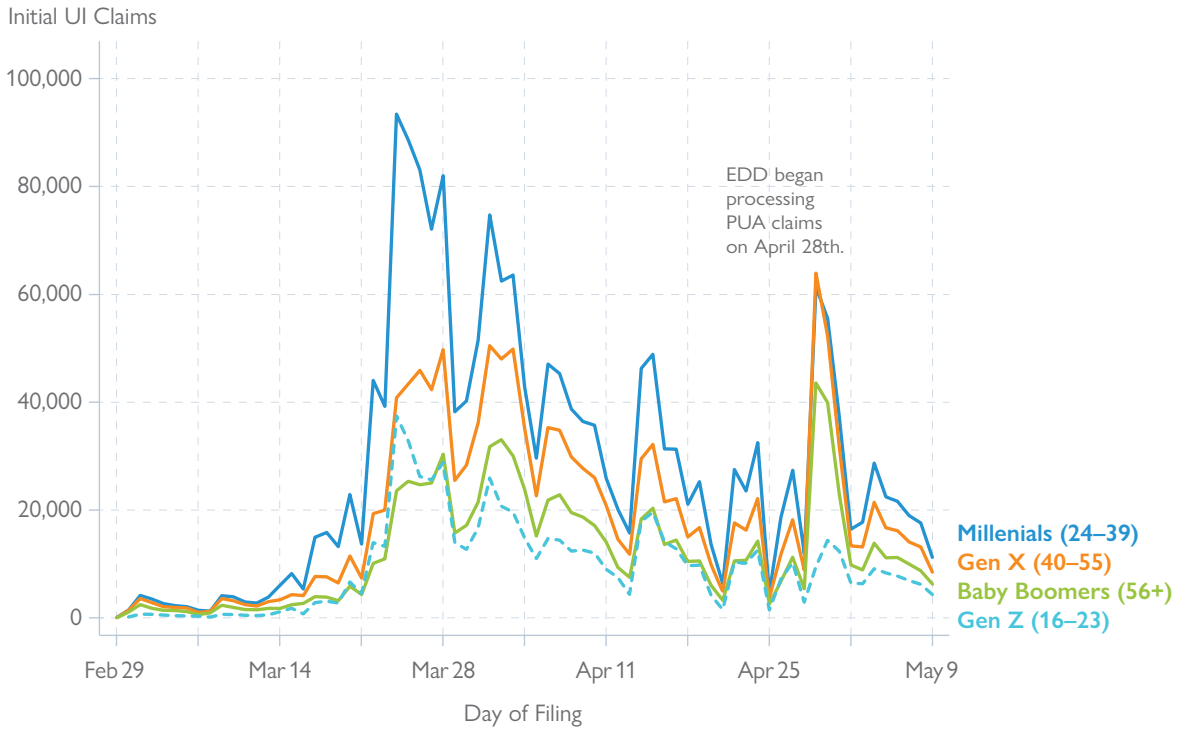
Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Does not include PUA claims. Tabulations based on initial UI claims file. Column Total excludes claimants not reporting Gender.

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 APRIL 25TH	WEEK ENDING MAY 2ND	WEEK ENDING MAY 9TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
16–19	12,341	13,702	10,407	148,778	531,000	28.0
20–24	45,728	47,979	35,484	602,601	1,741,000	34.6
25–34	86,125	87,751	60,074	1,174,877	4,780,000	24.6
35–44	60,769	59,422	38,848	792,048	4,303,000	18.4
45–54	54,672	51,160	33,137	694,180	3,904,000	17.8
55–64	46,417	41,510	26,233	571,583	3,019,000	18.9
65–85	15,229	13,427	8,580	188,329	1,152,000	16.3
Column Total	321,281	314,951	212,763	4,172,396	19,430,000	21.5

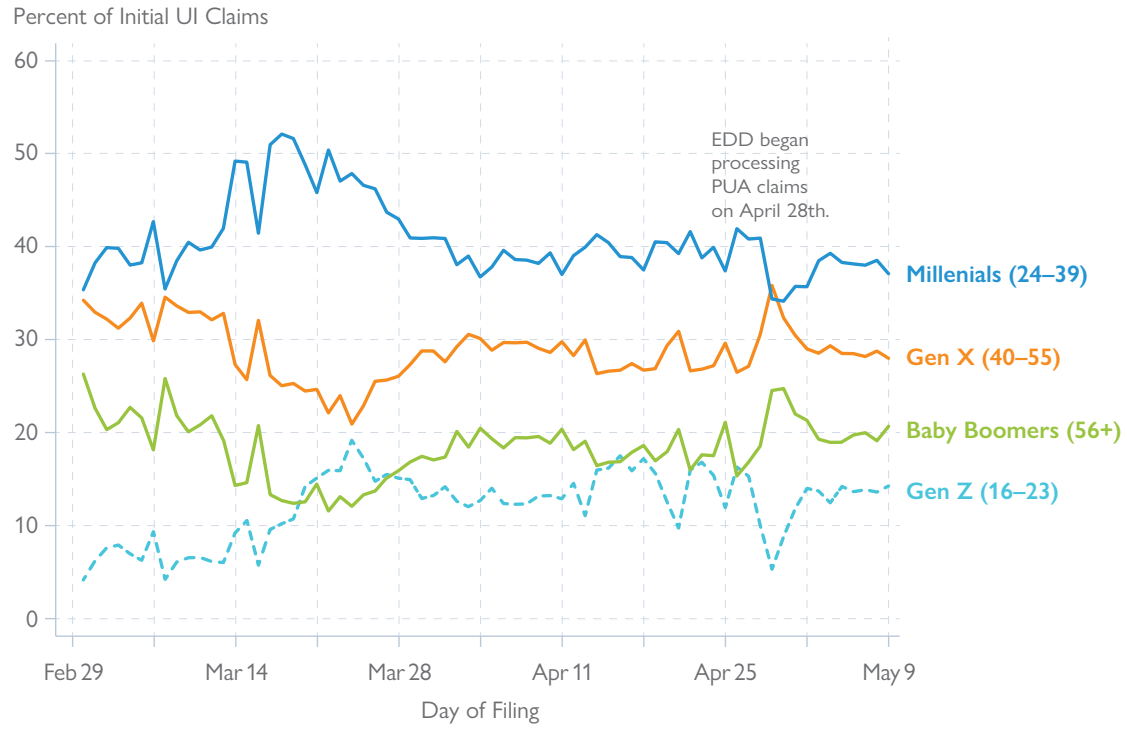
Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Does not include PUA claims. Tabulations based on initial UI claims file. Column Total excludes claimants with unreported age or those reporting age less than 16 or greater than 85.

