

AMENDED IN ASSEMBLY AUGUST 16, 1999

AMENDED IN ASSEMBLY JUNE 22, 1999

AMENDED IN SENATE MAY 28, 1999

AMENDED IN SENATE MAY 18, 1999

AMENDED IN SENATE APRIL 20, 1999

AMENDED IN SENATE APRIL 7, 1999

**SENATE BILL**

**No. 546**

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**Introduced by Senator Solis**

February 19, 1999

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An act to amend Section 3853 of the Labor Code, and to amend Sections 708, 708.5, 930, 1262, 1269, 1274.10, 1275, 1280, 1537, 2781, 3011, 9614, and 15079 of, to add Sections 1262.1, 1265.1, and 1271.5 to, and to repeal and add Section 1271 of, the Unemployment Insurance Code, relating to unemployment compensation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 546, as amended, Solis. Unemployment compensation.

(1) Existing law provides that an employee's workers' compensation claim does not affect his or her claim or right of action against any person other than the employer for all damages proximately resulting from an injury or death. Existing law provides that if the employee or employer brings an action in this regard against a 3rd person, a copy of the complaint shall be given to the employer or employee, as the case may be.

This bill would also require the employee or employer to give a notice of the complaint to the Employment Development Department if the employee has received unemployment or disability benefits.

(2) Existing unemployment insurance law excludes from the definition of “wages” remuneration in excess of \$7,000 paid to an individual by an employer during any calendar year, with respect to employment.

This bill would specify that remuneration in excess of \$9,000 is excluded from the definition of “wages.” ~~This bill would provide for this excluded amount to be adjusted annually by an inflation adjustment factor, as specified.~~

(3) Existing law provides that an individual is not eligible for and shall not receive unemployment compensation benefits if the individual left work because of a trade dispute.

This bill would exempt from this ineligibility provision an individual who leaves his or her work because of a trade dispute that is the result of a reduction in wages and benefits that would otherwise be deemed good cause for the individual leaving his or her most recent work. This bill would also provide that unemployment compensation benefits shall not be denied to an individual who is not on strike but who is locked out by his or her employer.

(4) Existing law specifies that a person is “unemployed” in any week during which he or she performs no services and with respect to which no wages are payable to him or her.

This bill would require that payments received from an employer pursuant to the federal Worker Adjustment Renotification and Training Act not be construed to be wages or compensation for personal services for purposes of determination of eligibility for unemployment compensation benefits.

(5) Existing law provides, until January 1, 2001, that certain unemployed persons are eligible for retraining benefits of 52 times the unemployment compensation weekly benefit amount.

This bill would extend these provisions until January 1, 2005. It would also revise and recast certain of these provisions.

(6) Existing law provides that unemployment compensation benefit awards shall be calculated based on



wages paid in the base period, as defined, and prohibits wages used in the determination of benefits payable to an individual during any benefit year from being used in determining the individual's benefits in any subsequent benefit year.

This bill would modify the definition of "base period," as specified, and would provide that if an individual has not been paid sufficient wages in the first 4 of the last 5 completed calendar quarters to entitle the individual to establish a benefit year, then "base period" means the most recent 52 weeks before the first day of the individual's benefit year.

(7) Existing law provides that the weekly unemployment compensation benefit for an individual whose highest wages in the quarter of his or her base period exceeded a specified amount shall be 39% of those wages divided by 13, but shall not exceed \$230.

This bill would provide that for new claims filed with an effective date after January 1, 2000, the weekly benefit for these individuals shall be 50% of those wages divided by 13, and would increase the maximum weekly benefit to \$300 or an amount equal to 45% of the state's average weekly wage, whichever is greater.

Because this provision would increase the amount of unemployment compensation paid, it would increase the amount payable from the Unemployment Fund, a continuously appropriated special fund, and thereby would make an appropriation.

(8) Existing law provides that warrants drawn on an account by the Controller in the Unemployment Fund, the Unemployment Administration Fund, the Contingent Fund, or the Disability Fund that remain unclaimed after 3 years shall revert to the account or fund from which the amount was payable.

This bill would provide for a reversion after one year.

(9) Existing law provides for the Employment Development Department to prepare annual reports on various employment and job training programs.

This bill would delete the requirement for reports to be prepared by the department relating to the California Job Tax Credit Program. It would require the State Job Training Coordinating Council or its successor, rather than the



department, to report on the Retraining Benefits Program, as specified.

(10) This bill would make other related changes.

