

Supplemental References to ETP Legislation

Division 1, Part 1, Chapter 4, Article 3 of the Unemployment Insurance (UI) Code:

976.6. In addition to other contributions required by this division, every employer, except an employer defined by Section 676, 684, or 685, and except an employer that has elected an alternate method of financing its liability for unemployment compensation benefits pursuant to Article 5 (commencing with Section 801), or Article 6 (commencing with Section 821) of Chapter 3, shall pay into the Employment Training Fund contributions at the rate of 0.1 percent of wages specified in Section 930. The contributions shall be collected in the same manner and at the same time as any contributions required under Sections 977 and 977.5.

Division 1, Part 1, Chapter 6, Article 6 of the UI Code

1610. There is in the State Treasury a special fund known as the Employment Training Fund. There shall be deposited in or transferred to this fund all contributions collected from employers pursuant to Section 976.6. Costs incurred for the purposes specified in Section 1611 in fiscal year 1982-83 shall be reimbursed, and thereafter shall be annually appropriated by the Legislature from the Employment Training Fund.

1611. Moneys in the Employment Training Fund shall be expended only for the purposes of Chapter 3.5 (commencing with Section 10200) of Part 1 of Division 3, and for the costs of administering this article and Section 976.6, except those moneys may be used for any of the following:

- (a) With the approval of the Legislature, the fund or contributions to it may be used to pay interest charged on federal loans to the Unemployment Fund.
- (b) Commencing with allocations made to the Employment Training Panel in the 1992-93 fiscal year, any moneys allocated to the panel in a fiscal year that are not encumbered by the panel in that fiscal year, shall revert to the Unemployment Insurance Fund.
- (c) It is the intent of the Legislature that the panel shall closely monitor program performance and expenditures for employment training programs administered by the panel, and that the panel shall expeditiously disencumber funds that are not needed for employment training program completion. Commencing with the 1992-93 fiscal year, those moneys that are disencumbered during the fiscal year that are not reencumbered during the same fiscal year shall revert to the Unemployment Insurance Fund.
- (d) Notwithstanding any other law, the Controller may use the moneys in the Employment Training Fund for loans to the General Fund as provided in Sections 16310 and 16381 of the Government Code. However, interest shall be paid on all moneys loaned to the General Fund from the Employment Training Fund. Interest payable shall be computed at a rate determined by the Pooled Money Investment Board to be the current earning rate of the fund from which loaned. This subdivision does not authorize any transfer that will interfere with the carrying out of the object for which the Employment Training Fund was created.

1611.5. Notwithstanding Section 1611, the Legislature may appropriate from the Employment Training Fund an amount specified in the annual Budget Act to fund the local assistance portion of welfare-to-work activities under the CalWORKs program, provided for pursuant to Article 3.2 (commencing with Section 11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code, as administered by the State Department of Social Services.

The **2009** Budget Act, Section **496**:

7100-001-0514—For support of Employment Development Department, for payment to Item 7100-001-0870, payable from the Employment Training Fund\$61,427,000

Provisions:

1. Upon order of the Director of Finance, funds disencumbered from Employment Training Fund training contracts during the 2009-10 fiscal year that have not reverted as of July 1, 2009, may be appropriated in augmentation of this item.
2. Notwithstanding subparagraph (B) of paragraph (2) of subdivision (a) of Section 10206 of the Unemployment Insurance Code, the Employment Training Panel's administrative costs may exceed 15 percent of the amount appropriated in this item.
3. Of the funds appropriated in this item, \$21,000 is to support the development of the Automated Collection Enhancement System. These funds may not be used for any other purpose or for items outside the approved project scope. Changes in the project scope must receive approval using the established administrative and legislative reporting requirements.
4. Subdivision (b) of Provision 1 of Item 7100-001-0001 also applies to this item.