

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 20, 2010
POSITION: Neutral

BILL NUMBER: SB 1472
AUTHOR: M. Leno

BILL SUMMARY: Unemployment Insurance: Shared Work

This bill would require the Employment Development Department (EDD) to develop and implement an outreach plan to inform employers of the existing Work Share program, as specified.

FISCAL SUMMARY

EDD estimates the cost of the outreach required by this bill would be minor and absorbable as the provisions of this bill can be incorporated into the departments ongoing outreach planning.

COMMENTS

The Department of Finance is neutral on this bill because, per EDD, the costs to develop and implement the required Work Share outreach plan is minor and absorbable.

The Work Share program allows employers and employees to voluntarily reduce work hours and receive a proportional share of unemployment benefits. For example, if an employer allows and an employee chooses to reduce their time base by 20 percent and another person is hired to work the 20 percent, the employee reducing the time base would be eligible to receive 20 percent of the UI benefit that would have been received if the employee was fully unemployed.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
		LA	PROP		FC		FC		
	CO	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	
	RV								
7100/EDD	SO	No		-----	No/Minor Fiscal Impact	-----			0870
<u>Fund Code</u>	<u>Title</u>								
0870	Unemployment Administration Fund								

Analyst/Principal Date Assistant Program Budget Manager Date
(0250)

Department Deputy Director Date

Governor's Office: By: Date: Position Approved _____
Position Disapproved _____

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)