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

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

1 SECTION 1. Section 3853 of the Labor Code is  
2 amended to read:

3 3853. If either the employee or the employer brings  
4 an action against a third person pursuant to this chapter,  
5 he or she shall forthwith give to the other, and to the  
6 Employment Development Department if the employee  
7 has received unemployment compensation benefits or  
8 unemployment compensation disability benefits, a copy  
9 of the complaint, by personal service or certified mail.  
10 Proof of service pursuant to this section shall be filed in  
11 the action. If the action is brought by either the employer  
12 or employee, the other may, at any time before trial on  
13 the facts, join as party plaintiff or shall consolidate his or  
14 her action, if brought independently.

15 SEC. 2. Section 708 of the Unemployment Insurance  
16 Code is amended to read:

17 708. (a) Any individual who is an employer under  
18 this division or any two or more individuals who have so  
19 qualified may file with the director a written election that  
20 their services shall be deemed to be services performed  
21 by individuals in employment for an employer for all the  
22 purposes of this division. Upon the approval of the  
23 election by the director the services of those individuals  
24 shall be deemed to constitute employment for an  
25 employer for all the purposes of this division. Regardless  
26 of their actual earnings, for the purposes of computing  
27 benefit rights and contributions under this division, they  
28 shall be deemed to have received the following  
29 remuneration for each calendar quarter:

30 (1) For purposes of unemployment insurance, the  
31 highest amount of wages required to be entitled to the  
32 maximum benefit amount provided in Section 1280.



1 (2) For purposes of disability insurance, the highest  
2 amount of wages required to be entitled to the maximum  
3 benefit amount provided in Section 2655.

4 (A) For disability insurance contributions on or after  
5 July 1, 1994, the quarterly contribution shall be the  
6 product of one-fourth of the amount of net profit, but not  
7 less than one thousand one hundred fifty dollars (\$1,150)  
8 except when subparagraph (B) applies, reported on or  
9 before April 15 of the preceding year as declared on the  
10 Internal Revenue Service Schedule SE filed by an  
11 individual who is an employer under this division and the  
12 contribution rate established pursuant to Section 984.5,  
13 except as provided by Section 985. On January 1, 1995,  
14 quarterly income credits for the period from July 1, 1993,  
15 to June 30, 1994, inclusive, shall be changed to one-fourth  
16 of the amount of the net profit or four thousand six  
17 hundred dollars (\$4,600), whichever is greater, reported  
18 on or before April 15, 1993, as declared on the Internal  
19 Revenue Service Schedule SE for the 1992 taxable year  
20 filed by each individual having an elective coverage  
21 agreement in effect for that period or any portion thereof.  
22 If no Internal Revenue Service Schedule SE was filed, the  
23 individual shall be assigned a quarterly income credit of  
24 one thousand one hundred fifty dollars (\$1,150).  
25 Quarterly income credits for this period shall not exceed  
26 seven thousand nine hundred forty-two dollars (\$7,942).  
27 If any quarterly income credit for the period from July 1,  
28 1993, to June 30, 1994, inclusive, was reduced prior to  
29 January 1, 1995, the amended income credit shall be  
30 reduced proportionately. Benefits payable for periods of  
31 disability commencing on or after January 1, 1995, shall be  
32 based on Section 2655. For purposes of this division,  
33 income credits shall be included in the term "wages."

34 (B) The self-employed individual shall not pay  
35 contributions for periods of any disability, including  
36 periods for which some services are performed while  
37 disabled. The self-employed individual shall file a  
38 quarterly report of wages and certify as to the period of  
39 disability in order to maintain eligibility for elective  
40 disability insurance coverage and benefits. During



1 periods of disability, the self-employed individual shall  
2 reduce his or her quarterly contributions by dividing the  
3 quarterly contribution amount by 91 to compute the daily  
4 contribution amount, and the daily contribution amount  
5 shall be multiplied by the number of days disabled to  
6 compute the amount by which the quarterly  
7 contributions shall be reduced. The department shall  
8 reduce income credits utilizing the same calculation  
9 method.

10 (b) Any individual who is an employer under this  
11 division or any two or more individuals who have so  
12 qualified may file with the director a written election that  
13 their services shall be deemed to be services performed  
14 by individuals in employment for an employer for the  
15 purposes of Part 2 (commencing with Section 2601) only.  
16 Upon the approval of the election by the director the  
17 services of those individuals shall be deemed to constitute  
18 employment for an employer for the purposes of Part 2  
19 (commencing with Section 2601) only. Regardless of  
20 their actual earnings, for the purposes of computing  
21 disability benefit rights and worker contributions, they  
22 shall be deemed to have received remuneration for each  
23 calendar quarter the highest amount of wages required  
24 to be entitled to the maximum benefit award provided in  
25 Section 2655. For contributions on or after July 1, 1994, the  
26 quarterly contribution shall be the product of one-fourth  
27 of the amount of net profit, but not less than one thousand  
28 one hundred fifty dollars (\$1,150), except when  
29 subparagraph (B) of paragraph (2) of subdivision (a)  
30 applies, reported on or before April 15 of the preceding  
31 year as declared on the Internal Revenue Service  
32 Schedule SE filed by an individual who is an employer  
33 under this division and the contribution rate established  
34 pursuant to Section 984.5, except as provided by Section  
35 985. The quarterly contribution shall be reduced as set  
36 forth in subparagraph (B) of paragraph (2) of subdivision  
37 (a) if a disability occurred during the quarter for which  
38 payment is being made. On January 1, 1995, quarterly  
39 income credits for the period from July 1, 1993, to June 30,  
40 1994, inclusive, shall be changed to one-fourth of the



