

Received 5-17-11

California Labor and Workforce Development Agency



Edmund G. Brown Jr.
Governor

May 17, 2011
Ms. Gay Gilbert
Administrator
Office of Workforce Security
United States Department of Labor
200 Constitution Avenue, N.W.
Rooms S-4231
Washington, D.C. 20210

Dear Ms. Gilbert:

On behalf of the State of California, I am submitting our application for both the one-third and two-thirds Unemployment Compensation Modernization incentive funds pursuant to Section 2003 of the American Recovery and Reinvestment Act of 2009 (Public Law No. 111-5).

This application is based upon California State law that provides for an alternate base period, eligibility for unemployment compensation due to compelling family reasons, and the part-time work option. All relevant laws referenced in our application are currently in effect as permanent law.

The Department is in the process of getting legislative approval to appropriate a portion of the Unemployment Insurance (UI) Modernization incentive funds to be placed in an administrative sub-account in the California's Unemployment Trust Fund.

The California Employment Development Department will utilize the UI Modernization incentive funds for benefit costs and the administrative costs for implementing the Alternate Base Period consistent with Section 903(g)(3)(A) of the Social Security Act.

If your office has any questions or concerns regarding this application, please contact Talbott Smith, UI Branch Deputy Director, at 916-654-9140.



Ms. Gay Gilbert
May 17, 2011
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Sincerely,



Pam Harris
Chief Deputy Director
Employment Development Department

cc: Marty Morgenstern
Secretary, Labor & Workforce Development Agency

Suzanne Simonetta
Division Chief, Division of Legislation

Robert Johnston
Team Leader, State Conformity & Compliance Team, Division of
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Richard Trigg
Regional Administrator, Employment and Training Administration,
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Jaime Bachinski
Chief, Division of Workforce Security, Employment and Training
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Pat O'Neal
UI Program Specialist, Division of Workforce Security, Employment and
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Talbott Smith
Deputy Director, Unemployment Insurance Branch, Employment
Development Department, MIC 39

Michele Sutton-Riggs
Chief, UI Policy & Coordination Division, Employment Development
Department, MIC 40

Certification

I hereby certify that California State law meets the requirements of Section 2003 of the American Recovery and Reinvestment Act (Public Law No. 111-5) based on the following permanent legal provisions:

Alternate Base Period

- The attached law, Section 1275 of the California Unemployment Insurance Code, is a true and accurate copy of the law and provides for a permanent change in the law. It is not subject to discontinuation under any circumstances other than repeal by the California State Legislature.
- The attached laws, Assembly Bill 29 3rd Extraordinary Session (ABx3-29), Chapter 23, Statutes of 2009 and Senate Bill (SB) 856, Chapter 719, Statutes of 2010, are true and accurate copies of the laws and provide for permanent changes in law. They are not subject to discontinuation under any circumstances other than repeal by the California State Legislature.

Compelling Family Reasons

- The attached law, Section 1256 of the California Unemployment Insurance Code, is a true and accurate copy of the law and provides for a permanent change in the law. It is not subject to discontinuation under any circumstances other than repeal by the California State Legislature.
- The attached Title 22, California Code of Regulations, are true and accurate copies of the Regulations and are currently in effect.
- The attached policies in the Benefit Determination Guides, Misconduct (MC) 15, and Voluntary Quit (VQ) 155, Unemployment Insurance Program Notice 10-091, and Unemployment Insurance Program Notice 11-022, are true and accurate copies of the California Employment Development Department policies and interpretations of California law and are currently in effect. The Benefit Determination Guides are the Department's policies and explanations of the federal and state laws, regulations, and case law to be applied in determining unemployment insurance benefit eligibility.

Part-Time Work Option

- The attached law, Section 1253.8 of the California Unemployment Insurance Code, is a true and accurate copy of the law and provides for a permanent change in the law. It is not subject to discontinuation under any circumstances other than repeal by the California State Legislature.
- The attached policy in the Benefit Determination Guide, Able and Available (AA) 5, is a true and accurate copy of the California Employment Development Department policies and interpretation of California law and is currently in effect. The Benefit Determination Guides are the Department's policies and explanations of the federal and state laws, regulations, and case law to be applied in determining unemployment insurance benefit eligibility.

