

Assembly Bill No. 2906

CHAPTER 299

An act to amend Section 12419.3 of the Government Code, and to amend Sections 1269, 1271, 1274.10, 9614, and 15079 of, and to add Section 1271.5 to, the Unemployment Insurance Code, related to unemployment compensation.

[Approved by Governor September 1, 2000. Filed with Secretary of State September 5, 2000.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2906, Committee on Insurance. Unemployment or disability compensation: benefit overpayment obligations: job training.

(1) Existing law requires the Controller to offset specified financial obligations, listed in order of priority, against the amount of a personal income tax refund. Existing law allows, as a 5th offset priority, the offset against a personal income tax refund of an unemployment or disability insurance benefit overpayment. If a signed reimbursement agreement exists for any such overpayment, existing law allows the offset only if 2 consecutive payments under that agreement are delinquent as of September 30.

This bill would modify this provision to instead allow the offset if 2 consecutive payments under a reimbursement agreement are delinquent at any time.

(2) Existing law provides, until January 1, 2001, for retraining benefits for individuals receiving unemployment compensation benefits.

This bill would make certain technical and clarifying changes in those provisions. This bill would also extend the provision of those retraining benefits until January 1, 2005.

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

SECTION 1. Section 12419.3 of the Government Code is amended to read:

12419.3. The Controller shall offset delinquent accounts against personal income tax refunds which have been certified by the Franchise Tax Board, in the following priority:

(a) The nonpayment of child or family support accounts enforced by a district attorney.

(b) The nonpayment of child or family support accounts enforced by someone other than a district attorney.

(c) The nonpayment of spousal support accounts enforced by a district attorney.



(d) The nonpayment of spousal support accounts enforced by someone other than a district attorney.

(e) The benefit overpayment accounts administered by the Employment Development Department if no signed reimbursement agreement exists, or if two consecutive payments on a reimbursement agreement are delinquent at any time.

(f) The other offset accounts in the priority determined by the Controller.

SEC. 2. Section 1269 of the Unemployment Insurance Code is amended to read:

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

(a) The training is authorized by the federal Workforce Investment Act or by the Employment Training Panel established pursuant to Chapter 3.5 (commencing with Section 10200) of Part 1 of Division 3.

(b) The training is authorized by the federal Trade Act of 1974, as amended (19 U.S.C. Sec. 2101 et seq.), pursuant to a certified petition.

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

(d) That all of the following apply:

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

(2) One of the substantial causes of the individual's unemployment is a lack of sufficient current demand in the individual's labor market area for the occupational skills for which the individual is fitted by training and experience or current physical or mental capacity and that the lack of employment opportunities is expected to continue for an extended period of time, or, if the individual's occupation is one for which there is a seasonal variation in demand in the labor market and the individual has no other skill for which there is current demand.



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

(4) If the individual is a journey level union member, the training or retraining course of instruction is specific job-related training necessary due to changes in technology, or necessary to retain employment or to become more competitive in obtaining employment.

(5) The training or retraining course of instruction is one approved by the director and can be completed within one year.

(6) The training or retraining course is a full-time course prescribed for the primary purpose of training the applicant in skills that will allow him or her to obtain immediate employment in a demand occupation and is not primarily intended to meet the requirements of any degree from a college, community college, or university.

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

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

SEC. 3. Section 1271 of the Unemployment Insurance Code is amended to read:

1271.

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

(b) The training extension shall provide the claimant with a maximum of 52 times the weekly benefit amount, which shall include the maximum benefit award on the parent unemployment compensation claim.

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

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

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



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

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

SEC. 4. Section 1271.5 is added to the Unemployment Insurance Code, to read:

1271.5. (a) The department shall inform all individuals who claim unemployment compensation benefits in this state of the benefits potentially available under this article and Section 1271. The department may convey this information verbally or in written form. If in written form, the department may utilize publications or handbooks that inform individuals of their rights and duties in regard to unemployment compensation benefits. These publications, issued by the department pursuant to authorized regulations, may be used to satisfy the requirements of this section.

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

SEC. 5. Section 1274.10 of the Unemployment Insurance Code is amended to read:

1274.10. This article shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, which is chaptered before that date, deletes or extends the date.

SEC. 6. Section 9614 of the Unemployment Insurance Code is amended to read:

9614. Notwithstanding any other provision of law, the department shall annually issue an evaluation of the Job Agent Program to the Governor and the Legislature. This report shall be issued by December 1 of each year.

SEC. 7. Section 15079 of the Unemployment Insurance Code is amended to read:

15079. (a) In order to maximize employment and training services to displaced workers, it is the intent of the Legislature that unemployment insurance benefits be payable to unemployed workers enrolled in retraining, in accordance with Article 1.5 (commencing with Section 1266) of Chapter 5 of Part 1 of Division 1. As part of its education and job training report card program, the State Job Training Coordinating Council, or its successor, shall annually report on program outcomes. Beginning in 2001, the report shall include, at a minimum, the number of individuals who complete training, a demographic profile of these individuals, the percentage of these individuals who are found in California unemployment insurance covered employment after the training, the rate of change



in the unemployment status of these individuals, the amount of the Unemployment Insurance Fund benefits paid to program participants, and any other data deemed relevant.

(b) Service delivery areas may provide, to the extent permitted by federal law, needs-related payments to eligible dislocated workers who do not qualify for, or have exhausted, unemployment insurance benefits, in order to enable these workers to participate in job training and education programs authorized by this chapter.