1 amount of the net profit or four thousand six hundred  
2 dollars (\$4,600), whichever is greater, reported on or  
3 before April 15, 1993, as declared on the Internal Revenue  
4 Service Schedule SE for the 1992 taxable year filed by  
5 each individual having an elective coverage agreement  
6 in effect for that period or any portion thereof. If no  
7 Internal Revenue Service Schedule SE was filed, the  
8 individual shall be assigned a quarterly income credit of  
9 one thousand one hundred fifty dollars (\$1,150).  
10 Quarterly income credits for this period shall not exceed  
11 seven thousand nine hundred forty-two dollars (\$7,942).  
12 If quarterly income credits were reduced prior to January  
13 1, 1995, the amended income credits shall be reduced  
14 proportionately. Benefits payable for periods of disability  
15 commencing on or after January 1, 1995, shall be based on  
16 Section 2655. For purposes of this division, income credits  
17 shall be included in the term "wages."

18 (c) (1) Any individual applying for or continuing  
19 elective coverage under this section shall be requested to  
20 sign an annual statement authorizing the department to  
21 verify the net profit declared on his or her Internal  
22 Revenue Service Schedule SE. Failure of the individual  
23 to sign a statement authorizing the department to verify  
24 income shall result in the individual being assigned an  
25 annual income level of four thousand six hundred dollars  
26 (\$4,600) for contribution and benefit purposes.

27 (2) Any individual applying for elective coverage shall  
28 submit a copy of his or her Internal Revenue Service  
29 Schedule SE filed on or before April 15 of the preceding  
30 year with his or her application for elective coverage in  
31 order to establish first-year contributions and benefits in  
32 excess of the minimum required to qualify for elective  
33 coverage.

34 (d) Any self-employed individual continuing elective  
35 coverage who fails to file an Internal Revenue Service  
36 Schedule SE by April 15 of each calendar year is required  
37 to remit contributions based upon the last year the  
38 self-employed individual filed an Internal Revenue  
39 Service Schedule SE.

1 (e) Any self-employed individual who has not yet filed  
2 an Internal Revenue Service Schedule SE shall be  
3 assigned an annual income level of four thousand six  
4 hundred dollars (\$4,600) for contribution and benefit  
5 purposes.

6 (f) Contributions required under this division are  
7 payable on and after the date stated in the approval of the  
8 director. The director may levy assessments under this  
9 division for any amount due when an elective coverage  
10 agreement has been in effect for less than two complete  
11 calendar years. Chapter 7 (commencing with Section  
12 1701), relating to the collection of amount due, shall apply  
13 to this section.

14 (g) No benefits shall be paid to any individual based  
15 upon remuneration deemed to have been received  
16 pursuant to this section unless all contributions due with  
17 respect to all remuneration deemed to have been  
18 received by ~~such~~ that individual pursuant to this section  
19 have been paid to the department.

20 (h) No benefits shall be paid to any individual based on  
21 elective coverage income credits in his or her base period  
22 if his or her elective coverage agreement has been  
23 terminated under paragraph (6) of subdivision (a) of  
24 Section 704.1.

25 (i) No benefits shall be paid to any individual covered  
26 under this section, with respect to periods of disability  
27 commencing on or after January 1, 1994, until he or she  
28 has been unemployed and disabled for a waiting period  
29 of seven consecutive days during each disability benefit  
30 period.

31 (j) Notwithstanding Section 2653, with respect to  
32 periods of disability commencing on or after January 1,  
33 1994, the maximum amount of benefits payable to an  
34 individual covered under this section during any one  
35 disability benefit period shall be 39 times his or her  
36 weekly benefit amount, but in no case shall the total  
37 amount of benefits payable be more than the total wages  
38 credited to the individual during his or her disability base  
39 period. If the benefit is not a multiple of one dollar (\$1),



1 it shall be computed to the next higher multiple of one  
2 dollar (\$1).

3 (k) For purposes of this section, Internal Revenue  
4 Service Schedule SE is defined as Internal Revenue  
5 Service Form 1040 Schedule SE, or in the case of statutory  
6 employees under the Internal Revenue Code, it shall be  
7 defined as Internal Revenue Service Form 1040 Schedule  
8 C, or the California Income Tax Return, when  
9 accompanied by Internal Revenue Service Form W-2.

