

**ASSEMBLY BILL**

**No. 1845**

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**Introduced by Assembly Member Solorio**

February 22, 2012

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An act to amend Section 1375.1 of the Unemployment Insurance Code, relating to unemployment compensation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1845, as introduced, Solorio. Unemployment compensation benefits: overpayment assessments.

Existing law creates and defines the Benefit Audit Fund and provides that assessments for overpaid unemployment compensation benefits shall be deposited into this fund. Existing law creates the Unemployment Fund as a continuously appropriated fund.

This bill would require that assessments collected after October 21, 2013, for overpaid unemployment compensation benefits be deposited into the Benefit Audit Fund and the Unemployment Fund equally. By providing a new source of revenue for the continuously appropriated Unemployment Fund, this bill would make an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 1375.1 of the Unemployment Insurance
- 2 Code is amended to read:
- 3 1375.1. (a) If the director finds that an individual has been
- 4 overpaid unemployment compensation benefits because he or she

- 1 willfully, for the purpose of obtaining unemployment compensation  
2 benefits, either made a false statement or representation, with actual  
3 knowledge of the falsity thereof, or withheld a material fact, the  
4 director shall assess against the individual an amount equal to 30  
5 percent of the overpayment amount. Assessments collected under  
6 this section, *on or before October 21, 2013*, shall be deposited in  
7 the Benefit Audit Fund.  
8 *(b) After October 21, 2013, assessments collected under*  
9 *subdivision (a) shall be deposited as follows:*  
10 *(1) Fifty percent in the Benefit Audit Fund.*  
11 *(2) Fifty percent in the Unemployment Fund.*