

AMENDED IN ASSEMBLY MARCH 21, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 880

Introduced by Assembly Member Gomez

February 22, 2013

An act to amend ~~Section 14000 of the Welfare and Institutions Code, relating to Medi-Cal~~ *Section 19548.5 of the Revenue and Taxation Code, to amend Sections 1088.5 and 1095 of the Unemployment Insurance Code, and to amend Section 11025 of the Welfare and Institutions Code, relating to data collection.*

LEGISLATIVE COUNSEL'S DIGEST

AB 880, as amended, Gomez. ~~Medi-Cal.~~ *Data collection.*

Existing law limits the information that the Franchise Tax Board may, upon request, disclose to specified agencies through information-sharing agreements or data interfaces to verify or determine eligibility of an individual for Medi-Cal benefits, the Healthy Families Program, the Access for Infants and Mothers Program, health benefits, tax credits, health insurance subsidies, or cost-sharing reductions through the California Health Benefit Exchange.

This bill would add a state employer identification number, if one has been issued, and an identifying number assigned to the employer under federal law, as specified, to the list of information that may be disclosed by the board.

Existing law requires employers to file specified information with the Employment Development Department, upon hiring an employee, that may be used by specified state departments, exchanges, and boards, and county departments and agencies for specified purposes, including verifying or determining the eligibility of an applicant for, or a recipient

of, state health subsidy programs, as specified, if the verification or determination is directly connected with, and limited to, the administration of the referenced state health subsidy programs.

This bill would expand these provisions to allow the information to be used if the verification or determination is directly connected with, and limited to, the administration or funding of the referenced state health subsidy programs.

Existing law authorizes the Director of the Employment Development Department to permit the use of information in his or her possession for specified purposes and to require reimbursement for all direct costs incurred in providing that information. Existing law provides that this information includes information provided to enable federal, state, or local government departments or agencies, subject to federal law, to verify or determine the eligibility or entitlement of an applicant for, or a recipient of, public social services if the verification or determination is directly connected with, and limited to, the administration of public social services.

This bill would expand these provisions to allow the information to be used if the verification or determination is directly connected with, and limited to, the administration or funding of the public social services.

Existing law also authorizes the director to permit the use of information in his or her possession and to require reimbursement for all direct costs incurred in providing that information to enable specified state departments, exchanges, and boards, and county departments and agencies, to obtain information regarding employee wages, California employer names and account numbers, employer reports of wages and number of employees, and disability insurance and unemployment insurance claim information, for specified purposes.

This bill would authorize the director to provide information to enable these entities to obtain information regarding state employer identification numbers.

Existing law requires the State Department of Social Services and the State Department of Health Services to make use of the records of the Franchise Tax Board to match unearned income against reported income of applicants for, and recipients of, aid or public social services.

This bill would also require each department to use these records to match social security numbers of applicants for, and recipients of, aid or public services with their employer's state employer identification number, which shall then be forwarded to the appropriate county

welfare department or other appropriate state departments for use, as specified.

~~Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, to afford to qualifying individuals health care and related remedial or preventive services. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions.~~

~~This bill would make technical, nonsubstantive changes to these provisions.~~

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

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

1 SECTION 1. Section 19548.5 of the Revenue and Taxation
2 Code is amended to read:

3 19548.5. (a) (1) The Franchise Tax Board may, upon request,
4 disclose to the California Health Benefit Exchange, the State
5 Department of Health Care Services, the Managed Risk Medical
6 Insurance Board, and county departments and agencies, returns or
7 return information described in paragraph (2) in the records of the
8 Franchise Tax Board, through information sharing agreements or
9 data interfaces, to verify or determine eligibility of an individual
10 for Medi-Cal benefits, the Healthy Families Program, the Access
11 for Infants and Mothers Program, health benefits, tax credits, health
12 insurance subsidies, or cost-sharing reductions through the
13 Exchange.

14 (2) The returns and return information that may be disclosed
15 pursuant to this section is limited to the following:

16 (A) Information necessary to validate or make the eligibility
17 determination, including wages, withholdings, identifying
18 information, and credits.

19 (B) The demographic information of any taxpayer.