10 SEC. 3. Section 708.5 of the Unemployment  
11 Insurance Code is amended to read:

12 708.5. (a) Any individual who is self-employed, who  
13 is not an employer as defined in any provision of Article  
14 3 (commencing with Section 675), of Chapter 3 of this  
15 part, and who receives the major part of his or her  
16 remuneration from the trade, business, or occupation in  
17 which he or she is self-employed, may file with the  
18 director a written election that his or her services in  
19 connection with his or her trade, business, or occupation  
20 shall be deemed to be services performed by an  
21 individual in employment for an employer for the  
22 purposes of Part 2 (commencing with Section 2601) only.  
23 Upon the approval of the election by the director, the  
24 services of that self-employed individual in connection  
25 with his or her trade, business, or occupation shall be  
26 deemed to constitute employment for an employer for  
27 the purposes of Part 2 only of this division. Regardless of  
28 his or her actual earnings, for the purpose of computing  
29 disability benefit rights and worker contributions, he or  
30 she shall be deemed to have received remuneration for  
31 each calendar quarter the highest amount of wages  
32 required to be entitled to the maximum benefit award  
33 provided in Section 2655. For contributions on or after  
34 July 1, 1994, the quarterly contribution shall be the  
35 product of one-fourth of the amount of net profit, but not  
36 less than one thousand one hundred fifty dollars (\$1,150),  
37 except when subparagraph (B) of paragraph (2) of  
38 subdivision (a) of Section 708 applies, reported on or  
39 before April 15 of the preceding year as declared on the  
40 Internal Revenue Service Schedule SE filed by an

1 individual who is an employer under this division and the  
2 contribution rate established pursuant to Section 984.5,  
3 except as provided by Section 985. The quarterly  
4 contribution shall be reduced as set forth in subparagraph  
5 (B) of paragraph (2) of subdivision (a) of Section 708 if  
6 a disability occurred during the quarter for which  
7 payment is being made. On January 1, 1995, quarterly  
8 income credits for the period from July 1, 1993, to June 30,  
9 1994, inclusive, shall be changed to one-fourth of the net  
10 profit or four thousand six hundred dollars (\$4,600),  
11 whichever is greater, reported on or before April 15, 1993,  
12 as declared on the Internal Revenue Service Schedule SE  
13 for the 1992 taxable year filed by each individual having  
14 an elective coverage agreement in effect for that period  
15 or any portion thereof. If no Internal Revenue Service  
16 Schedule SE was filed, the individual shall be assigned a  
17 quarterly income credit of one thousand one hundred  
18 fifty dollars (\$1,150). Quarterly income credits for this  
19 period shall not exceed seven thousand nine hundred  
20 forty-two dollars (\$7,942). If quarterly income credits for  
21 the period from July 1, 1993, to June 30, 1994, inclusive,  
22 were reduced prior to January 1, 1995, the amended  
23 income credits shall be reduced proportionately. Benefits  
24 payable for periods of disability commencing on or after  
25 January 1, 1995, shall be based on the provisions of Section  
26 2655. For purposes of this division, income credits shall be  
27 included in the term "wages."

28 (b) (1) Any individual applying for or continuing  
29 elective coverage under this section shall be requested to  
30 sign an annual statement authorizing the department to  
31 verify the net profit declared on his or her Internal  
32 Revenue Service Schedule SE. Failure of the individual  
33 to sign a statement authorizing the department to verify  
34 income shall result in the individual being assigned an  
35 annual income level of four thousand six hundred dollars  
36 (\$4,600) for contribution and benefit purposes.

37 (2) Any individual applying for elective coverage shall  
38 submit a copy of his or her Internal Revenue Service  
39 Schedule SE filed on or before April 15 of the preceding  
40 year with his or her application for elective coverage in



1 order to establish first-year contributions and benefits in  
2 excess of the minimum required to qualify for elective  
3 coverage.

4 (c) Any self-employed individual continuing elective  
5 coverage who fails to file an Internal Revenue Service  
6 Schedule SE by April 15 of each calendar year is required  
7 to remit contributions based upon the last year the  
8 self-employed individual filed an Internal Revenue  
9 Service Schedule SE.

10 (d) Any self-employed individual who has not yet filed  
11 an Internal Revenue Service Schedule SE shall be  
12 assigned an annual income level of four thousand six  
13 hundred dollars (\$4,600) for contribution and benefit  
14 purposes.

15 (e) Worker contributions required under this division  
16 are payable on and after the date stated in the approval  
17 of the director. The director may levy assessments under  
18 this division for any amount due when an elective  
19 coverage agreement has been in effect for less than two  
20 complete calendar years. Chapter 7 (commencing with  
21 Section 1701), relating to the collection of amounts due,  
22 shall apply to this section.