This application is submitted with the intention of providing unemployment insurance benefits to unemployed workers who meet the eligibility provisions on which this application is based.

Dated: 5/17/11

Pam Harris

Pam Harris
Chief Deputy Director
Employment Development Department

Qualifying Provisions

Alternate Base Period Provision

Relevant California state laws regarding alternate base period are located in:

- California Unemployment Insurance Code Section 1275
(<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=uic&group=01001-02000&file=1275-1282>)
- Assembly Bill 29 3rd Extraordinary Session (ABx3-29), Chapter 23, Statutes of 2009 (http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab_0001-0050/abx3_29_bill_20090327_chaptered.pdf)
- Senate Bill (SB) 856, Chapter 719, Statutes of 2010, Section 60 (excerpt) (http://www.leginfo.ca.gov/pub/09-10/bill/sen/sb_0851-0900/sb_856_bill_20101019_chaptered.pdf)

Summary of Alternate Base Period Provision

On March 27, 2009, California's then Governor Arnold Schwarzenegger signed Assembly Bill 29 3rd Extraordinary Session (ABx3-29), Chapter 23, Statutes of 2009, (see attached) into law to allow unemployment claims to be based on an Alternate Base Period. Pursuant to Section 1275 of the California Unemployment Insurance Code, claimants who do not qualify for benefits using California's standard base period may qualify by using an alternate base period, which includes the four most recently completed quarters for new claims filed effective September 3, 2011, or after (Section 1275 as amended by ABx3-29 and Senate Bill [SB] 856, Chapter 719, Statutes of 2010 [see attached]).

The ABx3-29 and SB 856 permanently amend Section 1275 of the California Unemployment Insurance Code and are not subject to discontinuation under any circumstances other than repeal by the California State Legislature. Section 1275 is currently in effect and will apply to any new claim filed on or after September 3, 2011.

The original Alternate Base Period bill ABx3-29 had an implementation date of April 2011, however, SB 856 amended that date to September 3, 2011. The Department is in the process of working with the California State Legislature to obtain approval to further amend the implementation date to April 2012. This is because the implementation of the Alternate Base Period is dependent upon a major database update that will not be completed until November 2011.

Current Unemployment Insurance Code Section 1275

1275. (a) Unemployment compensation benefit award computations shall be based on wages paid in the base period. "Base period" means: for benefit years beginning in October, November, or December, the four calendar quarters ended in the next preceding month of June; for benefit years beginning in January, February, or March, the four calendar quarters ended in the next preceding month of September; for benefit years beginning in April, May, or June, the four calendar quarters ended in the next preceding month of December; for benefit years beginning in July, August, or September, the four calendar quarters ended with the next preceding month of March. Wages used in the determination of benefits payable to an individual during any benefit year may not be used in determining that individual's benefits in any subsequent benefit year.

(b) For any new claim filed on or after September 3, 2011, or earlier if the department implements the technical changes necessary to establish claims under the alternate base period, as specified in subdivision (c), if an individual cannot establish a claim under subdivision (a), then "base period" means: for benefit years beginning in October, November, or December, the four calendar quarters ended in the next preceding month of September; for benefit years beginning in January, February, or March, the four calendar quarters ended in the next preceding month of December; for benefit years beginning in April, May, or June, the four calendar quarters ended in the next preceding month of March; for benefit years beginning in July, August, or September, the four calendar quarters ended in the next preceding month of June. As provided in Section 1280, the quarter with the highest wages shall be used to determine the individual's weekly benefit amount. Wages used in the determination of benefits payable to an individual during any benefit year may not be used in determining that individual's benefits in any subsequent benefit year.

(c) The department shall implement the technical changes necessary to establish claims under the alternate base period specified in subdivision (b) as soon as possible, but no later than September 3, 2011.

