



Finance Bulletin

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Economic Update

- The U.S. unemployment rate increased by 0.1 percentage point from 4.3 percent in August to 4.4 percent in September, followed by another 0.2-percentage point two-month increase to 4.6 percent in November—its highest rate since September 2021. The U.S. Bureau of Labor Statistics (BLS) did not publish household estimates for October 2025 as the data was not able to be collected during the federal government shutdown. The U.S. added 64,000 nonfarm payroll jobs in November, following a loss of 105,000 jobs in October, and a gain of 108,000 jobs in September. The October job loss was driven primarily by a decline of 162,000 federal government jobs due to both the federal government shutdown and the federal buyout program. This sector lost an additional 6,000 jobs in November, potentially still related to the shutdown; however, according to the BLS, “it is not possible to precisely quantify the total impact of the federal

government shutdown on payroll employment estimates for October and November” as the federal government shutdown disrupted the payroll survey collection periods and the estimated number of federal government workers that accepted the buyout program is unclear. The job loss in October marks the third nonconsecutive month of job losses in 2025. Also, the August job gain was revised down by 22,000 jobs from the initially reported loss of 4,000 jobs to a loss of 26,000 jobs. Job changes per sector for September, October, and November are summarized in

U.S. Labor Market				
Seasonally Adjusted, Thousands				
	Levels	Month-over-month Change		
	Nov 2025	Sep 2025	Oct 2025	Nov 2025*
Household Employment				
Civilian Labor Force	171,600	470	NA	323
Civilian Employment	163,700	251	NA	96
Civilian Unemployment	7,800	219	NA	228
Civilian Unemployment Rate (%)	4.6	0.1	NA	0.2
Payroll Employment				
Total Nonfarm	159,600	108	-105	64
Mining and Logging	600	-3	1	-4
Construction	8,300	25	-1	28
Manufacturing	12,700	-5	-9	-5
Trade, Transportation & Utilities	29,100	-1	-1	-12
Information	2,900	-3	-5	-4
Financial Activities	9,200	6	-3	-2
Professional & Business Services	22,500	-8	-7	12
Private Education & Health Services	27,600	56	59	65
Leisure & Hospitality	17,100	42	16	-12
Other Services	6,100	-5	2	3
Government	23,400	4	-157	-5

Note:* The change in household estimates for November is a **two-month change** from September, since October data are not available.
Source: U.S. Bureau of Labor Statistics (BLS).

the table. Year-to-date through November 2025, the U.S. added 610,000 jobs cumulatively, less than half of the 1.7 million jobs added during the same period in 2024. Excluding private education and health services, which added 692,000 jobs year-to-date through November, the U.S. lost 82,000 jobs.

- California's unemployment rate increased by 0.1 percentage point from 5.5 percent in August to 5.6 percent in September—its highest rate since November 2021. This monthly increase was driven by a 4,800-person (0.02 percent) increase in the state's labor force and a 6,500-person (0.03 percent) decline in household employment causing the number of unemployed Californians to increase by 11,300 persons (1.0 percent). The state lost 4,500 jobs in September following a downward revision of 14,100 jobs in August from the initial estimate of a gain of 3,800 jobs to a loss of 10,300 jobs. September marks the state's fourth consecutive month of job loss and the seventh month of job loss in the first nine months of 2025. Five sectors added jobs in September, led by private education and health services which added 13,100 jobs followed by leisure and hospitality (+5,600 jobs), government (+1,800 jobs), financial activities (+300 jobs), and construction (+100 jobs). These gains were not enough to offset the losses in five sectors: professional and business services (-10,400 jobs), trade, transportation and utilities (-8,700 jobs), manufacturing (-4,500 jobs), other services (-1,500 jobs), and information (-300 jobs). Mining and logging added no new jobs in September.
- Following the federal government shutdown, federal statistical agencies are still in the process of rescheduling, consolidating, or cancelling data releases. As such, several data releases that are typically reported in the Finance Bulletin such as permits data are not yet available pending revised release schedules.