23 (f) No benefits shall be paid to any individual based on  
24 elective coverage income credits in his or her base period  
25 if his or her elective coverage agreement has been  
26 terminated under paragraph (6) of subdivision (a) of  
27 Section 704.1.

28 (g) No benefits shall be paid to any individual based  
29 upon remuneration deemed to have been received  
30 pursuant to this section unless all contributions due with  
31 respect to all remuneration deemed to have been  
32 received by that individual pursuant to this section have  
33 been paid to the department.

34 (h) No benefits shall be paid to any individual covered  
35 under this section, with respect to periods of disability  
36 commencing on or after January 1, 1994, until he or she  
37 has been unemployed and disabled for a waiting period  
38 of seven consecutive days during each disability benefit  
39 period.



1 (i) Notwithstanding Section 2653, with respect to  
2 periods of disability commencing on or after January 1,  
3 1994, the maximum amount of benefits payable to an  
4 individual covered under this section during any one  
5 disability benefit period shall be 39 times his or her  
6 weekly benefit amount, but in no case shall the total  
7 amount of benefits payable be more than the total wages  
8 credited to the individual during his or her disability base  
9 period. If the benefit is not a multiple of one dollar (\$1),  
10 it shall be computed to the next higher multiple of one  
11 dollar (\$1).

12 (j) For purposes of this section, Internal Revenue  
13 Service Schedule SE is defined as Internal Revenue  
14 Service Form 1040 Schedule SE, or in the case of statutory  
15 employees under the Internal Revenue Code, it shall be  
16 defined as Internal Revenue Service Form 1040 Schedule  
17 C, or the California Income Tax Return, when  
18 accompanied by Internal Revenue Service Form W-2.

19 SEC. 4. Section 930 of the Unemployment Insurance  
20 Code is amended to read:

21 930. “Wages” does not include remuneration in  
22 excess of nine thousand dollars (\$9,000) paid to an  
23 individual by an employer during any calendar year, with  
24 ~~respect to employment. This amount shall be adjusted~~  
25 ~~annually by an inflation adjustment factor that is the same~~  
26 ~~as the inflation adjustment factor computed by the~~  
27 ~~Franchise Tax Board pursuant to paragraph (2) of~~  
28 ~~subdivision (h) of Section 17041 of the Revenue and~~  
29 ~~Taxation Code.~~ *respect to employment.*

30 SEC. 5. Section 1262 of the Unemployment Insurance  
31 Code is amended to read:

32 1262. An individual is not eligible for unemployment  
33 compensation benefits, and no benefits shall be payable  
34 to him or her, if he or she left his or her work because of  
35 a trade dispute, except benefits shall not be denied to that  
36 individual if the trade dispute is the result of a reduction  
37 in wages and benefits that would be deemed good cause  
38 under this article for an individual leaving his or her most  
39 recent work. An ineligible individual under this section  
40 shall remain ineligible for the period during which he or



1 she continues out of work by reason of the fact that the  
2 trade dispute is still in active progress in the  
3 establishment in which he or she was employed.

4 SEC. 6. Section 1262.1 is added to the Unemployment  
5 Insurance Code, to read:

6 1262.1. Notwithstanding Section 1262 or any other  
7 provision of this division, unemployment compensation  
8 benefits shall not be denied to an individual who is not on  
9 strike but who is locked out by his or her employer.

10 SEC. 7. Section 1265.1 is added to the Unemployment  
11 Insurance Code, to read:

12 1265.1. Notwithstanding any other provision of this  
13 division, payments to an individual by an employer who  
14 has failed to provide the advance notice of facility closure  
15 required by the federal Worker Adjustment  
16 Renotification and Training (WARN) Act (29 U.S.C. Sec.  
17 1201 et seq.) shall not be construed to be wages or  
18 compensation for personal services under this division,  
19 and benefits payable under this division shall not be  
20 denied or reduced because of the receipt of payments  
21 related in any way to an employer's violation of the  
22 WARN Act.

23 SEC. 8. Section 1269 of the Unemployment Insurance  
24 Code is amended to read:

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

29 (a) The training is authorized by the federal Job  
30 Training Partnership Act or by the Employment Training  
31 Panel established pursuant to Chapter 3.5 (commencing  
32 with Section 10200) of Part 1 of Division 3.

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

36 (c) The individual is a participant in the California  
37 Work Opportunity and Responsibility to Kids  
38 (CalWORKs) program pursuant to Article 3.2  
39 (commencing with Section 11320) or Article 3.3  
40 (commencing with Section 11330) of Chapter 2 of Part 3



1 of Division 9 of the Welfare and Institutions Code, and has  
2 entered into a contract with the county welfare  
3 department to participate in an education or training  
4 program.

