

Department of Finance		Fund: 0913
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Industrial Relations Unpaid Wage Fund		
<u>Legal Citation/Authority</u> Chapter 714, Statutes of 1975 Labor Code sections 96.6-96.7		
<u>Fund Classification</u> <u>GAAP Basis</u> Fiduciary/Agency Funds	<u>Fund Classification</u> <u>Legal Basis</u> Nongovernmental/Trust and Agency Funds-- Non-Federal	
<u>Purpose</u> Created for the deposit of unpaid wages or benefits collected by the Labor Commissioner and to provide state operations support to the Department of Industrial Relations for the Underground Economy Enforcement Program. All wages or benefits collected under this section shall be remitted to the worker, his lawful representative, or to any trust or custodial fund established under a plan to provide health and welfare, pension, vacation, retirement, or similar benefits from the Industrial Relations Unpaid Wage Fund. Any unpaid wages or benefits collected by the Labor Commissioner pursuant to this section shall be retained in the Industrial Relations Unpaid Wage Fund until remitted pursuant to above, or until deposited into the General fund. The Controller shall, at the end of each fiscal year, transfer to the General Fund the unencumbered balance, less six months of expenditures as determined by the Director of Finance, in the Industrial Relations Unpaid Wage Fund.		
<u>Administering Agency/Organization Code</u> Department of Industrial Relations/Org 7350		
<u>Major Revenue Source</u> Unpaid wages and benefits due any worker in the state.		
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment, shall be transferred to the General Fund.		
<u>Appropriation Authority</u> Section 96.6 of the Labor Code provides that the fund is continuously appropriated for the purpose of remitting to an employee unpaid wages due him, collected on his behalf by the Labor Commissioner.		

State Appropriations Limit

Always Excluded – Revenues in this fund are not proceeds of taxes and even after transfer, will never become proceeds of taxes because the major revenue source is derived from a Trust and Agency Fund (Non-Federal).

Comments/Historical Information

Budget act of 1992/93, Chapter 55 allowed monies from the fund “notwithstanding any other provision of law, funds appropriated by this item shall be expended by the Department of Industrial Relations Division of Labor Standards Enforcement to administer the Targeted Industries Partnership Program to increase enforcement and compliance I the agricultural and garment industries”.

Budget Act of 2005 (SB 77), Chapter 38, added clarifying language to the Governor’s Budget Item 7350-001-0913 for state operations support of the Underground Economy Enforcement Program. In addition, it added additional language to authorize Department of Finance to determine annually the amount of “excess” that is to be transferred into the General Fund based on program needs.