FIGURE 2A: Initial UI Claims (including PUA) During the COVID-19 Crisis in California by Age Group, 2/29/2020–5/9/2020



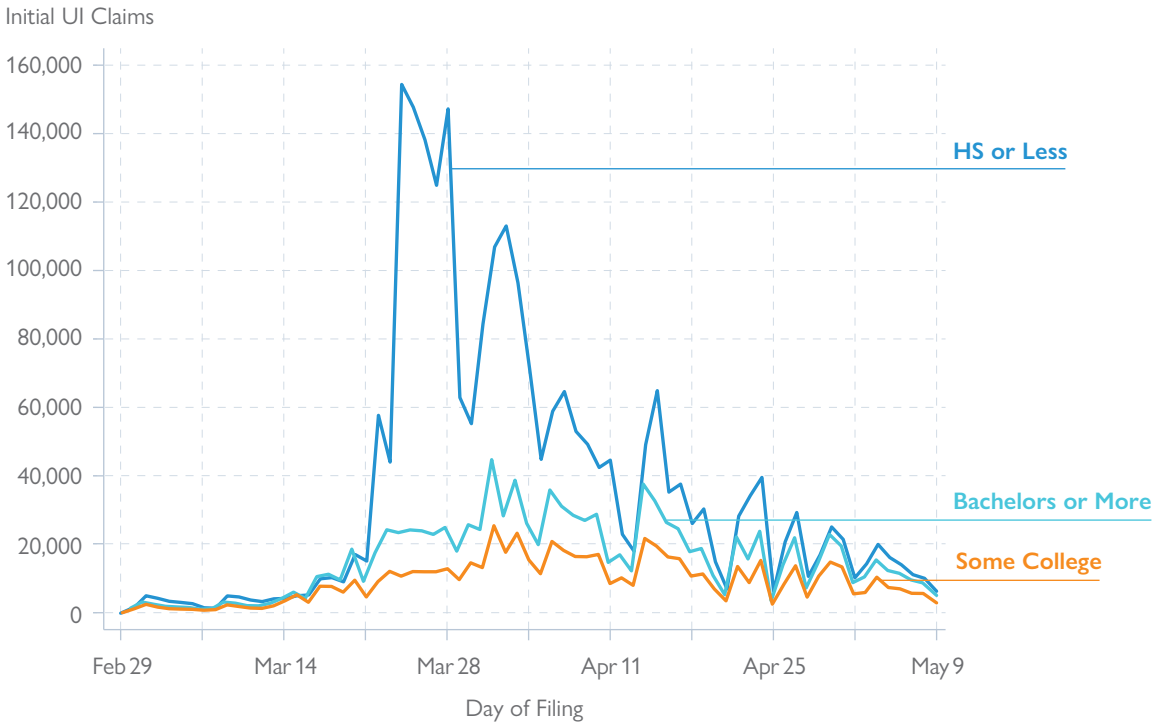
X-axis labels correspond to Saturdays.
This figure combines initial claims to regular UI and Pandemic Unemployment Assistance (PUA).

FIGURE 2B: Distribution of Initial UI Claims by Generation, 2/29/2020 - 5/9/2020



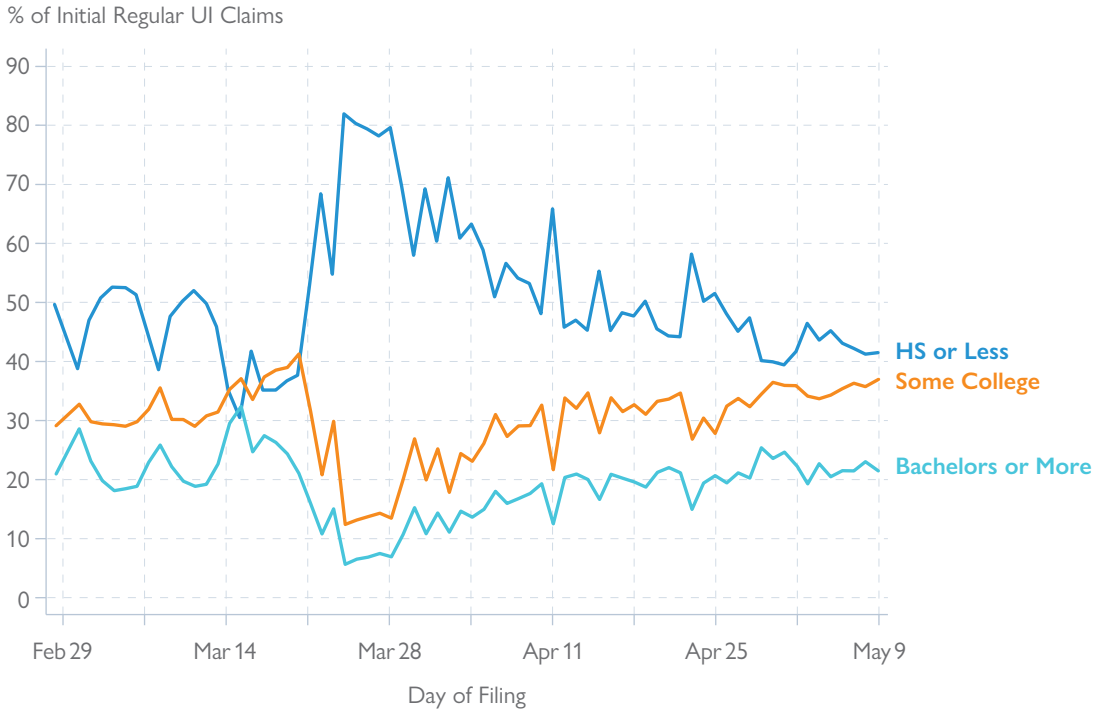
X-axis labels correspond to Saturdays.
This figure combines initial claims to regular UI and Pandemic Unemployment Assistance (PUA).

FIGURE 3A: Initial UI Claims During the COVID-19 Crisis in California by Education Group, 2/29/2020–5/9/2020



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

FIGURE 3B: Share of Initial UI Claims During the COVID-19 Crisis in California by Education Group, 2/29/2020–5/9/2020



X-axis labels correspond to Saturdays.