Refer to next few pages for the full text of ABx3-29 and the text of Section 60 of SB 856 .

Assembly Bill No. 29

CHAPTER 23

An act to amend Sections 1032.5, 1275, 1277.5, 1329, and 1951 of, and to add Sections 1277.1 and 1329.5 to, Unemployment Insurance Code, relating to unemployment insurance, and making an appropriation therefor.

[Approved by Governor March 27, 2009. Filed with
Secretary of State March 27, 2009.]

LEGISLATIVE COUNSEL'S DIGEST

AB 29, Coto. Unemployment insurance.

(1) Under existing law, unemployment compensation benefits are based on wages paid in a base period that is calculated according to the month within which the benefit year begins.

This bill would, for new claims filed on or after a specified date, but no later than April 3, 2011, for which a valid claim or benefit year cannot be established under the currently defined base periods, establish alternative base periods, as provided. This bill would also require a claimant to submit specified information regarding wages to the Employment Development Department via an affidavit, under specified conditions. The bill would require the department to implement the technical changes necessary to establish claims under the alternate base period, as specified, as soon as possible, but no later than April 3, 2011.

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

Because this measure would require specified information to be submitted to the Employment Development Department on an affidavit, the submission of which, if false, is a misdemeanor under existing law, it would impose a state-mandated local program.

(2) The bill would require the department, until April 3, 2013, to report no less frequently than quarterly, to the Joint Legislative Budget Committee on the progress and effectiveness of implementation of the alternative base period program prescribed under the bill.

(3) Existing law requires the Employment Development Department, upon the filing of a new claim for benefits, to promptly make a computation on the claim that sets forth the maximum amount of benefits potentially payable during the benefit year and the weekly benefit amount, and to promptly notify the claimant and the claimant's base period employers of the computation, as specified.

This bill would also require the department to promptly notify each of the claimant's base period employers of the computation on the claim based on a determination of eligibility, as specified.

(4) Existing law requires the manner in which disputed claims, appeals, and petitions are presented, the reports required thereon by the claimant and from any employing unit, and the conduct of hearings and appeals, to be in accordance with rules prescribed by the California Unemployment Insurance Appeals Board.

This bill would require the appeals board to permit a party or representative to participate in a hearing by telephone, as specified, in accordance with regulations adopted by the board.

(5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(6) The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 19, 2008.

This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on December 19, 2008, pursuant to the California Constitution.

Appropriation: yes.

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

SECTION 1. Section 1032.5 of the Unemployment Insurance Code is amended to read:

1032.5. (a) Any base period employer may, within 15 days after mailing of a notice of computation under subdivision (a) of Section 1329, submit to the department facts within its possession disclosing that the individual claiming benefits is rendering services for that employer in less than full-time work, and that the individual has continuously, commencing in or prior to the beginning of the base period, rendered services for that employer in such less than full-time work.

(b) The department shall consider facts submitted under subdivision (a) of this section together with any information in its possession and promptly notify the employer of its ruling. If the department finds that an individual is, under Section 1252, unemployed in any week on the basis of his or her having less than full-time work, and that the employer submitting facts under this section is a base period employer for whom the individual has continuously, commencing in or prior to the beginning of the base period, rendered services in such less than full-time work, that employer's account shall not be charged, except as provided by Section 1026, for benefits paid the individual in any week in which such wages are payable by that employer

to the individual. The employer may appeal from a ruling or reconsidered ruling to an administrative law judge within 20 days after mailing or personal service of notice of the ruling or reconsidered ruling. The 20-day period may be extended for good cause, which shall include, but not be limited to, mistake, inadvertence, surprise, or excusable neglect. The director shall be an interested party to any appeal. The department may for good cause reconsider any ruling or reconsidered ruling within either five days after an appeal to an administrative law judge is filed or, if no appeal is filed, within 20 days after mailing or personal service of the notice of the ruling or reconsidered ruling.

