

AMENDED IN SENATE APRIL 15, 2010

AMENDED IN SENATE MARCH 8, 2010

SENATE BILL

No. 968

**Introduced by Senator Negrete McLeod
(Coauthors: Senators Correa, DeSaulnier, and Oropeza)**

February 5, 2010

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

LEGISLATIVE COUNSEL'S DIGEST

SB 968, as amended, Negrete McLeod. Unemployment insurance: retraining benefits.

Existing law provides for 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.

This bill would *establish the California Training Benefits Program, which, among other things, would*, instead, specify that an unemployed individual shall be *automatically* eligible for those training and retraining benefits, regardless of whether the individual applies to the department for a determination of potential eligibility *if specified criteria apply, or if the Director of Employment Development makes a determination of eligibility*.

Existing law 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 delete those provisions, and instead specify that an unemployed individual who is able to work is eligible to receive training and retraining benefits if he or she certifies on the *unemployment insurance* claim form for benefits that he or she is enrolled in a training program designed to increase or improve his or her job skills and employability, *and a responsible person connected with the training or retraining program certifies that the individual is enrolled and is satisfactorily pursuing the training or retraining program*.

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 would instead require that any unemployed individual receiving unemployment compensation benefits be entitled to a training extension on his or her unemployment compensation claim, if necessary, to complete approved training.

Existing law requires the department to inform all individuals who claim unemployment insurance compensation benefits in this state of the benefits potentially available, as provided.

This bill would require the department to also publicize and promote the benefits available under those provisions on its Internet Web site.

Existing law specifies that, for purposes of provisions governing eligibility for work with respect to any week an individual is eligible for unemployment benefits, an unemployed individual who is able to work is eligible to receive benefits with respect to any week during a

period of training or retraining, if the director finds that specified conditions apply.

This bill would remove that requirement that the director make a specified finding for an unemployed individual who is able to work to be eligible to receive those benefits, if those specified conditions apply.

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, the bill would make an appropriation.

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. 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 Retraining Benefits

6
7 *SEC. 2. Section 1266 of the Unemployment Insurance Code is*
8 *amended to read:*

9 1266. Experience has shown that the ability of a large number
10 of the population of California to compete for jobs in the labor
11 market is impaired by advancement in technological improvements,
12 the widespread effects of automation and relocation in our
13 economy, and foreign competition as set forth in petitions certified
14 under the federal Trade Act of 1974, as amended (Title 19, United
15 States Code, Sections 2101 et seq.). The Legislature finds that
16 many individuals in California are lacking in skills—~~which~~ *that*
17 would make them competitive in the labor market. They are in
18 need of training or retraining ~~in to upgrade their skills required in~~
19 ~~demand occupations~~. It is the policy of this state to assist these
20 individuals by providing unemployment compensation benefits,
21 extended duration benefits, and other federally funded
22 unemployment compensation benefits, including those available
23 under the federal Trade Act of 1974 (Public Law 93-618), as
24 amended by the federal Trade Act of 2002 (Public Law 107-210),
25 during a period of retraining to qualify them for ~~new jobs in~~
26 ~~demand occupations~~ and thus avoid long-term unemployment.

1 ~~SECTION 1.~~

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

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

21 ~~SEC. 2.~~

22 ~~SEC. 4.~~ Section 1268 of the Unemployment Insurance Code
23 is amended to read:

24 1268. (a) An unemployed individual who files a claim for
25 unemployment compensation benefits or extended duration
26 benefits, or an application for federal-state extended benefits or
27 any federally funded unemployment compensation benefits shall
28 be eligible for benefits during a period of training or retraining:
29 *allowed under this article if one of the following applies:*

30 (1) *The training is authorized by the federal Workforce*
31 *Investment Act, or other federally funded workforce programs, or*
32 *by the Employment Training Panel established pursuant to Chapter*
33 *3.5 (commencing with Section 10200) of Part 1 of Division 3.*

34 (2) *The training is authorized by the federal Trade Act of 1974*
35 *(19 U.S.C. Sec. 2101 et seq.), as amended by the federal Trade*
36 *Act of 2002 (Public Law 107-210) and as amended by the Trade*
37 *and Globalization Adjustment Assistance Act of 2009, pursuant*
38 *to a certified petition.*

39 (3) *The individual is a participant in the California Work*
40 *Opportunity and Responsibility to Kids (CalWORKs) program*

1 pursuant to Article 3.2 (commencing with Section 11320) of, or
2 Article 3.3 (commencing with Section of 11330) of, Chapter 2 of
3 Part 3 of Division 9 of the Welfare and Institutions Code, and has
4 entered into a contract with the county welfare department to
5 participate in an education or training program.

6 (4) The training is a registered apprenticeship program
7 authorized by the Division of Apprenticeship Standards of the
8 Department of Industrial Relations.