MONTHLY CASH REPORT

Preliminary General Fund agency cash receipts were \$454 million, or 3.9 percent, above the Budget Act forecast in November. This overage was driven by personal income tax receipts, which were \$543 million above forecast due to higher withholding and lower refunds. Partially offsetting November's overage, sales and use tax receipts were \$169 million lower than projected and corporation tax receipts were \$59 million below forecast. Cumulatively since April, preliminary General Fund agency cash receipts are \$9.1 billion, or 6.5 percent, above projections. This includes an overage of \$2.7 billion attributed to cash collected during the 2024-25 fiscal year.

- Personal income tax cash receipts were \$543 million, or 8.4 percent, above forecast in November and \$7.3 billion, or 8.5 percent, above forecast cumulatively since April. November's overage was due largely to withholding receipts, which were \$415 million, or 5.8 percent, above forecast for the month and \$3.2 billion, or 5.1 percent, above forecast cumulatively since April. Withholding growth remains strong at 8.1 percent year-to-date for the first 11 months of the calendar year, compared to 4.4 percent projected in the Budget Act forecast. Estimated payments were \$50 million, or 17.6 percent, above forecast in November and \$3.2 billion above forecast cumulatively since April. Refunds were \$132 million, or 8.2 percent, below forecast in November and other payments were \$50 million lower than projected.
- Corporation tax cash receipts were \$59 million, or 12.8 percent, below forecast in November but remain \$115 million, or 0.5 percent, above forecast cumulatively since April. The minor November shortfall was driven by refunds which were \$75 million, or 20.7 percent, above forecast for the month and other payments which were \$26 million, or 6.1 percent, below forecast.
- Preliminary sales and use tax receipts were \$169 million, or 4.6 percent, below forecast in November and \$359 million, or 1.5 percent, below forecast cumulatively since April, including minor revisions to prior months.
- Other revenues were \$66 million above forecast in November. Cumulatively since April, other revenues were \$1.9 billion above forecast, due primarily to federal cost recovery collections related to disasters in prior years.

2025-26 Comparison of Actual and Forecast Agency General Fund Revenues (Dollars in Millions)

Revenue Source	November 2025				2025-26 YEAR-TO-DATE			
	Forecast	Actual	Difference	Percent Difference	Forecast	Actual	Difference	Percent Difference
Personal Income	\$6,425	\$6,967	\$543	8.4%	\$45,634	\$51,945	\$6,311	13.8%
Withholding	7,174	7,589	415	5.8%	39,409	42,183	2,773	7.0%
Estimated Payments	286	336	50	17.6%	5,489	8,201	2,711	49.4%
Final Payments	264	267	2	0.9%	4,551	5,325	774	17.0%
Other Payments	466	416	-50	-10.8%	2,748	2,698	-50	-1.8%
Refunds	-1,610	-1,478	132	-8.2%	-5,657	-5,451	205	-3.6%
MHSF Transfer	-115	-125	-10	8.4%	-818	-931	-113	13.8%
Corporation	\$462	\$402	-\$59	-12.8%	\$7,422	\$7,102	-\$320	-4.3%
Estimated Payments	252	258	6	2.4%	4,919	4,059	-860	-17.5%
PTET Payments	151	187	36	23.8%	2,602	3,139	536	20.6%
Other Payments	424	398	-26	-6.1%	2,352	2,519	168	7.1%
Refunds	-364	-440	-75	20.7%	-2,451	-2,615	-164	6.7%
Sales & Use	\$3,706	\$3,537	-\$169	-4.6%	\$13,760	\$13,495	-\$265	-1.9%
Insurance	\$716	\$774	\$58	8.0%	\$1,839	\$1,885	\$46	2.5%
Pooled Money Interest	\$203	\$233	\$30	14.8%	\$1,237	\$1,382	\$145	11.8%
Alcohol	\$40	\$26	-\$14	-34.4%	\$182	\$183	\$1	0.3%
Tobacco	\$3	\$3	\$0	1.5%	\$15	\$16	\$0	0.9%
Other	\$53	\$119	\$66	125.7%	\$417	\$920	\$504	120.8%
Total	\$11,607	\$12,062	\$454	3.9%	\$70,506	\$76,928	\$6,422	9.1%

This is an agency cash report and the data may differ from the Controller's report to the extent that cash received by agencies has not yet been reported to the Controller. The personal income total includes Individual Shared Responsibility Penalty transfers. The forecast is from the 2025-26 Budget Act.