SEC. 2. Section 1275 of the Unemployment Insurance Code is amended to read:

1275. (a) Unemployment compensation benefit award computations shall be based on wages paid in the base period. "Base period" means: for benefit years beginning in October, November, or December, the four calendar quarters ended in the next preceding month of June; for benefit years beginning in January, February, or March, the four calendar quarters ended in the next preceding month of September; for benefit years beginning in April, May, or June, the four calendar quarters ended in the next preceding month of December; for benefit years beginning in July, August, or September, the four calendar quarters ended with the next preceding month of March. Wages used in the determination of benefits payable to an individual during any benefit year may not be used in determining that individual's benefits in any subsequent benefit year.

(b) For any new claim filed on or after April 3, 2011, or earlier if the department implements the technical changes necessary to establish claims under the alternate base period, as specified in subdivision (c), if an individual cannot establish a claim under subdivision (a), then "base period" means: for benefit years beginning in October, November, or December, the four calendar quarters ended in the next preceding month of September; for benefit years beginning in January, February, or March, the four calendar quarters ended in the next preceding month of December; for benefit years beginning in April, May, or June, the four calendar quarters ended in the next preceding month of March; for benefit years beginning in July, August, or September, the four calendar quarters ended in the next preceding month of June. As provided in Section 1280, the quarter with the highest wages shall be used to determine the individual's weekly benefit amount. Wages used in the determination of benefits payable to an individual during any benefit year may not be used in determining that individual's benefits in any subsequent benefit year.

(c) The department shall implement the technical changes necessary to establish claims under the alternate base period specified in subdivision (b) as soon as possible, but no later than April 3, 2011.

SEC. 3. Section 1277.1 is added to the Unemployment Insurance Code, to read:

1277.1. (a) Notwithstanding Section 1277, if an individual has a subsequent new claim and the previous valid claim was filed under

subdivision (b) of Section 1275, the new claim shall only be valid if, during the 52-week period beginning with the effective date of the previous claim, either of the following applies:

(1) The individual earned or was paid sufficient wages to meet eligibility requirements of subdivision (a) of Section 1281 and performed some work.

(2) The individual did not receive benefits under this part and was disabled and was entitled to receive wage loss benefits under Part 2 (commencing with Section 2601) or under Division 4 (commencing with Section 3200) of the Labor Code, under any workers' compensation law, under employer's liability law, or under any disability insurance law of any other state or the federal government.

(b) For purposes of this section, "wages" includes any and all compensation for personal services performed as an employee for the purpose of meeting the eligibility requirements of subdivision (a) of Section 1281. This subdivision is not applicable to the computation of an award for disability benefits.

SEC. 4. Section 1277.5 of the Unemployment Insurance Code is amended to read:

1277.5. In determining, under Sections 1277 and 1277.1, whether a new claim is valid, twice the amount that an individual was entitled to receive under Part 2 (commencing with Section 2601) of this division or under Division 4 (commencing with Section 3200) of the Labor Code, or under any workers' compensation law, employer's liability law, or disability insurance law of any other state or of the federal government, during the 52-week period beginning with the effective date of the previous valid claim, shall be considered as wages earned or paid to the individual during that 52-week period for purposes of meeting the eligibility requirements of subdivision (a) of Section 1281. The amounts so included shall not be considered wages for the purpose of computing the weekly benefit amount of the individual under Section 1280 or the maximum amount payable to the individual under Section 1281.

SEC. 5. Section 1329 of the Unemployment Insurance Code is amended to read:

1329. (a) Upon the filing of a new claim for benefits, the department shall promptly make a computation on the claim that shall set forth the maximum amount of benefits potentially payable during the benefit year, and the weekly benefit amount. The department shall promptly notify the claimant of the computation. The department shall promptly notify each of the claimant's base period employers of the computation after the payment of the first weekly benefit.