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 APRIL 25TH	WEEK ENDING MAY 2ND	WEEK ENDING MAY 9TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Less Than High School Degree	35,134	34,435	23,375	375,623	2,283,877	16.4
High School Degree or GED	125,009	99,579	68,659	2,096,948	4,295,053	48.8
Associate's Degree or Some College	99,928	108,696	73,655	1,071,947	5,075,283	21.1
Bachelor's Degree	48,030	54,929	35,394	499,192	4,927,569	10.1
Graduate Degree	13,656	15,985	9,858	132,807	2,848,218	4.7
Column Total	321,757	313,624	210,941	4,176,517	19,430,000	21.5

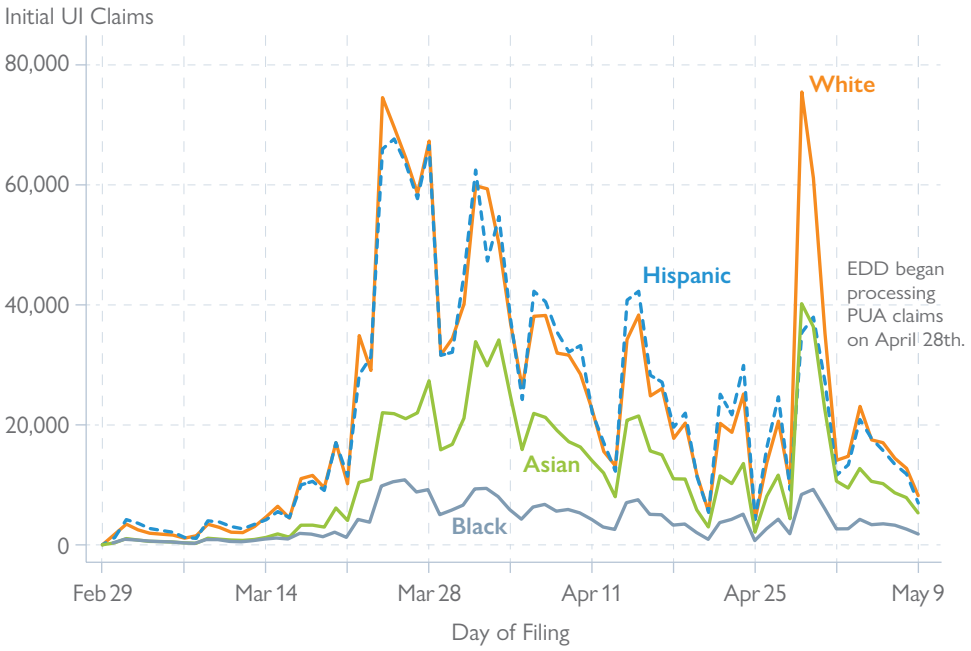
Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Does not include PUA claims. Tabulations based on initial UI claims file. Column Total excludes claimants with unreported education level. Labor force numbers have been calculated using 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 APRIL 25TH	WEEK ENDING MAY 2ND	WEEK ENDING MAY 9TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
White	104,756	101,679	65,939	1,426,567	7,506,246	19.0
Hispanic	118,086	112,719	78,561	1,472,279	7,304,335	20.2
Asian	56,498	57,835	37,894	709,461	3,035,206	23.4
Black	19,896	21,202	15,117	243,019	1,038,524	23.4
Column Total	299,236	293,435	197,511	3,851,326	18,884,310	20.4

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 4A: Initial UI Claims (including PUA) During the COVID-19 Crisis in California by Race and Ethnicity, 2/29/2020–5/9/2020

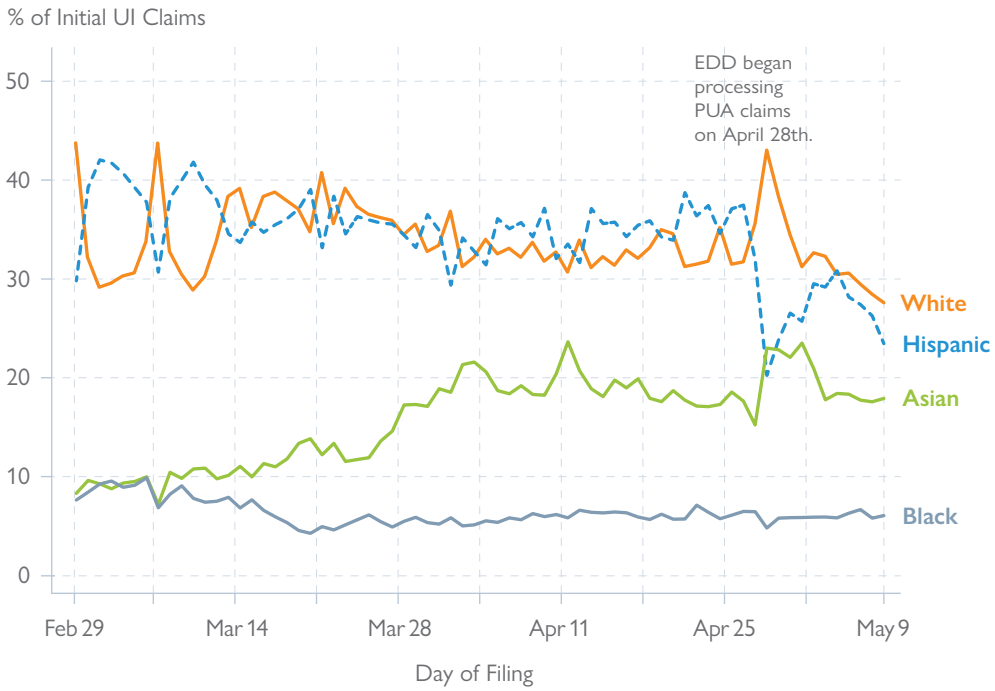


X-axis labels correspond to Saturdays.

This figure combines initial claims to regular UI and Pandemic Unemployment Assistance (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.

FIGURE 4B: Share of Initial UI Claims (including PUA) During the COVID-19 Crisis in California by Race and Ethnicity, 2/29/2020–5/9/2020



X-axis labels correspond to Saturdays.

This figure combines initial claims to regular UI and Pandemic Unemployment Assistance (PUA).

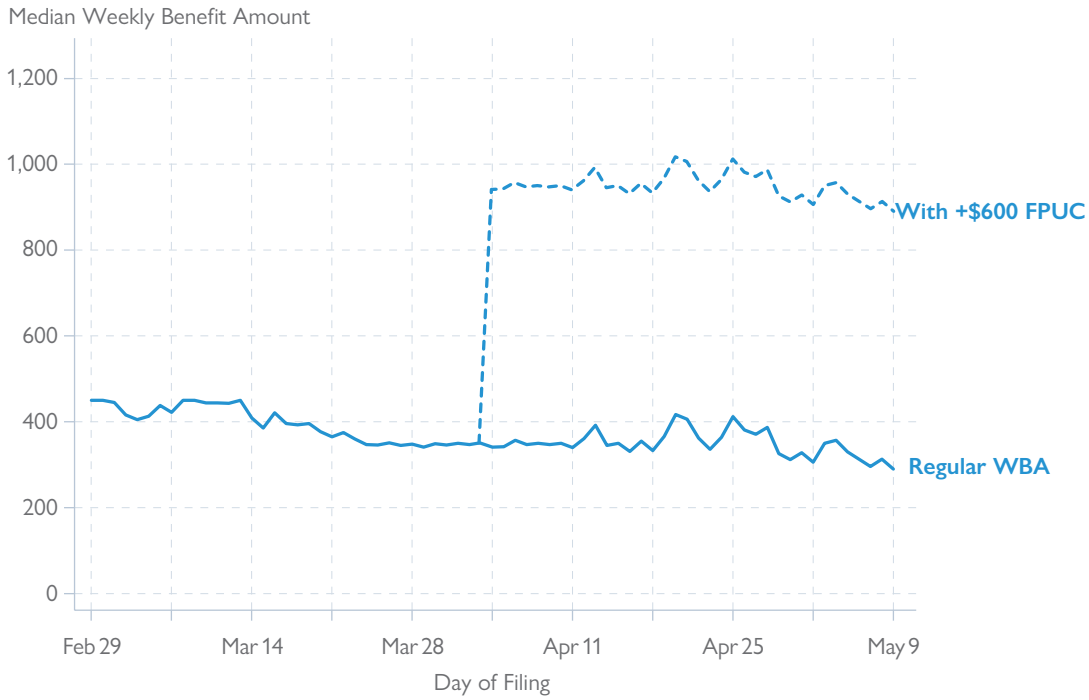
Figure does not show information on claimants in which race is unknown, specified as 'other,' or specified as Native American or Alaskan Native, due to small sample sizes.

