

AMENDED IN ASSEMBLY APRIL 6, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 2058

Introduced by Assembly Member Block
(Coauthors: Assembly Members ~~Arambula and Solorio~~ Arambula,
Blumenfield, Hayashi, Bonnie Lowenthal, Solorio, and Torrico)
(Coauthors: Senators Correa and DeSaulnier)

February 18, 2010

An act to amend Sections 1266, 1267, 1268, 1271, 1271.5, and 1272.5 of, to ~~add Section 1266.1~~ *amend the heading of Article 1.5 (commencing with Section 1266) of Chapter 5 of Part 1 of Division 1 of, to add Sections 1266.1 and 1266.2* to, to repeal Sections 1270, 1272, and 1273 of, and to repeal and add Section 1269 of, the Unemployment Insurance Code, relating to unemployment insurance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2058, as amended, Block. Unemployment insurance: retraining benefits.

Existing law provides unemployment compensation benefits to eligible persons who are unemployed through no fault of their own. Existing law, until January 1, 2015, provides for retraining benefits to eligible individuals pursuant to the federal Trade Act of 1974, as amended by the federal Trade Act of 2002. Existing law authorizes an unemployed individual who files a claim for unemployment compensation benefits or extended duration benefits, or an application for federal-state extended benefits or any federally funded unemployment compensation benefits, to apply to the Employment Development Department for benefits during a period of training or retraining. Existing law also requires that

a determination of potential eligibility for specified training and retraining benefits be issued to an unemployed individual if the Director of Employment Development finds that specified conditions apply.

This bill would *establish the California Training Benefits Program, which, among other things, would* revise those eligibility requirements to, instead, specify that an unemployed individual who ~~files a claim~~ *qualifies* for unemployment compensation benefits, ~~or~~ extended duration benefits, ~~or an application for~~ federal-state extended benefits or any federally funded unemployment compensation benefits, *and applies for the program* shall be deemed to automatically be eligible for ~~benefits~~ *the program* during a period of training or retraining. The bill would require that if the director determines that the average state unemployment rate, seasonally adjusted, as determined by the United States Secretary of Labor, for the period consisting of the most recent 3 months for which data for all states are published for the close of that week equals or exceeds 8.5%, recipients of unemployment compensation benefits also be eligible to participate in training or retraining programs.

Existing law specifies that any unemployed individual receiving certain unemployment compensation benefits, who applies for a determination of potential eligibility for those benefits no later than the 16th week of his or her receiving those benefits, and is determined to be eligible for those benefits, is entitled to a training extension on his or her unemployment claim, if necessary, to complete approved training.

This bill would eliminate that requirement that an individual apply for a determination of potential eligibility no later than the 16th week of his or her receiving those benefits, ~~and~~. *The bill would instead specify that any unemployed individual compensation benefits who applies for a determination of eligibility for the training program, and who requires a training extension in order to complete the training, is entitled to all extension on his or her unemployment claim, and would* require that any training extension granted pursuant to those provisions provide the claimant with a specified weekly benefit amount, as prescribed.

Existing law requires the department to inform all individuals who claim unemployment compensation benefits in this state of the benefits potentially available, and permits the department to convey this information verbally or in written form, as provided.

This bill would, instead, require the department to convey that information verbally, in written form, and on-line, and would require that the information be made available on the department's Internet

Web site in close proximity to information on unemployment compensation claim forms.

Existing law makes an individual ineligible for benefits in any week during a period of training or retraining if he or she fails to submit a specified certification.

This bill would make an individual ineligible for benefits in any week during a period of training or retraining if he or she fails to submit biweekly information documenting his or her eligibility for benefits for any week during a period of training or retraining.

Existing law prohibits the payment of benefits during a period of training or retraining to any individual for any week or part of any week with respect to which he or she receives training or retraining benefits, allowances, or stipends pursuant to specified federal laws that provide for the payment of those benefits.

This bill would eliminate that prohibition on the payment of those benefits.

