

AMENDED IN ASSEMBLY MAY 28, 2010

AMENDED IN ASSEMBLY APRIL 29, 2010

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, Blumenfield, Hayashi,
Bonnie Lowenthal, Solorio, and Torrico)
(Coauthors: Senators Correa and DeSaulnier)

February 18, 2010

An act to amend Sections 1266, 1267, 1269, ~~1270, 1271.5, 1272, and 1272.5~~ *1271.5, and 1272* of, to amend the heading of Article 1.5 (commencing with Section 1266) of Chapter 5 of Part 1 of Division 1 of, and to add Sections 1266.1 and ~~1269.5~~ *1269.1* to, 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 qualifies for unemployment compensation benefits, extended duration benefits, or federal-state extended benefits or any federally funded unemployment compensation benefits, and applies for the program shall be deemed to automatically be eligible for the program during a period of training or retraining.

Existing law requires that a determination of potential eligibility for training or retraining benefits be issued to an unemployed individual if the director makes a specified finding.

This bill would, instead, require that a determination of automatic eligibility for training or retraining be issued to an unemployed individual if any of specified conditions apply. The bill would also require that, if training or retraining is not authorized under those provisions governing automatic eligibility for those benefits, a determination of potential eligibility for benefits be issued to the unemployed individual if the director finds that specified criteria apply.

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, or online, 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.~~

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: $\frac{2}{3}$. 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. California Training Benefits Program

6

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

9 1266. This article shall be known, and may be cited, as the
10 California Training Benefits Program.

11 SEC. 3. Section 1266.1 is added to the Unemployment
12 Insurance Code, to read:

13 1266.1. Experience has shown that the ability of a large number
14 of the population of California to compete for jobs in the labor
15 market is impaired by advancement in technological improvements,
16 the widespread effects of automation and relocation in our
17 economy, and foreign competition as set forth in petitions certified
18 under the federal Trade Act of 1974, as amended (Title 19, United
19 States Code, Sections 2101 et seq.). The Legislature finds that
20 many individuals in California are lacking in skills that would
21 make them competitive in the labor market. They are in need of
22 training or retraining to upgrade their skills *required in demand*
23 *occupations*. It is the policy of this state to assist these individuals
24 by providing unemployment compensation benefits, extended
25 duration benefits, and other federally funded unemployment
26 compensation benefits, including those available under the federal
27 Trade Act of 1974 (Public Law 93-618), as amended by the federal
28 Trade Act of 2002 (Public Law 107-210), during a period of

1 retraining to qualify them for jobs *in demand occupations* and thus
2 avoid long-term unemployment.

3 SEC. 4. Section 1267 of the Unemployment Insurance Code
4 is amended to read:

5 1267. Notwithstanding any other provision of this division,
6 with respect to an unemployed individual otherwise eligible for
7 benefits, those benefits shall not be denied to an individual for any
8 week because he or she is in eligible training or retraining, as
9 described in Section 1269 or ~~1269.5~~ 1269.1, or because of the
10 application to any such week in training or retraining of any law
11 of this state relating to availability for work, active search for work,
12 refusal to accept work, or for leaving his or her most recent work,
13 if continuing the most recent work would require the individual
14 to terminate his or her training or retraining course of instruction.
15 The individual is considered to be in training or retraining during
16 regularly scheduled vacation or recess periods, such as Christmas
17 and Thanksgiving holidays, or semester breaks, but not during a
18 summer vacation period. As used in this article, “individual”
19 includes an exhaustee as defined in Section 3503, and any
20 individual claiming federal-state extended benefits under Part 4
21 (commencing with Section 4001), and anyone receiving federally
22 funded unemployment compensation benefits.