TABLE 6: Pandemic Unemployment Assistance (PUA) Claims in the Last 2 Weeks by Demographic Group and Total UI Claims Since Mid-March

GROUP	PUA CLAIMS APRIL 26TH-MAY 9TH	PERCENT OF PUA CLAIMANTS	PERCENT OF REGULAR UI CLAIMANTS AS COMPARISON	TOTAL UI CLAIMS (PUA + REGULAR) APRIL 26TH-MAY 9TH	TOTAL CUMULATED CLAIMS SINCE MARCH 15TH (PUA+ REGULAR)	CUMULATED CLAIMS AS A PERCENT OF LABOR FORCE
Statewide	431,864	100	100	960,654	4,619,624	23.8
			By Gender			
Female	216,501	50.2	50.2	481,665	2,369,263	26.9
Male	215,094	49.8	49.8	478,101	2,240,625	21.1
			By Age Group			
16–19	5,752	1.3	4.6	29,861	154,530	29.1
20–24	16,473	3.8	15.8	99,936	619,074	35.6
25–34	79,119	18.3	28.0	226,944	1,253,996	26.2
35–44	98,505	22.8	18.6	196,775	890,553	20.7
45–54	99,592	23.1	16.0	183,889	793,772	20.3
55–64	90,359	21.0	12.8	158,102	661,942	21.9
65–85	41,412	9.6	4.2	63,419	229,741	19.9
			By Generation			
Gen Z (16-23)	17,824	4.1	17.1	108,193	636,434	34.1
Millennials (24-39)	135,265	31.4	41.5	354,281	1,877,209	25.3
Gen X (40-55)	156,406	36.3	25.9	293,299	1,277,557	20.2
Baby Boomers (56+)	121,717	28.2	15.4	203,153	812,408	21.3
			By Race and Ethnicity			
White	166,683	38.6	31.7	334,301	1,593,250	21.2
Hispanic	67,267	15.6	36.2	258,547	1,539,546	21.1
Asian	100,438	23.3	18.1	196,167	809,899	26.7
Black	19,384	4.5	6.9	55,703	262,403	25.3

Notes: Claims refer to claims for Pandemic Unemployment Assistance and to initial claims for 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 5: Federal Pandemic Unemployment Compensation Significantly Raises Weekly Benefits Received



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 (see text).

FIGURE 6: Average Replacement Rates Increased in Mid-March, Indicating a Larger Share of Lower-Income Claimants

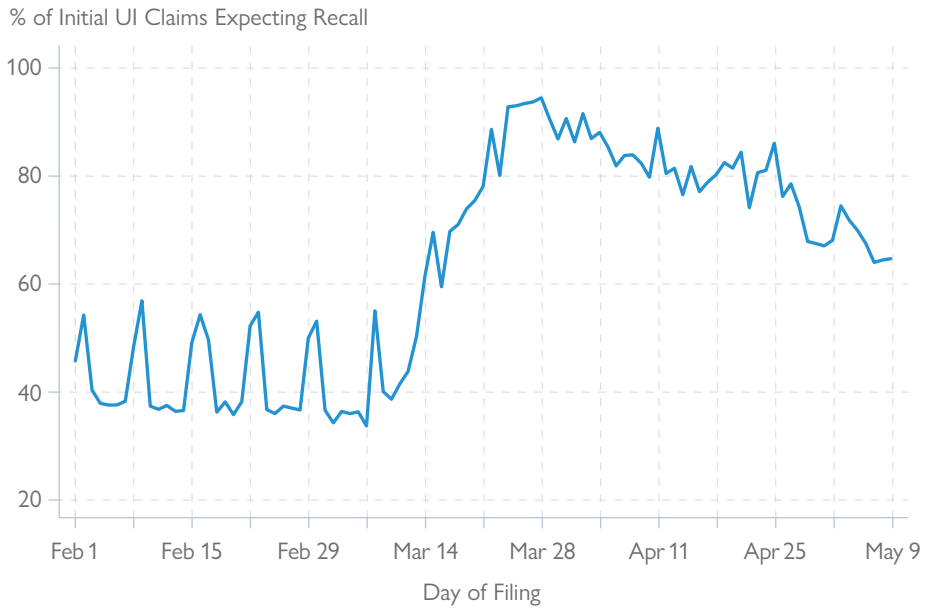
The replacement rate is defined as the ratio of the Weekly Benefit Amount to the average weekly wage in the highest earning quarter of the base period (see text). The figure is based on initial claims for regular UI. It does not include information from claims for Pandemic Unemployment Assistance (see text).

TABLE 7: Percent of Initial UI Claimants Expecting Recall and Receiving the Maximum Weekly Benefit Amount Before and After the Start of the COVID-19 Crisis in California

	PERCENT EXPECTING RECALL			MEDIAN WEEKLY BENEFIT AMOUNT ($)		
GROUP	FEB. AVERAGE	SINCE MARCH 15TH	LAST 2 WEEKS (APRIL 26-MAY 9TH)	FEB. AVERAGE	SINCE MARCH 15TH	LAST 2 WEEKS (APRIL 26-MAY 9TH)
Statewide	39.3	83.0	69.7	418	352	334
By Gender						
Female	33.3	83.7	70.4	328	311	297
Male	42.8	82.3	69.0	450	408	382
By Age Group						
16–19	32.4	83.9	69.4	166	133	123
20–24	33.5	81.9	66.0	263	227	210
25–34	34.7	82.2	67.6	388	362	354
35–44	36.8	82.8	70.0	450	440	442
45–54	41.3	83.8	72.3	450	437	440
55–64	44.1	84.3	73.4	450	423	423
65–85	50.1	85.7	74.9	369	333	323
By Education Group						
High School Degree or Less	46.5	89.0	73.0	347	329	304
Associate's Deg., Some College	33.8	75.9	68.6	435	350	331
Bachelor's Degree or More	27.6	72.1	65.1	450	443	450
By Race and Ethnicity						
White	35.2	83.3	69.2	450	398	378
Black	23.1	77.3	59.9	330	312	292
Hispanic	48.3	83.4	71.5	356	331	318
Asian	28.4	83.6	72.0	450	356	337

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. Median weekly benefit amount calculation excludes claimants receiving no benefits.