(b) The department shall promptly notify each of the claimant's base period employers of the computation on the claim that shall set forth the number of weeks that the claimant will be eligible for benefits in the benefit year, the weekly benefit amount, and the maximum amount of benefits potentially payable during the benefit year, based on a determination of eligibility under Article 1.5 (commencing with Section 1266).

SEC. 6. Section 1329.5 is added to the Unemployment Insurance Code, to read:

1329.5. For purposes of a claim for unemployment benefits under subdivision (b) of Section 1275, all of the following apply:

(a) Computation using the last four completed calendar quarters shall be based on available wage information processed as of the close of business on the day preceding the date of application.

(b) If the wage information is not already in the department's system, the department shall request the information from the employer, and the employer shall, within 10 days after the mailing of the request from the department, transmit to the department information on the employee's wages and any other information relevant to the request. The 10-day period may be extended for good cause.

(c) If the wage, and other relevant information, requested pursuant to subdivision (b) are not received by the department, the department shall accept an affidavit of wages and other relevant information from the claimant in accordance with authorized regulations. These regulations shall be adopted as emergency regulations.

(d) A determination of benefits made pursuant to subdivision (b) of Section 1275 shall be adjusted when the quarterly wage report from the employer is received if that information causes a change in the determination.

(e) Except in the event of fraud, if it is determined that any information provided by the claimant on an affidavit is erroneous, no penalty or refund of benefits shall be imposed on the claimant for the period prior to the calendar week in which an employer provides subsequent wage information.

SEC. 7. Section 1951 of the Unemployment Insurance Code is amended to read:

1951. The manner in which disputed claims, appeals and petitions shall be presented, the reports required thereon from the claimant and from any employing unit and the conduct of hearings and appeals shall be in accordance with rules prescribed by the appeals board. The appeals board shall require administrative law judges to consolidate for hearing cases with respect to which the alleged facts and the points of law are the same. The appeals board shall permit a party or representative to participate in a hearing by telephone upon the party's or representative's request and showing a good cause, in accordance with regulations adopted by the board.

SEC. 8. The Employment Development Department, until April 3, 2013, shall report to the Joint Legislative Budget Committee, no less than quarterly, on the progress and effectiveness of implementation of the alternative base period program prescribed in Sections 1275, 1277.1, 1277.5, and 1329.5 of the Unemployment Insurance Code.

SEC. 9. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime

within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 10. This act addresses the fiscal emergency declared by the Governor by proclamation on December 19, 2008, pursuant to subdivision (f) of Section 10 of Article IV of the California Constitution.

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Senate Bill No. 856

CHAPTER 719

An act to amend Sections 159.5, 160, 23399, and 23954.5 of, and to add Sections 154.2 and 210 to, the Business and Professions Code, to amend Section 337.5 of, and to add Section 348.5 to, the Code of Civil Procedure, to amend Section 94949 of, and to add and repeal Section 94874.3 of, the Education Code, to amend Sections 927, 927.2, 927.3, 927.5, 927.6, 927.7, 927.9, 7076, 7097.1, 7114.2, 7591, 7592, 11544, 16429.1, 17556, and 17557 of, to add Sections 927.13, 7072.3, 11546.4, 17570, and 17570.1 to, to repeal Sections 926.16 and 926.19 of, and to repeal Chapter 2 (commencing with Section 13996) of Part 4.7 of Division 3 of Title 2 of, the Government Code, to amend Section 50199.9 of the Health and Safety Code, to amend Sections 62.9, 1771.3, 1771.5, 1771.7, 1771.75, 1771.8, and 1777.5 of the Labor Code, to add Section 11105.8 to the Penal Code, to amend Section 5164 of the Public Resources Code, to amend Sections 11006 and 19558 of the Revenue and Taxation Code, to amend Sections 1088, 1112.5, 1113.1, 1275, 13021, and 13050 of, and to add Article 9 (commencing with Section 1900) to Chapter 7 of Part 1 of Division 1 of, the Unemployment Insurance Code, to amend Section 1673.2 of the Vehicle Code, and to amend and supplement the Budget Act of 2009 (Chapter 1 of the 2009–10 Third Extraordinary Session) by amending Item 0820-001-3086 of Section 2.00 of that act, relating to state government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor October 19, 2010. Filed with
Secretary of State October 19, 2010.]

