

**DEPARTMENT OF FINANCE BILL ANALYSIS**

**AMENDMENT DATE:** Original  
**POSITION:** Neutral

**BILL NUMBER:** SB 1263  
**AUTHOR:** Vargas, Juan

**BILL SUMMARY: Unemployment Insurance Appeals Board: annual salary.**

This bill would eliminate the salaries paid to members of the California Unemployment Insurance Appeals Board (Board).

**FISCAL SUMMARY**

The elimination of Board member salaries would result in savings of \$450,000 (\$2,000 General Fund) in 2012-13 and \$901,000 (\$4,000 General Fund) in 2013-14.

**COMMENTS**

The Department of Finance is neutral on this bill because the members of the Board are not required to report to work daily, and therefore, it is reasonable to eliminate the compensation.

Existing law established a salary of \$81,635 for the Board chair and \$79,122 for Board members, effective January 1, 1988. Existing law specifies that these salaries are increased in each year that state employees receive a general salary increase. Under existing law the current annual salary for the Board chair and members is \$132,179 and \$128,109, respectively.

The Board is an independent administrative court for workers and employers seeking to challenge decisions made by the Employment Development Department regarding unemployment insurance and disability insurance benefits. The Board consists of seven members, five appointed by the Governor and one each appointed by the Senate President Pro Temp and the Speaker of the Assembly.

This bill would delete the Board from the statutory list of boards and commissions that receive compensation, effectively eliminating the salary for the chair and the members.

Code/Department Agency or Revenue Type	(Fiscal Impact by Fiscal Year)							Fund Code	
	SO LA CO RV	PROP 98 FC			2011-2012 FC		2012-2013 FC		
7100/EDD	SO	No	A	--	B	-2	B	-4	0001
7100/EDD	SO	No	A	--	B	-33	B	-67	0588
7100/EDD	SO	No	A	--	B	-415	B	-430	0870
<u>Fund Code</u>	<u>Title</u>								
0001	General Fund								
0588	Unemployment Compensation Disability Fd								
0870	Unemployment Administration Fund								

Analyst/Principal (0241) J.Morozumi	Date	Program Budget Manager Lisa Ann Mangat	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____