23 SEC. 5. Section 1269 of the Unemployment Insurance Code
24 is amended to read:

25 1269. A determination of automatic eligibility for benefits
26 under this article shall be issued to an unemployed individual if
27 the director finds that any of the following apply:

28 (a) The training is authorized by the federal Workforce
29 Investment Act (Public Law 106-220) or by the Employment
30 Training Panel established pursuant to Chapter 3.5 (commencing
31 with Section 10200) of Part 1 of Division 3.

32 ~~(b) The training is on the state’s Eligible Training Provider List~~
33 ~~(ETPL), as authorized by the federal Workforce Investment Act~~
34 ~~(Public Law 106-220).~~

35 (e)

36 (b) The training is authorized by the federal Trade Act of 1974,
37 (19 U.S.C. Sec. 2101 et seq.), as amended by the federal Trade
38 Act of 2002 (Public Law 107-210), and as those acts may be
39 amended by the Trade and Globalization Adjustment Assistance
40 Act of 2009, enacted under the American Recovery and

1 Reinvestment Act of 2009 (Public Law 111-5), pursuant to a
2 certified petition.

3 ~~(d)~~

4 (c) The individual is a participant in the California Work
5 Opportunity and Responsibility to Kids (CalWORKs) program
6 pursuant to Article 3.2 (commencing with Section 11320) or Article
7 3.3 (commencing with Section 11330) of Chapter 2 of Part 3 of
8 Division 9 of the Welfare and Institutions Code, and has entered
9 into a contract with the county welfare department to participate
10 in an education or training program.

11 (d) *The individual is a participant in training with a provider*
12 *that is certified and on the state’s Eligible Training Provider List*
13 *(ETPL), as authorized by the federal Workforce Investment Act*
14 *(Public Law 106-220).*

15 (e) The individual is a journey level union member and the
16 training or retraining course of instruction is industry-related
17 training necessary due to changes in technology, or industry
18 demands, or is necessary to retain employment or to become more
19 competitive in obtaining employment.

20 SEC. 6. Section ~~1269.5~~1269.1 is added to the Unemployment
21 Insurance Code, to read:

22 ~~1269.5:~~

23 *1269.1. If the training is not authorized under Section 1269, a*
24 *determination of potential eligibility for benefits under this article*
25 *shall be issued to an unemployed individual if the director finds*
26 *that all of the ~~follow~~ following apply:*

27 (a) The individual has been unemployed for four or more
28 continuous weeks, or the individual is unemployed and unlikely
29 to return to his or her most recent workplace because work
30 opportunities in the individual’s job classification are impaired by
31 a plant closure or a substantial reduction in employment at the
32 individual’s most recent workplace, by advancement in
33 technological improvements, by the effects of automation and
34 relocation in the economy, or because of mental or physical
35 disability that prohibits the individual from utilizing existing
36 occupational skills.

37 (b) One of the substantial causes of the individual’s
38 unemployment is a lack of sufficient current demand in the
39 individual’s labor market area for the occupational skills for which
40 the individual is fitted by training and experience or current

1 physical or mental capacity, and that the lack of employment
2 opportunities is expected to continue for an extended period of
3 time, or, if the individual’s occupation is one for which there is a
4 seasonal variation in demand in the labor market and the individual
5 has no other skill for which there is current demand.

6 (c) The training or retraining course of instruction relates to an
7 occupation or skill for which there are, or are expected to be in the
8 immediate future, reasonable employment opportunities in the
9 labor market area in this state in which the individual intends to
10 seek work and there is not a substantial surplus of workers with
11 requisite skills in the occupation in that area.

12 (d) The training or retraining course of instruction is one
13 approved by the director and can be completed within a reasonable
14 period of time.

15 (e) The training or retraining course is a full-time course
16 prescribed for the primary purpose of training the applicant in
17 skills that will allow him or her to obtain employment *in a demand*
18 *occupation*.

19 (f) The individual can be reasonably expected to complete the
20 training or retraining successfully.

21 (g) The beginning date of training is more than three years after
22 the beginning date of training last approved for the individual
23 under this subdivision.

