



Return to:

Employment Development Department  
Taxpayer Assistance Center  
Attention: Specialized Coverage  
PO Box 2068  
Rancho Cordova, CA 95741-2068  
916-654-6288

Employer Account No.: \_\_\_\_\_

**Employer to Complete:**

**FEIN:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**SELECTION OF FINANCING METHOD; ELECTION TO COVER EXCLUDED SERVICES FOR UNEMPLOYMENT INSURANCE PURPOSES ONLY BY A PUBLIC ENTITY OR INDIAN TRIBE**

Services performed in the employ of a public entity or Indian tribe are subject to the mandatory provisions of the [California Unemployment Insurance Code](#) (CUIC) for Unemployment Insurance (UI) purposes.

The CUIC provides that such public entities or Indian tribes may select one of two methods of financing the cost of benefits for UI. The public entity or Indian tribe may also elect to cover certain types of services which are excluded from coverage.

**I. SELECTION FOR METHOD OF FINANCING FOR UI (check only one):**

- ☐ A. Payment of contributions by the regular contribution rate (experience rating/tax-rated) method.
- ☐ B. Prorated cost of benefits paid (reimbursable method) under Section 803(b)(1) of the CUIC. Your election will take effect on the first day of the calendar quarter in which the election is filed.

Elections to finance the cost of benefits for UI under method "B" must remain in effect for a minimum of two complete calendar years. Thereafter, a request to cancel your election may only be made during January of any year. However, Section 803(h)(2) of the CUIC requires the Employment Development Department (EDD) to terminate all such elections of any Indian tribe and all subdivisions, subsidiaries, and business enterprises wholly owned by the tribe that is more than 90 days delinquent in the payment of contributions, bonds, advances, reimbursements, or applicable penalties or interest. Please refer to the *Potential Liability for Unemployment Insurance Benefits When Electing the Reimbursable Method of Financing Under the California Unemployment Insurance Code (CUIC)* ([DE 1378F](#)) form for your potential liability under method "B."

**II. ELECTION TO COVER EXCLUDED SERVICES FOR UNEMPLOYMENT INSURANCE**

The following types of services are excluded from the mandatory provisions of the CUIC. You may elect to cover any of these excluded services which relate to your organization. Such an election must be for not less than two full calendar years, with the same financing method for all covered employees and employees included in this election. If you have any questions covering any of the following items, please contact the Taxpayer Assistance Center at 888-745-3886 for assistance.

Check the box for any type of service you want to include under elective coverage:

Services described in Section 634.5 of the CUIC:

- ☐ An elected official.
- ☐ A member of a legislative body or a member of the judiciary of a state or a political subdivision of a state.
- ☐ A member of the tribal council of an Indian tribe as described by Section 3306(u) of [Title 22](#) of the United States Code.
- ☐ A member of a State National Guard or Air National Guard.
- ☐ An employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood, or other similar emergency.

- ☐ An employee in a position which, under or pursuant to state or tribal law, is designated as either of the following:
  - (A) A major nontenured policymaking or advisory position.
  - (B) A policymaking or advisory position, the performance of the duties of which ordinarily does not require more than eight hours per week.
- ☐ An election official or election worker who is expected to be paid less than \$1,000 for such service during the calendar year.
- ☐ Persons receiving rehabilitation or compensative work in a program of either:
  - (A) Rehabilitation for persons whose earning capacity is impaired by age, physical or mental deficiency, or injury.
  - (B) Providing compensative work for persons who because of their impaired physical or mental capacity cannot be absorbed in the competitive labor market.
- ☐ Services performed by an individual receiving work relief or work training in a program financed by any federal agency, agency of a state or political subdivision thereof, or Indian tribe.
- ☐ Services by a ward or inmate of a custodial or penal institution.
- ☐ Persons under the age of 18 years delivering or distributing newspapers or shopping news to ultimate consumers.
- ☐ Persons selling newspapers or magazines at a fixed price to ultimate consumers if compensation is based on retention of the excess of sale price over cost from supplier.
- ☐ Persons participating in a national service program carried out using assistance provided under Section 12571 of [Title 42](#) of the United States Code.
- ☐ Services under any unemployment system established by a law of the United States (Section 635 of the CUIC).
- ☐ Casual labor not in the course of the employing unit's trade or business (Section 640 of the CUIC).
- ☐ Services for an organization exempt from income tax if remuneration for such service is less than \$50 in any calendar quarter (Section 641 of the CUIC).
- ☐ Service performed in the employ of a school, college or university if such service is performed (Section 642 of the CUIC).
  - (A) By a student enrolled and regularly attending classes at such school, college or university.
  - (B) By a spouse of such student in a program to provide financial assistance to such student. (To be excluded the spouse must have been advised that employment would not be covered for unemployment compensation purposes at commencement of services.)
- ☐ Service performed as a student nurse, who is enrolled and regularly attending classes in a nurses' training school, in the employ of a hospital or nurses' training school (Section 645 of the CUIC).
- ☐ Service performed as an intern, who has completed a four years' course in medical school, in the employ of a hospital (Section 645 of the CUIC).
- ☐ Service by a student under the age of 22 in a program combining academic instruction and work experience (Section 646 of the CUIC).
- ☐ Service performed for a hospital by a patient of such hospital (Section 647 of the CUIC).
- ☐ Service on other than an American vessel or aircraft and the service therewith is performed outside the United States (Section 648 of the CUIC).

Attach a copy of the resolution in which the governing body approved the elective coverage under Section 710 of the CUIC.

Name of Public Entity or Indian Tribe \_\_\_\_\_

Signature \_\_\_\_\_

Print Name \_\_\_\_\_ Title \_\_\_\_\_

Business Phone Number \_\_\_\_\_ Fax \_\_\_\_\_

Date \_\_\_\_\_