FIGURE 7: 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



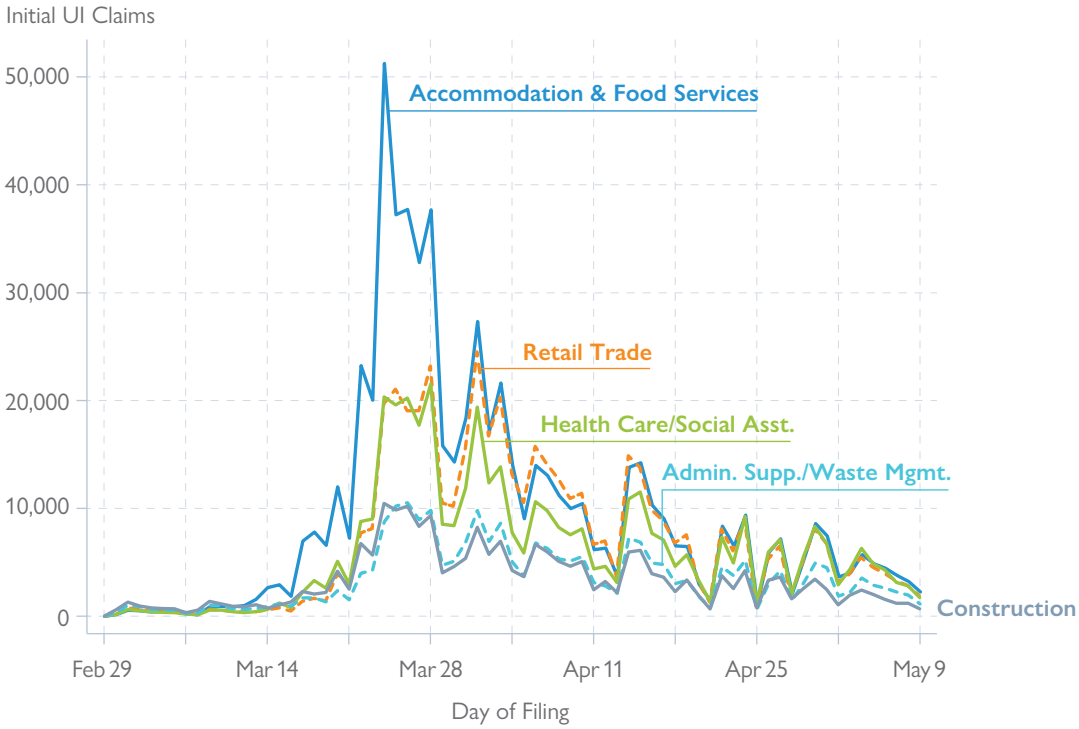
This figure is based on initial claims for regular UI. It does not include information from claims for Pandemic Unemployment Assistance, most of which were self-employed.

TABLE 8: Average and Median Replacement Rates Before and During the COVID-19 Crisis, by Demographic Group With and Without Additional Benefits from Federal Pandemic Unemployment Compensation

	AVERAGE REPLACEMENT RATE (%)			MEDIAN REPLACEMENT RATE (%)		
GROUP	FEBRUARY	APRIL 26TH-MAY 9TH	APRIL 26TH-MAY 9TH INCLUDING +$600	FEBRUARY	APRIL 26TH-MAY 9TH	APRIL 26TH-MAY 9TH INCLUDING +$600
Statewide	40.7	42.9	168.3	50.0	50.0	136.2
By Gender						
Female	43.9	44.6	182.8	50.0	50.1	147.3
Male	38.6	41.2	153.7	43.7	50.0	125.2
By Age Group						
16–19	49.4	49.4	324.6	50.1	50.2	288.7
20–24	47.8	48.5	225.2	50.1	50.1	188.4
25–34	43.2	43.9	156.8	50.0	50.0	132.0
35–44	39.0	39.8	138.1	45.4	48.1	113.9
45–54	37.9	39.4	138.3	43.7	48.3	114.3
55–64	38.6	40.1	142.7	45.5	50.0	118.4
65–85	42.2	43.1	175.9	50.0	50.0	140.0
By Education Group						
High School Degree or Less	44.0	44.9	177.2	50.0	50.1	144.2
Associate's Deg., Some College	40.8	44.0	176.8	49.8	50.0	141.5
Bachelor's Degree or More	32.9	37.5	139.0	32.6	44.2	104.9
By Race and Ethnicity						
White	36.6	40.6	162.7	39.6	50.0	126.3
Black	44.4	45.3	189.1	50.0	50.1	149.8
Hispanic	44.2	44.9	168.7	50.0	50.0	141.3
Asian	38.2	42.4	172.1	45.8	50.0	135.5

Notes: The replacement rate is the ratio of the estimated weekly benefit amount for workers projected to be eligible for UI benefits to average weekly earnings in highest earning quarter of the base period (please see text). Tabulations based on initial UI claims file. 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.

FIGURE 8: Initial UI Claims by Five Most Impacted Industries During the COVID-19 Crisis in California, 2/29/2020–5/9/2020



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 (see text).

