

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1514

Introduced by Committee on Insurance

March 5, 2015

An act to amend Sections 1269, 1271, 1272, 2614, 4902, and 4903 of the Unemployment Insurance Code, relating to unemployment insurance, *and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1514, as amended, Committee on Insurance. Employment Development Department: *training benefits*: reports.

Existing law provides unemployment compensation benefits to eligible persons who are unemployed through no fault of their own. Existing law, the California Training Benefits Program, until January 1, 2019, authorizes an unemployed individual, who is otherwise eligible for unemployment benefits, to apply to the Employment Development Department for a determination of potential eligibility for benefits during a period of training or retraining.

Existing law sets forth the eligibility criteria for the program, including that the individual is a journey level union member and the training or retraining course of instruction is industry-related training necessary due to changes in technology, or industry demands, or is necessary to retain employment or to become more competitive in obtaining employment.

This bill would recast these provisions to permit eligibility for a member of a union or trade association, a participant in training sponsored by an employer, or an individual who is a participant in a state or federally approved apprenticeship program.

Existing law sets the maximum benefit amount under the program at 52 times the weekly benefit amount, including the maximum award under the parent compensation claim, as defined, and requires that benefits received under any federal unemployment compensation law be included as benefits payable under these provisions.

This bill recast those provisions to set forth certain federally funded unemployment benefits to be included within these benefits. Because the bill would make changes to existing eligibility requirements for training and 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This bill would make changes to delete references to the repealed federal Workforce Investment Act of 1998 and instead refer to the successor federal Workforce Innovation and Opportunity Act.

Existing law requires the Director of Employment Development to report to the Legislature by June 30 of each year on the Employment Development Department’s fraud deterrence and detection activities.

This bill would instead require the report to be made to specified committees of the Legislature.

Existing law requires the director to prepare and report to specified committees of the Legislature and the State Office of Information Technology on the department’s automation plans, including recommendations on improvements and long-term goals and strategies. Existing law requires the report to provide a strategic information plan.

This bill would revise what committees are to receive the report, as specified, and replace references to the State Office of Information Technology with the California Department of Technology.

Vote: majority. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: no.

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

- 1 *SECTION 1. Section 1269 of the Unemployment Insurance*
- 2 *Code is amended to read:*
- 3 *1269. A determination of automatic eligibility for benefits*
- 4 *under this article shall be issued to an unemployed individual if*
- 5 *the director finds that any of the following applies:*
- 6 *(a) The training is authorized by the federal ~~Workforce~~*
- 7 *~~Investment Act of 1998 (Public Law 105-220) Workforce~~*
- 8 *Innovation and Opportunity Act (Public Law 113-128) or by the*

1 Employment Training Panel established pursuant to Chapter 3.5
2 (commencing with Section 10200) of Part 1 of Division 3.

3 (b) The training is authorized by the federal Trade Act of 1974
4 (19 U.S.C. Sec. 2101 et seq.), as ~~amended by the federal Trade~~
5 ~~Act of 2002 (Public Law 107-210), and as those acts may be~~
6 ~~amended by the federal Trade and Globalization Adjustment~~
7 ~~Assistance Act of 2009, enacted under the federal American~~
8 ~~Recovery and Reinvestment Act of 2009 (Public Law 111-5),~~
9 *amended*, pursuant to a certified petition.

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

16 (d) (1) The individual is a participant in training with a provider
17 that is certified and on the state's Eligible Training Provider List
18 (ETPL), as authorized by the federal ~~Workforce Investment Act~~
19 ~~of 1998 (Public Law 105-220), or Workforce Innovation and~~
20 ~~Opportunity Act (Public Law 113-128), or the individual is a~~
21 permanent or probationary public school teacher who is a
22 participant in a credential preparation program or training program
23 approved or accredited by the Commission on Teacher
24 Credentialing for additional certification in math, science, or special
25 education, for kindergarten and grades 1 to 12, inclusive, and was
26 laid off. The credential preparation program or training program
27 shall only be approved if a permanent or probationary public school
28 teacher enrolls in the training within three years of being laid off
29 from the public school employer.

30 (2) The changes made to this subdivision by ~~the act adding this~~
31 ~~paragraph~~ *Chapter 278 of the Statutes of 2012*, shall become
32 operative on January 1, 2014.

33 (e) The individual is a journey level ~~union~~ member of a union
34 or trade association, or is a participant in training sponsored by
35 an employer, and the training or retraining course of instruction
36 is industry-related training necessary due to changes in technology,
37 or industry demands, or is necessary to retain employment or to
38 become more competitive in obtaining ~~employment.~~ *employment,*
39 *or the individual is a participant in a state or federally approved*
40 *apprenticeship program.*

1 *SEC. 2. Section 1271 of the Unemployment Insurance Code is*
 2 *amended to read:*

3 1271. (a) Any unemployed individual receiving unemployment
 4 compensation benefits payable under this division, who applies
 5 for a determination of potential eligibility for benefits under this
 6 article no later than the 16th week of his or her receiving these
 7 benefits, and is determined eligible for benefits under this article,
 8 is entitled to a training extension on his or her unemployment
 9 compensation claim, if necessary, to complete approved training.