5 (d) That all of the following apply:

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

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

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

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



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

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

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

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

15 SEC. 9. Section 1271 of the Unemployment Insurance  
16 Code is repealed.

17 SEC. 10. Section 1271 is added to the Unemployment  
18 Insurance Code, to read:

19 1271. (a) Any unemployed individual receiving  
20 unemployment compensation benefits payable under  
21 this division, who applies for a determination of potential  
22 eligibility for benefits under this article no later than the  
23 16th week of his or her receiving unemployment  
24 compensation benefits, and is determined eligible for  
25 benefits under this article, is ~~entitled~~ *entitled* to a training  
26 extension on his or her unemployment compensation  
27 claim, if necessary, to complete approved training.

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

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

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

38 (1) The individual must remain eligible for benefits  
39 under this article for all weeks potentially payable under  
40 this section.



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

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

11 SEC. 11. Section 1271.5 is added to the  
12 Unemployment Insurance Code, to read:

13 1271.5. (a) The department shall inform all  
14 individuals who claim unemployment compensation  
15 benefits in this state of the benefits potentially available  
16 under this article. The department may convey this  
17 information verbally or in written form. If in written  
18 form, the department may utilize publications or  
19 handbooks that inform individuals of their rights and  
20 duties in regard to unemployment compensation  
21 benefits. Those publications, issued by the department  
22 pursuant to authorized regulations, may be used to satisfy  
23 the requirements of this section.

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

27 SEC. 12. Section 1274.10 of the Unemployment  
28 Insurance Code is amended to read:

29 1274.10. This article shall remain in effect only until  
30 January 1, 2005, and as of that date is repealed, unless a  
31 later enacted statute, which is chaptered before that date,  
32 deletes or extends that date.

33 SEC. 13. Section 1275 of the Unemployment  
34 Insurance Code is amended to read:

35 1275. Unemployment compensation benefit award  
36 computations shall be based on wages paid in the base  
37 period. "Base period" means: for benefit years beginning  
38 in October, November, or December, the four calendar  
39 quarters ended in the next preceding month of June; for  
40 benefit years beginning in January, February, or March,



1 the four calendar quarters ended in the next preceding  
 2 month of September; for benefit years beginning in April,  
 3 May, or June, the four calendar quarters ended in the next  
 4 preceding month of December; for benefit years  
 5 beginning in July, August, or September, the four  
 6 calendar quarters ended with the next preceding month  
 7 of March. Wages used in the determination of benefits  
 8 payable to an individual during any benefit year shall not  
 9 be used in determining the individual's benefits in any  
 10 subsequent benefit year. However, if an individual has  
 11 not been paid sufficient wages in the first four of the last  
 12 five completed calendar quarters to entitle the individual  
 13 to establish a benefit year, then "base period" means the  
 14 most recent 52 weeks before the first day of the  
 15 individual's benefit year.

16 SEC. 14. Section 1280 of the Unemployment  
 17 Insurance Code is amended to read:

18 1280. (a) For any new claims filed with an effective  
 19 date on or after January 1, 1990, an individual's weekly  
 20 benefit amount is the amount appearing in column B in  
 21 the following table opposite that wage bracket in column  
 22 A which that contains the amount of wages paid to the  
 23 individual for employment by employers during the  
 24 quarter of his or her base period in which his or her wages  
 25 were the highest.

A	B
Amount of wages in highest quarter	Weekly benefit amount
\$900.00– 948.99 .....	40
949.00– 974.99 .....	41
975.00–1,000.99 .....	42
1,001.00–1,026.99 .....	43
1,027.00–1,052.99 .....	44
1,053.00–1,078.99 .....	45
1,079.00–1,117.99 .....	46
1,118.00–1,143.99 .....	47
1,144.00–1,169.99 .....	48
1,170.00–1,195.99 .....	49
1,196.00–1,221.99 .....	50



