



(916) 654-6288

Return to:

Employment Development Department
Taxpayer Assistance Center
Attn: Specialized Coverage Desk
P.O. Box 2068
Rancho Cordova, CA 95741-2068

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 compulsory provisions of the California Unemployment Insurance Code for unemployment insurance purposes.

The Code provides that such Public Entities or Indian Tribes may select one of two methods of financing the cost of benefits for unemployment insurance. The Public Entity or Indian Tribe may also elect to cover certain types of services which are excluded from compulsory coverage.

I. SELECTION OF FINANCING FOR UNEMPLOYMENT INSURANCE (check only one):

- A. Payment of contributions by the regular contribution rate method.
- B. Prorated cost of benefits paid. Section 803(b)(1) California Unemployment Insurance Code. Your election will take effect on the first day of the calendar quarter in which the election is filed.

If you elect to finance costs of unemployment insurance benefits under method "B," your election may only be cancelled during January of any year after it has been in effect for two complete calendar years. However, Section 803(g)(2) requires the Department to terminate all such elections of any Indian tribe that is more than 90 days delinquent in the payment of contributions, bonds, advances, reimbursements, or applicable penalties or interest. Please see the enclosed DE 1378F 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 compulsory provisions of the Code. 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 financing method to be the same as that selected for compulsory covered services. If you have any questions covering any of the following items, you should call the nearest Employment Tax Office of this Department for a complete explanation.

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

Services described in Section 634.5:

- 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.

- In a position which, under or pursuant to state 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.
- Services for a rehabilitation program by a participant in the program. (Except as provided by Section 605.5).
- Services in a work-relief or work-training program by a participant in that program.
- Services by an inmate of a custodial or penal institution.
- Services under any unemployment system established by a law of the United States (Section 635).
- Casual labor not in the course of the employing unit's trade or business (Section 640).
- Services for an organization exempt from income tax if remuneration for such service is less than \$50 in any calendar quarter (Section 641).
- Service performed in the employ of a school, college or university if such service is performed (Section 642).
 - (A) By a student regularly attending classes at such 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 be so advised at commencement of services.)
- Service performed as a student nurse in the employ of a hospital or nurses' training school (Section 645).
- Service performed as an intern in the employ of a hospital (Section 645).
- Service in a program combining academic instruction and work experience (Section 646).
- Service performed for a hospital by a patient (Section 647).
- Service on other than an American vessel or aircraft and the service therewith is performed outside the United States (Section 648).

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

Name of Public Entity or Indian Tribe _____

Signature _____

Title _____

Business Telephone Number _____ Fax _____

Date _____