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California's Debt Continues to Grow.

After borrowing billions from the federal government to pay for unemployment during the pandemic, the state's debt now stands at about \$21 billion and growing. The state also currently accounts for about 20 percent of the nation's unemployment.

California's massive budget deficit, coupled with the state's relatively high level of joblessness, has become a major barrier to reducing the billions of dollars of debt it has incurred to pay unemployment benefits.

The surge in unemployment brought on by the COVID pandemic pushed the state's unemployment insurance trust into insolvency. And over the last year California's joblessness has been on the upswing again, reaching 5.3 percent in February, the highest among all states. The March job numbers come out Friday.

To keep the safety-net program operating at a time when the taxes paid by employers and earmarked for jobless benefits are insufficient, Sacramento has been borrowing billions of dollars from the federal government. The debt now stands at about \$21 billion and growing, an increasing burden for state deficit fighters and for the businesses that pay into the jobless insurance program.

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April 18, 2024 • Don Lee, Los Angeles Times, TNS

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