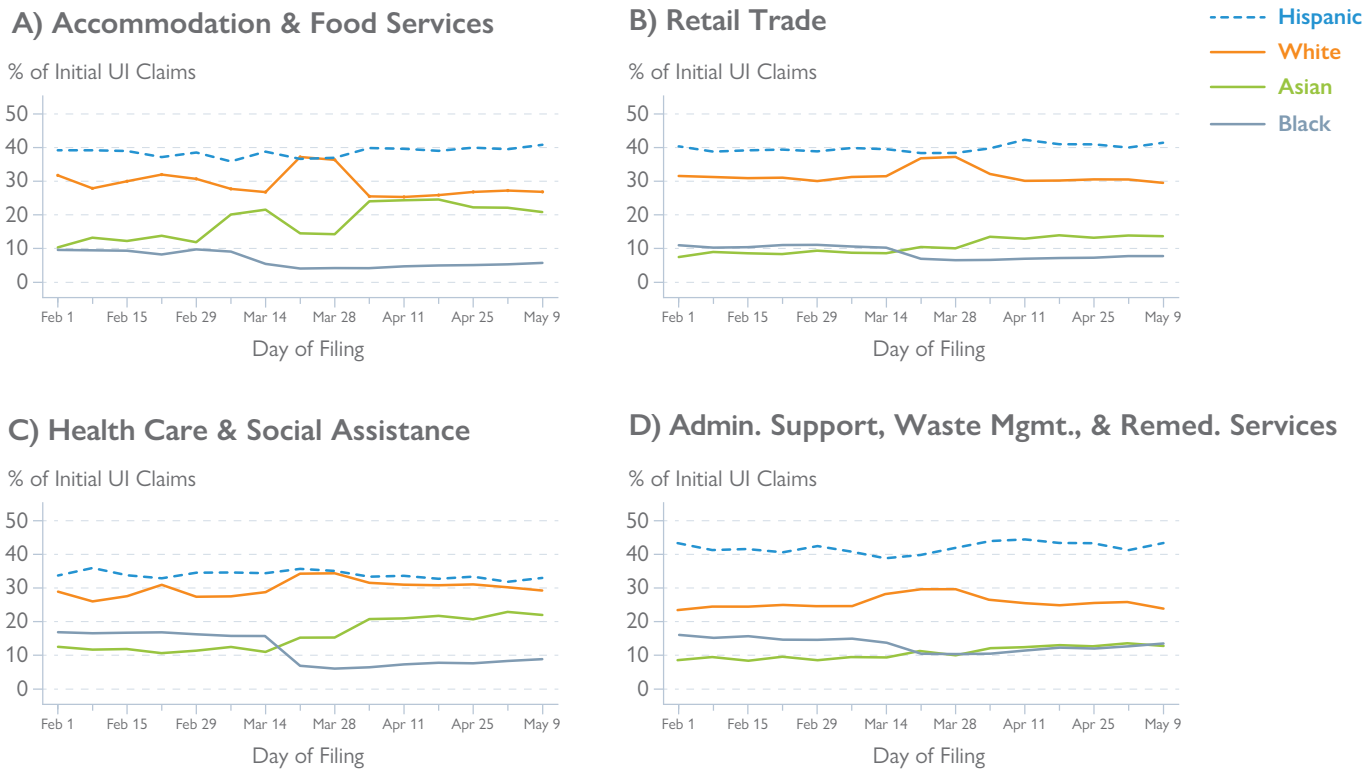
TABLE 9: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Major Industry

MAJOR INDUSTRY (2 DIGIT NAICS)	WEEK ENDING APRIL 25TH	WEEK ENDING MAY 2ND	WEEK ENDING MAY 9TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Accommodation and Food Services	36,129	40,180	28,307	656,155	1,724,000	38.1
Retail Trade	36,193	36,798	26,028	487,488	1,654,500	29.5
Health Care and Social Assistance	33,235	38,596	27,499	421,145	2,461,900	17.1
Admin. Support, Waste Mgmt. (a)	20,135	23,094	16,614	241,961	1,143,700	21.2
Construction	17,347	18,159	11,093	222,970	896,400	24.9
Manufacturing	18,847	19,587	13,768	218,611	1,318,500	16.6
Other Services	10,382	11,967	7,813	182,382	581,300	31.4
Arts, Entertainment, Recreation	19,606	13,352	7,840	171,657	332,500	51.6
Prof., Scientific, Techn. Services (a)	14,658	16,597	11,002	171,013	1,357,200	12.6
Wholesale Trade	11,043	12,363	8,613	133,111	689,700	19.3
Education Services	9,183	12,308	8,421	131,180	393,100	33.4
Transportation, Warehousing, Utilities	10,787	13,180	9,676	120,912	718,300	16.8
Information	8,590	9,067	6,397	110,556	586,600	18.8
Real Estate and Leasing	4,337	5,608	3,381	63,149	305,300	20.7
Agriculture, Forestry, Fishing (a)	4,050	4,081	2,531	36,267	431,100	8.4
Finance and Insurance	3,100	3,646	2,746	35,692	544,100	6.6
Management	1,578	1,561	1,059	17,054	252,900	6.7
Mining, Oil, Gas	489	441	270	3,832	22,800	16.8
Column Total	259,689	280,585	193,058	3,425,135	15,413,900	22.2

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 previous version of Table 9 in the pdf circulated before May 30th had the dates in first three column headings shifted by one week.

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

FIGURE 9: Initial UI Claims in Major Industries During the COVID-19 Crisis in California, By Race and Ethnicity, 2/29/2020 – 5/9/2020



X-axis Labels Correspond to Saturdays
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 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

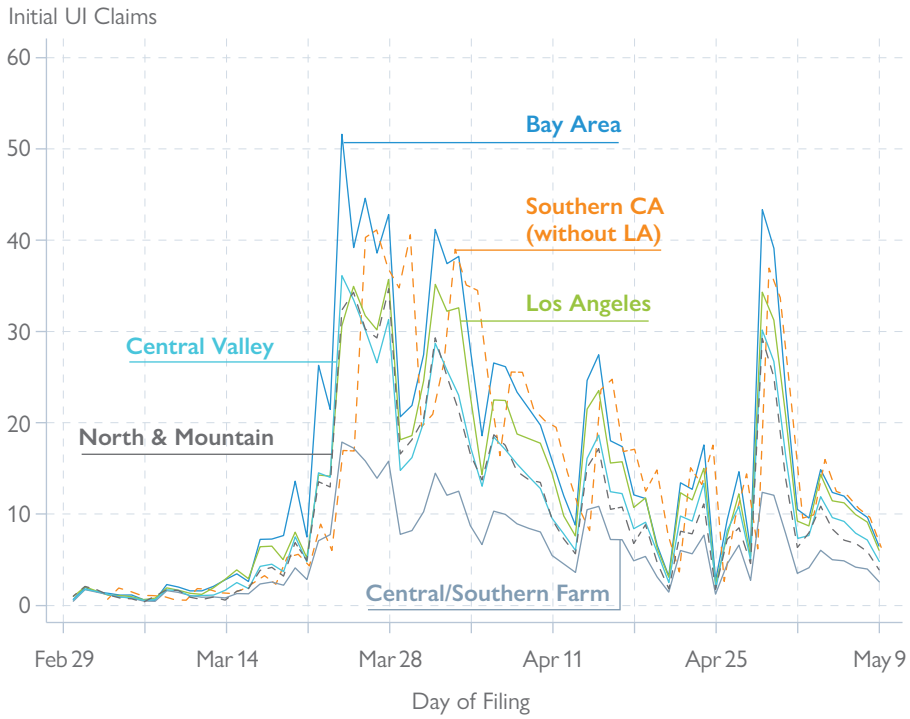
	PERCENT EXPECTING RECALL			MEDIAN WEEKLY BENEFIT AMOUNT ($)		
MAJOR INDUSTRY (2 DIGIT NAICS)	FEBRUARY AVERAGE	SINCE MARCH 15TH	2 WEEKS (APRIL 26-MAY 9TH)	FEBRUARY AVERAGE	SINCE MARCH 15TH	2 WEEKS (APRIL 26-MAY 9TH)
Accommodation and Food Services	30.6	85.4	71.7	282	278	228
Retail Trade	17.7	81.6	68.7	274	272	243
Health Care and Social Assistance	18.5	81.7	70.0	338	375	370
Admin. Support, Waste Mgmt. (a)	32.5	75.4	60.5	313	315	304
Construction	56.4	81.2	70.8	450	450	450
Manufacturing	33.1	81.2	70.9	424	422	423
Other Services	21.2	84.5	71.4	346	274	264
Arts, Entertainment, Recreation	40.0	87.2	78.8	338	307	287
Prof., Scientific, Techn. Services (a)	23.8	73.9	61.3	450	449	450
Wholesale Trade	19.7	78.1	68.4	450	440	450
Education Services	33.2	80.7	69.9	389	239	213
Transportation, Warehousing and Utilities	41.6	77.4	67.9	392	393	394
Information	46.7	77.2	66.8	450	450	450
Real Estate and Leasing	19.2	78.3	62.2	446	425	424
Agriculture, Forestry, Fishing (a)	80.4	84.5	79.0	274	288	272
Finance and Insurance	7.5	66.0	51.3	450	428	426
Management	15.6	76.6	61.6	450	449	450
Mining, Oil, Gas	37.7	72.3	65.9	450	450	450