Because the bill would make various changes to existing eligibility requirements for training and retraining benefits, which would result in additional amounts being payable from the Unemployment Fund for those benefits, the bill would make an appropriation.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. *The heading of Article 1.5 (commencing with*
2 *Section 1266) of Chapter 5 of Part 1 of Division 1 of the*
3 *Unemployment Insurance Code is amended to read:*

4
5 Article 1.5. ~~Retraining Benefits~~ *California Training Benefits*
6 *Program*

7
8 SECTION 1.
9 SEC. 2. Section 1266 of the Unemployment Insurance Code
10 is amended to read:

11 ~~1266. Experience has shown that the ability of a large number~~
12 ~~of the population of California to compete for jobs in the labor~~
13 ~~market is impaired by advancement in technological improvements,~~

1 the widespread effects of automation and relocation in our
 2 economy, and foreign competition as set forth in petitions certified
 3 under the federal Trade Act of 1974, as amended (Title 19, United
 4 States Code, Sections 2101 et seq.). The Legislature finds that
 5 many individuals in California are lacking in skills that would
 6 make them competitive in the labor market. They are in need of
 7 training or retraining to upgrade their skills. It is the policy of this
 8 state to assist these individuals by providing unemployment
 9 compensation benefits, extended duration benefits, and other
 10 federally funded unemployment compensation benefits, including
 11 those available under the federal Trade Act of 1974 (Public Law
 12 93-618), as amended by the federal Trade Act of 2002 (Public Law
 13 107-210), during a period of retraining to qualify them for jobs
 14 and thus avoid long-term unemployment.

15 *1266. This article shall be known, and may be cited, as the*
 16 *California Training Benefits Program.*

17 *SEC. 3. Section 1266.1 is added to the Unemployment*
 18 *Insurance Code, to read:*

19 *1266.1. Experience has shown that the ability of a large number*
 20 *of the population of California to compete for jobs in the labor*
 21 *market is impaired by advancement in technological improvements,*
 22 *the widespread effects of automation and relocation in our*
 23 *economy, and foreign competition as set forth in petitions certified*
 24 *under the federal Trade Act of 1974, as amended (Title 19, United*
 25 *States Code, Sections 2101 et seq.). The Legislature finds that*
 26 *many individuals in California are lacking in skills that would*
 27 *make them competitive in the labor market. They are in need of*
 28 *training or retraining to upgrade their skills. It is the policy of this*
 29 *state to assist these individuals by providing unemployment*
 30 *compensation benefits, extended duration benefits, and other*
 31 *federally funded unemployment compensation benefits, including*
 32 *those available under the federal Trade Act of 1974 (Public Law*
 33 *93-618), as amended by the federal Trade Act of 2002 (Public Law*
 34 *107-210), during a period of retraining to qualify them for jobs*
 35 *and thus avoid long-term unemployment.*

36 ~~SEC. 2.~~

37 ~~SEC. 4. Section 1266.1~~ *1266.2 is added to the Unemployment*
 38 *Insurance Code, to read:*

1 ~~1266.1.~~

2 1266.2. If the director determines that the average state
3 unemployment rate, seasonally adjusted, as determined by the
4 United States Secretary of Labor, for the period consisting of the
5 most recent three months for which data for all states are published
6 for the close of that week, equals or exceeds 8.5 percent, recipients
7 of unemployment compensation benefits shall also be eligible to
8 participate in ~~training or retraining programs~~ *the California*
9 *Training Benefits Program.*

10 ~~SEC. 3.~~

11 SEC. 5. Section 1267 of the Unemployment Insurance Code
12 is amended to read:

13 1267. Notwithstanding any other provision of this division,
14 with respect to an unemployed individual otherwise eligible for
15 benefits, those benefits shall not be denied to an individual for any
16 week because he or she is in training or retraining, or because of
17 the application to any such week in training or retraining of any
18 law of this state relating to availability for work, active search for
19 work, refusal to accept work, or for leaving his or her most recent
20 work, if continuing the most recent work would require the
21 individual to terminate his or her training or retraining course of
22 instruction. The individual is considered to be in training or
23 retraining during regularly scheduled vacation or recess periods,
24 such as Christmas and Thanksgiving holidays, or semester breaks,
25 but not during a summer vacation period. As used in this article,
26 “individual” includes an exhaustee as defined in Section 3503, and
27 any individual claiming federal-state extended benefits under Part
28 4 (commencing with Section 4001), and anyone receiving federally
29 funded unemployment compensation benefits.

30 ~~SEC. 4.~~

31 SEC. 6. Section 1268 of the Unemployment Insurance Code
32 is amended to read:

33 ~~1268. An unemployed individual who files a claim for~~
34 ~~unemployment compensation benefits or extended duration~~
35 ~~benefits, or an application for federal-state extended benefits or~~
36 ~~any federally funded unemployment compensation benefits shall~~
37 ~~be deemed automatically to be eligible for benefits during a period~~
38 ~~of training or retraining.~~

39 1268. *An individual who qualifies for unemployment*
40 *compensation benefits, extended duration benefits, federal-state*

1 *extended benefits, or any federally funded unemployment benefits*
2 *under this division, and who then applies for the California*
3 *Training Benefits Program under this article, shall be deemed to*
4 *be automatically eligible for the program during the period of*
5 *training or retraining allowed under this article.*

6 ~~SEC. 5.~~

7 *SEC. 7.* Section 1269 of the Unemployment Insurance Code
8 is repealed.