LEGISLATIVE COUNSEL'S DIGEST

SB 856, Committee on Budget and Fiscal Review. State government.

(1) Existing law provides for the regulation of various professions and vocations by regulatory boards within the Department of Consumer Affairs. Existing law creates in the department a Division of Investigation and authorizes the Director of Consumer Affairs to employ investigators, inspectors, and deputies as are necessary to investigate and prosecute all violations of any law, the enforcement of which is charged to the department or to any board in the department. Inspectors used by the boards are not required to be employees of the Division of Investigation, but may be employees of, or under contract to, the boards. Investigators of the Division of Investigation and of the Medical Board of California and the Dental Board of California have the authority of peace officers and are in the division and appointed by the director.

This bill would authorize specified healing arts boards to employ individuals to serve as experts and would authorize those boards and the

(2) Establish to the satisfaction of the director that there is a lack of automation, a severe economic hardship, a current exemption from submitting magnetic media information returns for federal purposes, or other good cause for not complying with the provisions of this subdivision. Approved waivers shall be valid for six months or longer, at the discretion of the director.

(g) The Franchise Tax Board shall be allowed access to the information filed with the department pursuant to this section.

(h) The requirement in subdivision (a) to file a quarterly return shall begin with the first calendar quarter of the 2011 calendar year.

SEC. 58. Section 1112.5 of the Unemployment Insurance Code is amended to read:

1112.5. (a) Any employer who without good cause fails to file the return and reports required by subdivision (a) of Section 1088 and subdivision (a) of Section 13021 within 60 days of the time required under subdivision (a) of Section 1110 shall pay a penalty of 10 percent of the amount of contributions and personal income tax withholding required by this report. This penalty shall be in addition to the penalties required by Sections 1112 and 1126.

(b) For purposes of subdivision (a), the amount of contributions and personal income tax required by the report of contributions shall be reduced by the amount of any contributions and personal income tax paid on or before the prescribed payment dates.

SEC. 59. Section 1113.1 of the Unemployment Insurance Code is amended to read:

1113.1. An employer who, through an error caused by excusable neglect, makes an underpayment of the amount due on a report of contributions pursuant to subdivision (b) of Section 1088 shall not be liable for penalty or interest under Sections 1112, 1113, 1127 or 1129 if proper adjustment is made at the time of the filing of the quarterly report of contributions and quarterly return, for the same calendar quarter under subdivision (a) of Section 1088 and an explanation of the error is attached to the report or return.

SEC. 60. Section 1275 of the Unemployment Insurance Code is amended to read:

1275. (a) Unemployment compensation benefit award computations shall be based on wages paid in the base period. "Base period" means: for benefit years beginning in October, November, or December, the four calendar quarters ended in the next preceding month of June; for benefit years beginning in January, February, or March, the four calendar quarters ended in the next preceding month of September; for benefit years beginning in April, May, or June, the four calendar quarters ended in the next preceding month of December; for benefit years beginning in July, August, or September, the four calendar quarters ended with the next preceding month of March. Wages used in the determination of benefits payable to an individual during any benefit year may not be used in determining that individual's benefits in any subsequent benefit year.

(b) For any new claim filed on or after September 3, 2011, or earlier if the department implements the technical changes necessary to establish claims under the alternate base period, as specified in subdivision (c), if an individual cannot establish a claim under subdivision (a), then “base period” means: for benefit years beginning in October, November, or December, the four calendar quarters ended in the next preceding month of September; for benefit years beginning in January, February, or March, the four calendar quarters ended in the next preceding month of December; for benefit years beginning in April, May, or June, the four calendar quarters ended in the next preceding month of March; for benefit years beginning in July, August, or September, the four calendar quarters ended in the next preceding month of June. As provided in Section 1280, the quarter with the highest wages shall be used to determine the individual’s weekly benefit amount. Wages used in the determination of benefits payable to an individual during any benefit year may not be used in determining that individual’s benefits in any subsequent benefit year.

