

Overview of EDD and ALRB Programs

LEGISLATIVE ANALYST'S OFFICE

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State Administration

Hon. Tom Daly, Chair





Employment Development Department— Major Responsibilities

- The Employment Development Department (EDD) is responsible for administering the Unemployment Insurance (UI) and Disability Insurance (DI) programs. The department collects from employers (1) employer UI contributions, (2) the Employment Training Tax, (3) employee contributions for DI, and (4) personal income tax (PIT) wage withholdings. In addition, EDD pays UI and DI benefits to eligible claimants.

- The department, with the assistance of the State Workforce Investment Board (WIB), also administers the federal Workforce Investment Act (WIA) program, which provides employment training services. Local area WIBs partner with EDD to provide job matching and training services to job seekers and employers.



EDD Three-Year Expenditures and Personnel-Years (PYs)

(Dollars in Thousands)

Program	2011-12		2012-13		2013-14	
	Expenditures	PYs	Expenditures	PYs	Expenditures	PYs
Employment and Employment Related Services Program	\$168,156	1,314.0	\$176,013	1,223.9	\$179,688	1,338.7
Tax Collections and Benefits Program	21,885,501	6,396.0	19,493,709	6,719.5	16,123,243 ^a	5,992.0
California Unemployment Insurance Appeals Board	98,907	698.4	95,249	827.4	78,900	669.9
Administration	51,279	708.8	53,374	701.0	53,780	701.0
Distributed Administration	-48,973	—	-51,004	—	-51,004	—
Employment Training Panel Program	49,132	80.8	45,812	85.1	49,109	85.1
Workforce Investment Act Program	421,778	182.7	427,275	137.0	409,435	144.2
National Emergency Grant Program	24,619	5.7	45,000	2.2	45,000	1.5
Totals	\$22,650,399	9,386.4	\$20,285,428	9,696.1	\$16,888,151	8,932.4

^a Total benefits of \$15 billion projected to be paid in 2013-14.
PYs = personnel-years.



EDD Proposed 2013-14 Funding

(Dollars in Thousands)

Funding Source	Expenditures	Percent of Total EDD Expenditures
General Fund	\$313,314 ^a	1.9%
Special funds	6,085,888	36.0
Federal funds	10,488,949	62.1
Totals	\$16,888,151	100.0%

^a An interest payment on a federal loan required for the Unemployment Fund constitutes \$291.2 million of these expenditures.
EDD = Employment Development Department.



EDD's Programs

UI. The EDD administers the state's UI program, which provides weekly UI benefits to employees who lose their job through no fault of their own. The program is financed by state and federal taxes levied on employers for each covered employee.

DI/Paid Family Leave (PFL). The DI program provides partial wage replacement benefits for eligible workers that are unable to work due to nonindustrial injury or illness, pregnancy, or childbirth. The PFL program provides partial wage replacement (for up to six weeks) for eligible workers to care for a seriously ill child, spouse, parent, registered domestic partner, or to bond with a new child. The DI and PFL programs are paid through employee payroll taxes on eligible workers.

WIA. The WIA program provides workforce development, career assessment, job search and placement, job training, and other services primarily through the One-Stop Career Center system. The program is federally funded, and EDD distributes the majority of WIA funding (by formula) to local WIBs (that allocate funding for local services). A small portion of WIA funding is used for discretionary projects that are selected through a competitive grant process administered by the state.

Employment Training Panel (ETP). Through a competitive application process, the ETP provides reimbursement to employers for training employees that are hired or retained for a specified period of time. The ETP is funded by a tax on employers for each employee covered under the UI program.

Tax Collection. The EDD is one of the largest tax collection agencies in the nation, collecting payroll taxes for the UI, DI, and ETP programs, and over two-thirds of the state's PIT collections. The PIT collections by EDD totaled over 40 percent of the state's General Fund revenue in 2011-12.



Agricultural Labor Relations Board— Major Responsibilities

- The Agricultural Labor Relations Board (ALRB) is responsible for investigating and enforcing unfair labor practice complaints and conducts and certifies labor union elections on behalf of agricultural workers.

- The ALRB has two administrative components: (1) a five-member board and (2) the office of the General Counsel. The General Counsel and her staff investigate unfair labor practice complaints and issue complaints to the board (or administrative law judges [ALJs] with authority delegated to them by the board) to prosecute labor violations. The board members review cases and issue orders on unfair labor practice complaints that are brought before the board by the General Counsel.



ALRB Three-Year Expenditures and PYs

(Dollars in Thousands)

Program	2011-12		2012-13		2013-14	
	Expenditures	PYs	Expenditures	PYs	Expenditures	PYs
Board Administration	\$2,036	10.7	\$2,087	13.5	\$2,327	13.5
General Counsel Administration	3,019	20.4	3,403	27.0	3,680	27.0
Administration Services	359	1.7	427	3.0	639	5.0
Distributed Administration Services	-359	—	-427	—	-639	—
Totals	\$5,055	32.8	\$5,490	43.5	\$6,007	45.5

PYs = personnel-years.



ALRB Proposed 2013-14 Funding

(Dollars in Thousands)

Funding Source	Expenditures	Percent of Total ALRB Expenditures
General Fund	\$4,996	83.2%
Special funds	1,011	16.8
Totals	\$6,007	100.0%

ALRB = Agricultural Labor Relations Board.



ALRB Programs

Unfair Labor Practice Enforcement. The ALRB investigates, prosecutes, and adjudicates unfair labor practice complaints, and conducts and certifies labor union elections on behalf of agricultural workers. The office of the General Counsel investigates unfair labor practice complaints and prosecutes cases in administrative hearings before ALRB's ALJs or the five-member ALRB. The board (or an ALJ) reviews these unfair labor practice complaints and issues orders and findings through evidentiary hearings. The law gives ALRB authority to order employers to pay back wages, reinstate terminated employees, and implement other ordered remedies for agricultural workers in unfair labor practice cases. Final decisions by the board can be appealed to a state appeals court.