Notes: Industries sorted in descending order of total UI claims as in Table 9. Table refers to information from 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.

FIGURE 10: Growth in Initial UI Claims (including PUA) During the COVID-19 Crisis by Areas in California, 2/29/2020–5/9/2020

Growth in Initial UI Claims by Areas in California relative to February Average



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

TABLE 11: Average and Median Replacement Rates Before and During the COVID-19 Crisis, By Major Industry With and Without Additional Benefits from Federal Pandemic Unemployment Compensation

	AVERAGE REPLACEMENT RATE (%)			MEDIAN REPLACEMENT RATE (%)		
MAJOR INDUSTRY (2 DIGIT NAICS)	FEBRUARY	APRIL 26TH-MAY 9TH	APRIL 26TH-MAY 9TH INCLUDING +$600	FEBRUARY	APRIL 26TH-MAY 9TH	APRIL 26TH-MAY 9TH INCLUDING +$600
Accommodation and Food Services	46.6	47.0	211.5	50.1	50.1	176.7
Retail Trade	45.8	46.0	201.0	50.1	50.1	167.1
Health Care and Social Assistance	44.6	42.4	152.8	50.0	50.0	129.1
Admin. Support, Waste Mgmt. (a)	44.6	44.7	174.2	50.1	50.1	145.0
Construction	35.3	36.6	111.9	34.7	38.2	89.9
Manufacturing	41.0	39.8	118.3	46.8	44.3	107.1
Other Services	44.1	45.9	202.1	50.0	50.1	159.7
Arts, Entertainment, Recreation	42.9	44.8	195.9	50.0	50.1	150.7
Prof., Scientific, Techn. Services (a)	33.5	37.1	127.8	33.6	42.3	100.1
Wholesale Trade	39.3	39.4	121.5	47.1	45.6	107.4
Education Services	43.1	46.5	236.6	50.0	50.1	184.2
Transportation, Warehousing and Utilities	43.5	42.7	145.2	48.7	47.9	122.5
Information	28.8	34.9	140.2	25.0	38.3	91.0
Real Estate and Leasing	40.4	40.8	141.5	48.6	49.7	118.6
Agriculture, Forestry, Fishing (a)	48.0	47.8	190.2	50.1	50.1	156.7
Finance and Insurance	35.5	40.0	132.2	40.1	50.0	118.9
Management	32.6	36.6	111.2	32.0	40.7	95.3
Mining, Oil, Gas	32.7	29.5	75.1	32.1	28.7	67.1

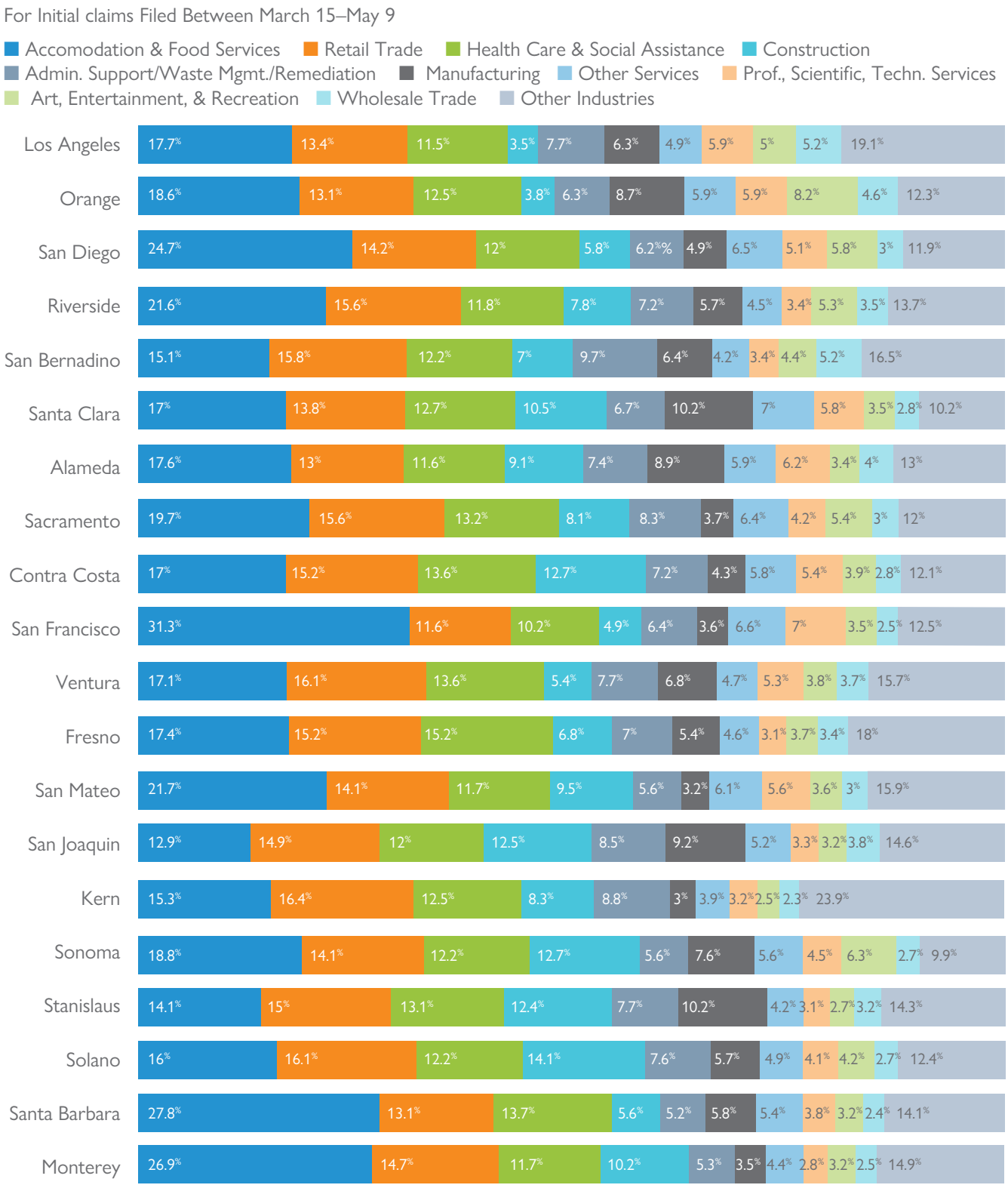
Notes: The replacement rate is the ratio of the estimated weekly benefit amount for workers projected to be eligible for UI benefits to average weekly earnings in highest earning quarter of the base period (see text). Industries sorted in descending order of total UI claims as in Table 9. Table refers to information from 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 12: 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 APRIL 25TH	WEEK ENDING MAY 2ND	WEEK ENDING MAY 9TH	TOTAL SINCE MARCH 16TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Los Angeles	91,962	89,101	60,427	1,198,141	5,222,800	22.9
Orange	33,465	28,692	19,535	376,137	1,623,900	23.2
San Diego	28,974	27,637	18,636	374,973	1,577,600	23.8
Riverside	21,272	19,715	13,956	263,551	1,104,700	23.9
San Bernardino	17,387	16,806	12,112	204,904	969,700	21.1
Santa Clara	12,764	13,866	8,990	183,910	1,055,300	17.4
Alameda	12,868	13,784	8,859	179,288	840,400	21.3
Sacramento	11,770	12,383	8,432	157,240	714,800	22.0
Contra Costa	8,321	8,841	5,824	121,626	541,300	22.5
San Francisco	6,834	7,331	4,661	104,655	587,200	17.8
Ventura	6,483	6,478	4,343	88,026	424,700	20.7
Fresno	6,622	6,572	4,773	81,022	454,000	17.8
San Joaquin	6,055	6,010	4,008	77,404	326,500	23.7
San Mateo	5,204	5,741	3,652	76,462	462,900	16.5
Kern	5,859	5,822	3,862	69,444	395,800	17.5
Sonoma	3,739	3,651	2,189	56,176	258,500	21.7
Stanislaus	4,230	4,141	2,926	53,272	244,000	21.8
Solano	3,346	3,507	2,232	45,599	208,500	21.9
Monterey	3,007	3,013	1,852	41,042	217,100	18.9
Santa Barbara	2,852	2,899	1,911	40,974	215,500	19.0
Column Total	293,014	285,990	193,180	3,793,847	17,445,200	21.7