1	1,222.00–1,247.99 .....	51
2	1,248.00–1,286.99 .....	52
3	1,287.00–1,312.99 .....	53
4	1,313.00–1,338.99 .....	54
5	1,339.00–1,364.99 .....	55
6	1,365.00–1,403.99 .....	56
7	1,404.00–1,429.99 .....	57
8	1,430.00–1,455.99 .....	58
9	1,456.00–1,494.99 .....	59
10	1,495.00–1,520.99 .....	60
11	1,521.00–1,546.99 .....	61
12	1,547.00–1,585.99 .....	62
13	1,586.00–1,611.99 .....	63
14	1,612.00–1,637.99 .....	64
15	1,638.00–1,676.99 .....	65
16	1,677.00–1,702.99 .....	66
17	1,703.00–1,741.99 .....	67
18	1,742.00–1,767.99 .....	68
19	1,768.00–1,806.99 .....	69
20	1,807.00–1,832.99 .....	70
21	1,833.00–1,871.99 .....	71
22	1,872.00–1,897.99 .....	72
23	1,898.00–1,936.99 .....	73
24	1,937.00–1,975.99 .....	74
25	1,976.00–2,001.99 .....	75
26	2,002.00–2,040.99 .....	76
27	2,041.00–2,066.99 .....	77
28	2,067.00–2,105.99 .....	78
29	2,106.00–2,144.99 .....	79
30	2,145.00–2,170.99 .....	80
31	2,171.00–2,209.99 .....	81
32	2,210.00–2,248.99 .....	82
33	2,249.00–2,287.99 .....	83
34	2,288.00–2,326.99 .....	84
35	2,327.00–2,352.99 .....	85
36	2,353.00–2,391.99 .....	86
37	2,392.00–2,430.99 .....	87
38	2,431.00–2,469.99 .....	88
39	2,470.00–2,508.99 .....	89



1	2,509.00–2,547.99 .....	90
2	2,548.00–2,586.99 .....	91
3	2,587.00–2,625.99 .....	92
4	2,626.00–2,664.99 .....	93
5	2,665.00–2,703.99 .....	94
6	2,704.00–2,742.99 .....	95
7	2,743.00–2,781.99 .....	96
8	2,782.00–2,820.99 .....	97
9	2,821.00–2,859.99 .....	98
10	2,860.00–2,898.99 .....	99
11	2,899.00–2,937.99 .....	100
12	2,938.00–2,989.99 .....	101
13	2,990.00–3,028.99 .....	102
14	3,029.00–3,067.99 .....	103
15	3,068.00–3,106.99 .....	104
16	3,107.00–3,158.99 .....	105
17	3,159.00–3,197.99 .....	106
18	3,198.00–3,236.99 .....	107
19	3,237.00–3,288.99 .....	108
20	3,289.00–3,327.99 .....	109
21	3,328.00–3,379.99 .....	110
22	3,380.00–3,418.99 .....	111
23	3,419.00–3,470.99 .....	112
24	3,471.00–3,509.99 .....	113
25	3,510.00–3,561.99 .....	114
26	3,562.00–3,600.99 .....	115
27	3,601.00–3,652.99 .....	116
28	3,653.00–3,704.99 .....	117
29	3,705.00–3,743.99 .....	118
30	3,744.00–3,795.99 .....	119
31	3,796.00–3,847.99 .....	120
32	3,848.00–3,899.99 .....	121
33	3,900.00–3,938.99 .....	122
34	3,939.00–3,990.99 .....	123
35	3,991.00–4,042.99 .....	124
36	4,043.00–4,079.99 .....	125
37	4,080.00–4,116.99 .....	126
38	4,117.00–4,153.99 .....	127
39	4,154.00–4,190.99 .....	128



1 4,191.00–4,227.99 ..... 129  
2 4,228.00–4,264.99 ..... 130  
3 4,265.00–4,301.99 ..... 131  
4 4,302.00–4,338.99 ..... 132  
5 4,339.00–4,375.99 ..... 133  
6 4,376.00–4,412.99 ..... 134  
7 4,413.00–4,449.99 ..... 135  
8 4,450.00–4,486.99 ..... 136  
9 4,487.00–4,523.99 ..... 137  
10 4,524.00–4,560.99 ..... 138  
11 4,561.00–4,597.99 ..... 139  
12 4,598.00–4,634.99 ..... 140  
13 4,635.00–4,671.99 ..... 141  
14 4,672.00–4,708.99 ..... 142  
15 4,709.00–4,745.99 ..... 143  
16 4,746.00–4,782.99 ..... 144  
17 4,783.00–4,819.99 ..... 145  
18 4,820.00–4,856.99 ..... 146  
19 4,857.00–4,893.99 ..... 147  
20 4,894.00–4,930.99 ..... 148  
21 4,931.00–4,966.99 ..... 149

22

23 (b) For new claims filed with an effective date  
24 beginning on or after January 1, 1990, and prior to January  
25 1, 1991, if the amount of wages paid an individual for  
26 employment by employers exceeds four thousand nine  
27 hundred sixty-six dollars and ninety-nine cents  
28 (\$4,966.99) the quarter of his or her base period in which  
29 these wages were highest, the individual’s weekly benefit  
30 amount shall be 39 percent of these wages divided by 13,  
31 but in no case shall this amount exceed one hundred  
32 ninety dollars (\$190). If the benefit payable under this  
33 subdivision is not a multiple of one dollar (\$1), it shall be  
34 computed to the next higher multiple of one dollar (\$1).