10 (b) The training extension shall provide the claimant with a
 11 maximum of 52 times the weekly benefit ~~amount, of the parent~~
 12 ~~unemployment compensation claim, which shall include the~~
 13 ~~maximum benefit award on the parent unemployment~~
 14 ~~compensation claim.~~ *be reduced by all of the following:*

15 (1) *The maximum benefit award on the parent unemployment*
 16 *compensation claim.*

17 (2) *Benefits payable during the period of approved training on*
 18 *any other unemployment compensation claim filed pursuant to this*
 19 *chapter, to the extent permitted by law.*

20 (3) *Benefits payable during the period of approved training*
 21 *under any state or federal unemployment compensation law, to*
 22 *the extent permitted by state or federal law, including, but not*
 23 *limited to, all of the following:*

24 (A) *Extended unemployment compensation benefits payable*
 25 *under Part 3 (commencing with Section 3501).*

26 (B) *Federal-state extended compensation benefits payable under*
 27 *Part 4 (commencing with Section 4001).*

28 (C) *Trade readjustment allowance benefits payable under the*
 29 *federal Trade Act of 1974 (19 U.S.C. Sec. 2101 et seq.), as*
 30 *amended.*

31 (c) The parent unemployment compensation claim shall be the
 32 unemployment compensation claim in existence at the time the
 33 claimant is determined eligible for benefits pursuant to subdivision
 34 (a).

35 (d) Benefits payable under this section are subject to the
 36 following limitations:

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

39 (2) The individual shall file any unemployment compensation
 40 claim to which he or she becomes entitled under state or federal

1 law, and shall draw any unemployment compensation benefits on
2 that claim until it has expired or has been exhausted, in order to
3 maintain his or her eligibility under this article.

4 ~~(3) To the extent permitted by federal law, benefits payable~~
5 ~~under any federal unemployment compensation law shall be~~
6 ~~included as benefits payable under this section.~~

7 *SEC. 3. Section 1272 of the Unemployment Insurance Code is*
8 *amended to read:*

9 1272. Notwithstanding subdivision (c) of Section 1253, an
10 unemployed individual who is able to work is eligible to receive
11 benefits under this article with respect to any week during a period
12 of training or retraining only if the director finds both of the
13 following:

14 (a) He or she has been determined potentially eligible under
15 Section 1269, 1269.1, or 1271.

16 (b) He or she submits a certification, as prescribed by the
17 Employment Development Department through ~~regulations,~~
18 ~~executed by a responsible person connected with the training or~~
19 ~~retraining program~~ *regulations*, certifying that he or she is enrolled
20 in and satisfactorily pursuing the training or retraining course of
21 instruction.

22 ~~SECTION 4.~~

23 *SEC. 4. Section 2614 of the Unemployment Insurance Code*
24 *is amended to read:*

25 2614. The director shall report to the Assembly Committee on
26 Insurance, Assembly Committee on Labor and Employment, and
27 the Senate Committee on Labor and Industrial Relations by June
28 30 of each year on the department's fraud deterrence and detection
29 activities.

30 ~~SEC. 2.~~

31 *SEC. 5. Section 4902 of the Unemployment Insurance Code*
32 *is amended to read:*

33 4902. The report, required by Section 4901, shall be transmitted
34 to the Legislative Analyst, the Assembly Committees on Insurance,
35 Labor and Employment, and Budget, the Senate Committees on
36 Industrial Relations and Budget and Fiscal Review, the Department
37 of Finance, and the Governor, on or before February 1 of each
38 even-numbered year. The report shall do all of the following:

39 (a) Provide a strategic information technology plan that describes
40 the long-term goals and strategies which shall be undertaken by

1 the department to create an information technology environment
 2 that will not only support the achievement of the department’s
 3 strategic business mission and goals but set the foundation for
 4 using information technology to make substantial and sustainable
 5 improvements in how it conducts business. The plan shall cover
 6 a 10-year planning horizon and include the department’s
 7 information vision, its information management principles, and
 8 long-term goals and strategies for achieving its information vision.

9 (b) Provide a tactical information plan of specific automation
 10 and infrastructure projects to be undertaken within three years of
 11 the date of the report. The plan shall include project description
 12 and scope, consistency with the strategic information plan,
 13 relationship to other projects, priority of development, estimated
 14 project costs and benefits, and improvements in services. For
 15 automation projects, it shall also provide reductions in personnel
 16 and operating costs, and identification of how personnel and cost
 17 savings will be used, transferred, or otherwise accounted for.

18 (c) Not necessarily be in addition to or replace any reports now
 19 submitted by the director to the California Department of
 20 Technology.

21 ~~SEC. 3.~~

22 *SEC. 6.* Section 4903 of the Unemployment Insurance Code
 23 is amended to read:

24 4903. (a) Thirty days prior to the release of the report identified
 25 in Section 4901, the director shall submit it to the California
 26 Department of Technology, which shall review and comment on
 27 it. These comments shall be attached to the report by the director
 28 and distributed with the report.

29 (b) When commenting on the report, the California Department
 30 of Technology shall include, but not be limited to, an assessment
 31 of whether:

- 32 (1) The requirements for the report have been met.
- 33 (2) The strategic plan is consistent with the formal strategic plan
 34 submitted separately to the California Department of Technology.
- 35 (3) The costs and benefits identified in the report are consistent
 36 with the projects previously submitted for approval or contained
 37 in the Information Management Annual Plans.