Notes: 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. Does not include PUA claims. Column Total excludes counties outside the top 20.

FIGURE 11: Industry Distribution of Total Initial UI Claims In Large Counties Since Start of Crisis in Mid-March until May 9th



Interpretation Example: Since March 15, 13.4% of initial UI claims in LA County came from the Retail Trade industry.

For inquiries about the definitions, methodology, and findings of this policy brief, please contact Till von Wachter. Email: tvwachter@econ.ucla.edu.
To obtain the data tabulations used in this policy brief, please contact: Dr. Muhammad Akhtar, Deputy Division Chief, Labor Market Information Division, California Employment Development Department. Email: Muhammad.Akhtar@edd.ca.gov

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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.

This research publication reflects the views of the authors and not necessarily the views of our funders, our staff, our advisory board, the California Employment Development Department, or the Regents of the University of California.

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 Since from April 27th onwards workers not qualifying for regular UI benefits were able to apply for Pandemic Unemployment Assistance, it is possible that these additional applications will reverse this downward trend.

3 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).

4 The application rate to UI among the unemployed can be measured in surveys or inferred from data. In 2018, a survey found that only 26% among the unemployed in the U.S. applied for UI (https://www.bls.gov/news.release/pdf/uisup.pdf), largely because the unemployed thought they were not eligible. UI application rates may be higher in recessions, when fewer unemployed may expect to get jobs. At the peak of the Great Recession, the fraction of unemployed ultimately receiving UI benefits (the so-called "recipiency rate") in the U.S. was 40%. The recipiency rate is equal to the product of the application rate times the fraction of claims that are paid. Since past experience suggests 70% of UI claims ultimately receive benefits (either because they are not found to be eligible, get a job, or do not take up benefits for other reasons), a recipiency rate or 40% implies an application rate of 57%. Since the recipiency rate in CA is typically somewhat higher than the national rate, the application rate could be somewhat higher as well. If the unemployed applied for UI benefits at the same rate as the Great Recession during the COVID-19 crisis, the implied rise in the unemployment rate would be approximately 1.43 times the fraction of total initial claims among the labor force.

5 At the peak of the Great Recession in 1933, the unemployment rate was estimated to be 30% in California (https://www.ssa.gov/history/reports/ces/cesbookt5.html).

6 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.

7 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.

8 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.

9 For further information, see https://edd.ca.gov/about_edd/coronavirus-2019/pandemic-unemployment-assistance.htm

10 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.

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13 The Federal Poverty Level, Median Family Income, 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, https://www.federalregister.gov/documents/2020/01/17/2020-00858/annual-update-of-the-hhs-poverty-guidelines, and https://data.census.gov/cedsci/. The federal poverty level for a single person (2 person household) in 2020 was $12,760 ($17,240). The median family income in California in 2018 was $86,165. To get a sense of where UI benefits would locate an individual in the income distribution, we divide the annual amounts from the 2008 ACS by 52 to obtain weekly thresholds

14 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

15 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.

16 https://www.bls.gov/oes/current/oes_ca.htm#35-0000

17 For a discussion of the benefits of the Work Sharing program to workers, employers, and the state, see http://www.econ.ucla.edu/tvwachter/covid19/Scaling_STC_memo_vonWachter.pdf. For details on how to apply, see https://www.edd.ca.gov/unemployment/Work_Sharing_Program.htm. For guidance on rehiring workers under Work Sharing programs see https://wdr.doleta.gov/directives/attach/UIPL/UIPL_21-20.pdf

18 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.

19 We calculated the share of the four race and ethnic groups in the California labor force for February 2020 as a 12-month moving average. For example, Asian workers comprised 18.4% of workers in the Health Care and Social Assistance industry. Figure 9 shows that before the crisis they were only 10% of all UI claims, while during the crisis they were 22% of UI claims. Full results are available from the authors upon request.

20 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.

21 These economic regions are groups of county data. The county groupings are available upon request.