9 (5) The individual is a journey level union member and the
10 training or retraining course of instruction is industry-related
11 training necessary due to changes in technology, industry demands,
12 or it is necessary to retain employment or to become more
13 competitive in obtaining employment.

14 (6) The individual is enrolled in a community college or other
15 public postsecondary program with the purpose of preparing the
16 applicant in academic or job skills that will increase employment
17 opportunities or that leads to a degree, credential, or certificate.

18 (7) The individual is enrolled in any public-funded education
19 and training program, including remedial training that improves
20 the individual's employability, with the primary purpose of
21 preparing the individual in academic or job skills that will allow
22 him or her to obtain employment or that will increase employment
23 opportunities.

24 (b) If none of the criteria in subdivision (a) are met, a
25 determination of eligibility shall be issued if the director finds that
26 all of the following apply:

27 (1) Work in the individual's usual occupation does not exist, or
28 the demand for that work has substantially diminished, or the
29 individual's skills are in need of upgrading due to technological
30 or other advances.

31 (2) The training program is approved or accredited by the
32 Division of Apprenticeship Standards of the Department of
33 Industrial Relations, an institution recognized by the federal
34 Department of Education, the State Department of Education, the
35 Chancellor's office of the California Community Colleges, or the
36 Bureau for Private Postsecondary Education.

37 (3) The training or retraining course of instruction relates
38 directly to an occupation or skill for which there are, or are
39 expected to be in the future, reasonable employment and career

1 *advancement opportunities in the labor market area in this state*
2 *in which the individual intends to seek work.*

3 ~~SEC. 3.~~

4 ~~SEC. 5.~~ Section 1269 of the Unemployment Insurance Code
5 is repealed.

6 ~~SEC. 4.~~

7 ~~SEC. 6.~~ Section 1269 is added to the Unemployment Insurance
8 Code, to read:

9 1269. Notwithstanding subdivision (c) of Section 1253, an
10 unemployed individual who is able to work is eligible to receive
11 benefits under this article if ~~he or she certifies on the claim form~~
12 ~~for benefits that he or she is enrolled in a training program designed~~
13 ~~to increase or improve his or her job skills and employability; both~~
14 ~~of the following conditions are met:~~

15 (a) ~~He or she certifies on the unemployment insurance claim~~
16 ~~form that he or she is enrolled in a training program designed to~~
17 ~~improve his or her job skills or employability.~~

18 (b) ~~A responsible person connected with the training or~~
19 ~~retraining program, including, but not limited to, a one-stop~~
20 ~~counselor, training program director, instructor, or community~~
21 ~~college counselor, certifies that the individual is enrolled and is~~
22 ~~satisfactorily pursuing the training or retraining course of~~
23 ~~instruction.~~

24 ~~SEC. 7.~~ Section 1270 of the Unemployment Insurance Code is
25 repealed.

26 ~~1270. As used in this article:~~

27 (a) ~~“Demand occupation” means an occupation in a labor market~~
28 ~~area in which the director determines work opportunities are~~
29 ~~available and there is not a surplus of qualified applicants.~~

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

34 ~~SEC. 5.~~

35 ~~SEC. 8.~~ Section 1271 of the Unemployment Insurance Code
36 is amended to read:

37 1271. (a) Any unemployed individual receiving unemployment
38 compensation benefits payable under this division shall be entitled
39 to a training extension on his or her unemployment compensation
40 claim, if necessary, to complete approved training.

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

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

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. 6.~~

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

24 1271.5. (a) The department shall inform all individuals who
25 claim unemployment compensation benefits in this state of the
26 benefits available under this article and Section 1271. The
27 department may convey this information verbally or in written
28 form. If in written form, the department may utilize publications
29 or handbooks that inform individuals of their rights and duties in
30 regard to unemployment compensation benefits. The department
31 shall also publicize and promote the benefits available under this
32 article on its Internet Web site. These publications, issued by the
33 department pursuant to authorized regulations, in conjunction with
34 the publicizing and promoting of benefits on its Internet Web site,
35 may be used to satisfy the requirements of this section.

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

1 ~~SEC. 7.~~

2 *SEC. 10.* Section 1272 of the Unemployment Insurance Code
3 is amended to read:

4 1272. Notwithstanding subdivision (c) of Section 1253, an
5 unemployed individual who is able to work is eligible to receive
6 benefits under this article with respect to any week during a period
7 of training or retraining only if both of the following apply:

8 (a) He or she has been determined potentially eligible under
9 Section 1269 or 1271.

10 (b) He or she submits with each claim a written certification
11 executed by a responsible person connected with the training or
12 retraining program certifying that he or she is enrolled in and
13 satisfactorily pursuing the training or retraining course of
14 instruction.