20 (C) Tax refund information of any taxpayer.

21 (D) *State employer identification number, if one has been issued,*
22 *and identifying number assigned to the employer under Section*
23 *6109 of the Internal Revenue Code.*

24 (3) In addition to the penalties under this article for unauthorized
25 use or disclosure of the information disclosed pursuant to this
26 section by any deputy, agent, clerk, officer, or employee of any

1 agency receiving information pursuant to this section, any
2 information received from the Franchise Tax Board as a result of
3 this section shall be subject to the information sharing and
4 confidentiality requirements in paragraph (8) of subdivision (a) of
5 Section 100504 of the Government Code.

6 (b) (1) This section shall not be construed to supersede the
7 requirements and protections in the California Right to Financial
8 Privacy Act under Chapter 20 (commencing with Section 7460)
9 of Division 7 of Title 1 of the Government Code in obtaining
10 information in possession of any financial institution.

11 (2) This section shall not be construed to supersede or replace
12 or in any way modify any privacy and information security
13 requirements and protections in federal and state law regarding
14 protected health information or personally identifiable information,
15 including, but not limited to, the federal Health Insurance
16 Portability and Accountability Act (HIPAA), the Information
17 Practices Act of 1977 (Chapter 1 (commencing with Section 1798)
18 of Title 1.8 of Part 4 of Division 3 of the Civil Code), Section
19 14100.2 of the Welfare and Institutions Code, and any other state
20 or federal laws that are intended to, or have the effect of, protecting
21 individual privacy and information security in any circumstance.

22 (c) The Franchise Tax Board may require reimbursement for
23 costs incurred in providing information specified in this Section.

24 *SEC. 2. Section 1088.5 of the Unemployment Insurance Code*
25 *is amended to read:*

26 1088.5. (a) In addition to information reported in accordance
27 with Section 1088, effective July 1, 1998, each employer shall file,
28 with the department, the information provided for in subdivision
29 (b) on new employees.

30 (b) Each employer shall report the hiring of any employee who
31 works in this state and to whom the employer anticipates paying
32 wages, and also shall report the hiring of any employee who
33 previously worked for the employer but had been separated from
34 that prior employment for at least 60 consecutive days.

35 (c) (1) This section shall not apply to any department, agency,
36 or instrumentality of the United States.

37 (2) State agency employers shall not be required to report
38 employees performing intelligence or counterintelligence functions,
39 if the head of the agency has determined that reporting pursuant

1 to this section would endanger the safety of the employee or
2 compromise an ongoing investigation or intelligence mission.

3 (d) (1) Employers shall submit a report as described in
4 paragraph (4) within 20 days of hiring any employee whom the
5 employer is required to report pursuant to this section.

6 (2) Notwithstanding subdivision (a), employers transmitting
7 reports magnetically or electronically shall submit the report by
8 two monthly transmissions not less than 12 days and not more
9 than 16 days apart.

10 (3) For purposes of this section, an employer that has employees
11 in two or more states and that transmits reports magnetically or
12 electronically may designate one state in which the employer has
13 employees to which the employer will transmit the report described
14 in paragraph (4). Any employer that transmits reports pursuant to
15 this paragraph shall notify the Secretary of Health and Human
16 Services in writing as to which state the employer designates for
17 the purpose of sending reports.

18 (4) The report shall contain the following:

19 (A) The name, address, and social security number of the
20 employees.

21 (B) The employer's name, address, state employer identification
22 number (if one has been issued), and identifying number assigned
23 to the employer under Section 6109 of the Internal Revenue Code
24 of 1986.

25 (C) The first date the employee worked.

26 (5) Employers may report pursuant to this section by submitting
27 a copy of the employee's W-4 form, a form provided by the
28 department, or any other hiring document transmitted by first-class
29 mail, magnetically, or electronically.

30 (e) For each failure to report the hiring of an employee, as
31 required and within the time required by this section, unless the
32 failure is due to good cause, the department may assess a penalty
33 of twenty-four dollars (\$24), or four hundred ninety dollars (\$490)
34 if the failure is the result of conspiracy between the employer and
35 employee not to supply the required report or to supply a false or
36 incomplete report.