9 ~~SEC. 6.~~

10 *SEC. 8.* Section 1269 is added to the Unemployment Insurance
11 Code, to read:

12 1269. Notwithstanding subdivision (c) of Section 1253, an
13 ~~unemployed individual who is able to work is eligible to receive~~
14 ~~benefits under this article, if he or she certifies on the claim form~~
15 ~~for benefits that he or she is enrolled in a training program designed~~
16 ~~to increase or improve their job skills and employability.~~
17 *unemployed individual who initially qualifies for unemployment*
18 *compensation benefits is eligible to participate in the California*
19 *Training Benefits Program if he or she certifies on the*
20 *unemployment insurance claim form that he or she is enrolled in*
21 *a training program designed to improve his or her job skills, and*
22 *a responsible person connected with the training program certifies*
23 *that the individual is enrolled and is satisfactorily pursuing the*
24 *training or retraining course of instruction.*

25 ~~SEC. 7.~~

26 *SEC. 9.* Section 1270 of the Unemployment Insurance Code
27 is repealed.

28 ~~SEC. 8.~~

29 *SEC. 10.* Section 1271 of the Unemployment Insurance Code
30 is amended to read:

31 ~~1271. (a)~~

32 *1271. (a) Any unemployed individual receiving unemployment*
33 *insurance compensation benefits payable under this division who*
34 *applies for a determination of eligibility for the California Training*
35 *Benefits Program, and who requires a training extension in order*
36 *to complete the training, is entitled to a training extension on his*
37 *or her unemployment insurance compensation claim.*

38 *(b) A training extension granted under this article shall provide*
39 *the claimant with a maximum of 52 times the weekly benefit*

1 amount, which shall include the maximum benefit award on the
2 parent unemployment compensation claim.

3 ~~(b)~~

4 (c) The parent unemployment compensation claim shall be the
5 unemployment compensation claim in existence at the time the
6 claimant is determined eligible for benefits pursuant to subdivision

7 (a).

8 ~~(e)~~

9 (d) Benefits payable under this section are subject to the
10 following limitations:

11 (1) The individual shall remain eligible for benefits under this
12 article for all weeks potentially payable under this section.

13 (2) The individual shall file any unemployment compensation
14 claim to which he or she becomes entitled under state or federal
15 law, and shall draw any unemployment compensation benefits on
16 that claim until it has expired or has been exhausted, in order to
17 maintain his or her eligibility under this article.

18 (3) To the extent permitted by federal law, benefits payable
19 under any federal unemployment compensation law shall be
20 included as benefits payable under this section.

21 SEC. 9. Section 1271.5 of the Unemployment Insurance Code
22 is amended to read:

23 1271.5. (a) The department shall inform all individuals who
24 claim unemployment compensation benefits in this state of the
25 benefits potentially available under this article and Section 1271.
26 The department shall convey this information verbally; *or* in written
27 form, and on-line. Information required by this section shall be
28 made available on the department's Internet Web site in close
29 proximity to information on unemployment compensation claim
30 forms.

31 (b) Benefits paid shall be charged to individual employer reserve
32 accounts, consistent with the provisions of this code.

33 SEC. 10. Section 1272 of the Unemployment Insurance Code
34 is repealed.

35 SEC. 11. Section 1272.5 of the Unemployment Insurance Code
36 is amended to read:

37 1272.5. If an individual fails to submit biweekly information
38 documenting eligibility for any week during a period of training
39 or retraining, he or she shall be ineligible to receive any benefits
40 for that week. This section shall not render an individual ineligible

1 for benefits for any week during the period of training or retraining
2 if on or before Monday of that week he or she notifies the
3 department that his or her training or retraining course of
4 instruction has been or is being discontinued or terminated prior
5 to that week.

6 SEC. 12. Section 1273 of the Unemployment Insurance Code
7 is repealed.

8 SEC. 13. This act is an urgency statute necessary for the
9 immediate preservation of the public peace, health, or safety within
10 the meaning of Article IV of the Constitution and shall go into
11 immediate effect. The facts constituting the necessity are:

12 In order to address the fiscal crisis facing the unemployment
13 insurance system in this state, it is necessary that this act take effect
14 immediately.