(c) The department shall implement the technical changes necessary to establish claims under the alternate base period specified in subdivision (b) as soon as possible, but no later than September 3, 2011.

SEC. 61. Article 9 (commencing with Section 1900) is added to Chapter 7 of Part 1 of Division 1 of the Unemployment Insurance Code, to read:

Article 9. Penalty Assessments

1900. (a) (1) Notwithstanding any other law, the Department of Industrial Relations may enter into an agreement with the department that provides for the transfer of all or part of the responsibility from the Department of Industrial Relations, or any office or division within that department, to the department for the collection of penalty assessments including, but not limited to, delinquent fees, wages, penalties, judgments, assessments, costs, citations, debts, and any interest thereon, arising out of the enforcement of any law within the jurisdiction of the Department of Industrial Relations or any office or division within. The agreement shall specify the terms under which those items and interest shall become subject to collection by the department.

(2) The agreement shall also prescribe a procedure for the Department of Industrial Relations to reimburse the department for the costs of collection, and provide that the amount of any reimbursement shall not exceed the actual costs of collection, including court costs and reasonable attorney’s fees. Wherever possible the collection costs shall be borne by the debtor.

(b) For amounts referred for collection under subdivision (a), interest shall accrue at the adjusted annual rate and by the method established pursuant to Section 685.010 of the Code of Civil Procedure from and after the date of notice until paid.

(c) Amounts referred for collection under subdivision (a) shall be treated as final liabilities and due and payable to the State of California and may

Compelling Family Reasons Provision

Relevant California state laws and policies regarding compelling family reasons are located in:

- California Unemployment Insurance Code Section 1256
(<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=uic&group=01001-02000&file=1251-1265.9>)
- Title 22, California Code of Regulations, Section 1256-31
(<http://government.westlaw.com/linkedslice/default.asp?SP=CCR-1000>)
- Assembly Bill 2364 (AB 2364), Chapter 678, Statutes of 2010
(http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab_2351-2400/ab_2364_bill_20100930_chaptered.pdf)
- Benefit Determination Guide Misconduct (MC) 15, Section A
(http://www.edd.ca.gov/UIBDG/Misconduct_MC_15.htm#Absence)
- Title 22, California Code of Regulations, Section 1256-9
(<http://government.westlaw.com/linkedslice/default.asp?SP=CCR-1000>)
- Unemployment Insurance Program Notice 10-091
- Benefit Determination Guide Voluntary Quit (VQ) 155, Section C
(http://www.edd.ca.gov/UIBDG/Voluntary_Quit_VQ_155.htm#Illness%20or%20Death%20in%20the%20Family)
- Title 22, California Code of Regulations, Section 1256-10
(<http://government.westlaw.com/linkedslice/default.asp?SP=CCR-1000>)
- Unemployment Insurance Program Notice 11-022
- California Family Code Section 297 (<http://www.leginfo.ca.gov/cgi-bin/waisgate?WAISdocID=82082528206+0+0+0&WAIAction=retrieve>)
- Title 22, California Code of Regulations, Section 1256-12
(<http://government.westlaw.com/linkedslice/default.asp?SP=CCR-1000>)

Summary of Compelling Family Reasons Provision

On, April 16, 2009, the Department of Labor, Region 6, provided the Employment Development Department (EDD) with informal, written notice that California's compelling family reasons would not meet the requirements for the Unemployment Compensation Modernization Incentive funds. The EDD has made various policy changes and provided further clarification regarding compelling family reasons to our staff since that time.

Separations due to domestic violence, an illness or disability of a family member, or following a spouse or domestic partner are deemed to be for "good cause" pursuant to California Unemployment Insurance Code Section 1256. When good cause is established, claimants are held eligible for the separation pursuant to Section 1256 of the California Unemployment Insurance Code.