24 (h) If a determination of potential eligibility for benefits is issued
25 under this section, *except under subdivision (c)*, and *when* federal
26 extended unemployment insurance benefits are in effect, the
27 director may find that an unemployed individual is eligible for
28 training benefits if the individual is enrolled in a community college
29 or other ~~public~~ *accredited* postsecondary education program with
30 the purpose of preparing the applicant in academic or job skills,
31 including remedial training, that will increase employment
32 opportunities or that leads to an industry-recognized credential or
33 certificate designed for a specific occupation. *If an individual is*
34 *approved for training benefits under this subdivision and the*
35 *federal extended unemployment insurance benefits are subsequently*
36 *no longer in effect, the individual shall remain eligible as long as*
37 *he or she is attending the training and is meeting the provisions*
38 *of this article.*

39 ~~SEC. 7. Section 1270 of the Unemployment Insurance Code~~
40 ~~is amended to read:~~

1 ~~1270. As used in this article:~~

2 ~~(a) “Demand occupation” means an occupation in a labor market~~
3 ~~area in which the director determines work opportunities with~~
4 ~~career advancement opportunities and living wages are available~~
5 ~~and there is not a surplus of qualified applicants.~~

6 ~~(b) “Labor market area” means a county, or aggregation of~~
7 ~~counties designated by the department that meets criteria of~~
8 ~~population, population density, commute patterns, and social and~~
9 ~~economic integration specified by the department.~~

10 ~~SEC. 8.~~

11 ~~SEC. 7.~~ Section 1271.5 of the Unemployment Insurance Code
12 is amended to read:

13 1271.5. (a) The department shall inform all individuals who
14 claim unemployment compensation benefits in this state of the
15 benefits potentially available under this article and Section 1271.
16 The department shall convey this information verbally, in written
17 form, or online. If in written form, the department may utilize
18 publications or handbooks that inform individuals of their rights
19 and duties in regard to unemployment compensation benefits.
20 These publications, issued by the department pursuant to authorized
21 regulations, may be used to satisfy the requirements of this section.
22 Information required by this section shall be made available on
23 the department’s Internet Web site in close proximity to
24 information on unemployment compensation claim forms.

25 (b) Benefits paid under Section 1271 shall be charged to
26 individual employer reserve accounts, consistent with the
27 provisions of this code.

28 ~~SEC. 9.~~

29 ~~SEC. 8.~~ Section 1272 of the Unemployment Insurance Code
30 is amended to read:

31 1272. Notwithstanding subdivision (c) of Section 1253, an
32 unemployed individual who is able to work is eligible to receive
33 benefits under this article with respect to any week during a period
34 of training or retraining only if the director finds both of the
35 following:

36 (a) He or she has been determined potentially eligible under
37 Section 1269, ~~1269.5~~ 1269.1, or 1271.

38 (b) He or she submits ~~with each claim a written certification a~~
39 ~~certification, as prescribed by the Employment Development~~
40 ~~Department through regulations, executed by a responsible person~~

1 connected with the training or retraining program certifying that
2 he or she is enrolled in and satisfactorily pursuing the training or
3 retraining course of instruction.

4 ~~SEC. 10. Section 1272.5 of the Unemployment Insurance Code~~
5 ~~is amended to read:~~

6 ~~1272.5. If an individual fails to submit biweekly information~~
7 ~~documenting eligibility for any week during a period of training~~
8 ~~or retraining the certification required by Section 1272, he or she~~
9 ~~shall be ineligible to receive any benefits for that week. This section~~
10 ~~shall not render an individual ineligible for benefits for any week~~
11 ~~during the period of training or retraining if on or before Monday~~
12 ~~of that week he or she notifies the department that his or her~~
13 ~~training or retraining course of instruction has been or is being~~
14 ~~discontinued or terminated prior to that week.~~

15 ~~SEC. 11.~~

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

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