35 (c) For new claims filed with an effective date  
36 beginning on or after January 1, 1991, and prior to January  
37 1, 1992, if the amount of wages paid an individual for  
38 employment by employers exceeds four thousand nine  
39 hundred sixty-six dollars and ninety-nine cents  
40 (\$4,966.99) in the quarter of his or her base period in



1 which these wages were highest, the individual's weekly  
2 benefit amount shall be 39 percent of these wages divided  
3 by 13, but in no case shall this amount exceed two  
4 hundred ten dollars (\$210). If the benefit payable under  
5 this subdivision is not a multiple of one dollar (\$1), it shall  
6 be computed to the next higher multiple of one dollar  
7 (\$1).

8 (d) For new claims filed with an effective date  
9 beginning on or after January 1, 1992, and prior to January  
10 1, 2000, if the amount of wages paid an individual for  
11 employment by employers exceeds four thousand nine  
12 hundred sixty-six dollars and ninety-nine cents  
13 (\$4,966.99) in the quarter of his or her base period in  
14 which these wages were highest, the individual's weekly  
15 benefit amount shall be 39 percent of these wages divided  
16 by 13, but in no case shall this amount exceed two  
17 hundred thirty dollars (\$230). If the benefit payable  
18 under this subdivision is not a multiple of one dollar (\$1),  
19 it shall be computed to the next higher multiple of one  
20 dollar (\$1).

21 (e) For new claims filed with an effective date  
22 beginning on or after January 1, 2000, if the amount of  
23 wages paid an individual for employment by employers  
24 exceeds four thousand nine hundred sixty-six dollars and  
25 ninety-nine cents (\$4,966.99) in the quarter of his or her  
26 base period in which these wages were highest, the  
27 individual's weekly benefit amount shall be 50 percent of  
28 these wages divided by 13, but in no case shall this amount  
29 exceed three hundred dollars (\$300), or 45 percent of the  
30 state's average weekly wage for the prior calendar year,  
31 whichever is greater. If the benefit payable under this  
32 subdivision is not a multiple of one dollar (\$1), it shall be  
33 computed to the next higher multiple of one dollar (\$1).

34 SEC. 15. Section 1537 of the Unemployment  
35 Insurance Code is amended to read:

36 1537. Whenever any warrant drawn on an account in  
37 the Unemployment Fund or on the Unemployment  
38 Administration Fund or the Contingent Fund by the  
39 Controller remains unclaimed after one year, the amount



1 thereof shall revert to the account and the fund from  
2 which the amount was payable.

3 SEC. 16. Section 2781 of the Unemployment  
4 Insurance Code is amended to read:

5 2781. Except as provided in this chapter and Article  
6 4 (commencing with Section 19869) of Chapter 2.5 of Part  
7 2.6 of Division 5 of Title 2 of the Government Code, a state  
8 employee shall be eligible for nonindustrial disability  
9 benefits on the same terms and conditions as are specified  
10 by this part. Except as inconsistent with the provisions of  
11 this chapter and Article 4 (commencing with Section  
12 19869) of Chapter 2.5 of Part 2.6 of Division 5 of Title 2 of  
13 the Government Code, the provisions of this division and  
14 authorized regulations shall apply to any matter arising  
15 pursuant to this chapter.

16 SEC. 17. Section 3011 of the Unemployment  
17 Insurance Code is amended to read:

18 3011. Whenever any warrant drawn on an account in  
19 the Disability Fund by the Controller remains unclaimed  
20 after one year, the amount thereof shall revert to that  
21 account in the Disability Fund from which the amount  
22 was payable.

23 SEC. 18. Section 9614 of the Unemployment  
24 Insurance Code is amended to read:

25 9614. (a) Notwithstanding any other provision of  
26 law, the department shall annually issue a report  
27 providing an evaluation of the Job Agent Program . This  
28 report shall be provided by December 1 of each year to  
29 the Governor and the Legislature.

30 SEC. 19. Section 15079 of the Unemployment  
31 Insurance Code is amended to read:

32 15079. (a) In order to maximize employment and  
33 training services to displaced workers, it is the intent of  
34 the Legislature that unemployment insurance benefits  
35 be payable to unemployed workers enrolled in  
36 retraining, in accordance with Article 1.5 (commencing  
37 with Section 1266) of Chapter 5 of Part 1 of Division 1. As  
38 part of its education and job training report card  
39 program, the State Job Training Coordinating Council, or  
40 its successor, shall annually report on program outcomes.



1 Beginning in 1999, the report shall include, at a minimum,  
2 the number of individuals who complete training, a  
3 demographic profile of those individuals, the percentage  
4 of those individuals who are found in employment  
5 covered by California unemployment insurance after  
6 training, the rate of change in the unemployment status  
7 of these individuals, the amount of the Unemployment  
8 Insurance Fund benefits paid to program participants,  
9 and any other data deemed relevant.

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