37 (f) (1) On and after January 1, 2013, and before January 1,
38 2019, information collected pursuant to this section may be used
39 for the following purposes:

1 (A) Administration of this code, including, but not limited to,
 2 providing employer or employee information to participating
 3 members of the Joint Enforcement Strike Force on the
 4 Underground Economy pursuant to Section 329 for the purposes
 5 of auditing, investigating, and prosecuting violations of tax and
 6 cash-pay reporting laws.

7 (B) Locating individuals for purposes of establishing paternity
 8 and establishing, modifying, and enforcing child support
 9 obligations.

10 (C) Administration of employment security and workers'
 11 compensation programs.

12 (D) Providing employer or employee information to the
 13 Franchise Tax Board and the State Board of Equalization for the
 14 purpose of tax or fee enforcement.

15 (E) Verification of eligibility of applicants for, or recipients of,
 16 the public assistance programs listed in Section 1320b-7(b) of Title
 17 42 of the United States Code.

18 (F) Providing employer or employee information to the
 19 Contractors' State License Board and the State Compensation
 20 Insurance Fund for the purpose of workers' compensation payroll
 21 reporting.

22 (G) Providing employer or employee information to the State
 23 Department of Health Care Services, the California Health Benefit
 24 Exchange, the Managed Risk Medical Insurance Board, and county
 25 departments and agencies for the purpose of:

26 (i) Verifying or determining the eligibility of an applicant for,
 27 or a recipient of, state health subsidy programs, limited to the
 28 Medi-Cal program, provided pursuant to Chapter 7 (commencing
 29 with Section 14000) of Part 3 of Division 9 of the Welfare and
 30 Institutions Code, the Healthy Families Program, provided pursuant
 31 to Part 6.2 (commencing with Section 12693) of Division 2 of the
 32 Insurance Code, and the Access for Infants and Mothers Program,
 33 provided pursuant to Part 6.3 (commencing with Section 12695)
 34 of Division 2 of the Insurance Code, where the verification or
 35 determination is directly connected with, and limited to, the
 36 administration *and funding* of the state health subsidy programs
 37 referenced in this clause.

38 (ii) Verifying or determining the eligibility of an applicant for,
 39 or a recipient of, federal subsidies offered through the California
 40 Health Benefit Exchange, provided pursuant to Title 22

1 (commencing with Section 100500) of the Government Code,
2 including federal tax credits and cost-sharing assistance pursuant
3 to the federal Patient Protection and Affordable Care Act, (Public
4 Law 111-148), as amended by the federal Health Care and
5 Education Reconciliation Act of 2010 (Public Law 111-152), where
6 the verification or determination is directly connected with, and
7 limited to, the administration of the California Health Benefit
8 Exchange.

9 (iii) Verifying or determining the eligibility of employees and
10 employers for health coverage through the Small Business Health
11 Options Program, provided pursuant to Section 100502 of the
12 Government Code, where the verification or determination is
13 directly connected with, and limited to, the administration of the
14 Small Business Health Options Program.

15 (2) On and after January 1, 2019, information collected pursuant
16 to this section may be used for the following purposes:

17 (A) Administration of this code.

18 (B) Locating individuals for purposes of establishing paternity
19 and establishing, modifying, and enforcing child support
20 obligations.

21 (C) Administration of employment security and workers'
22 compensation programs.

23 (D) Providing employer or employee information to the
24 Franchise Tax Board and to the State Board of Equalization for
25 the purposes of tax or fee enforcement.

26 (E) Verification of eligibility of applicants for, or recipients of,
27 the public assistance programs listed in Section 1320b-7(b) of Title
28 42 of the United States Code.

29 (F) Providing employer or employee information to the State
30 Department of Health Care Services, the California Health Benefit
31 Exchange, the Managed Risk Medical Insurance Board, and county
32 departments and agencies for the purpose of:

33 (i) Verifying or determining the eligibility of an applicant for,
34 or a recipient of, state health subsidy programs, limited to the
35 Medi-Cal program, provided pursuant to Chapter 7 (commencing
36 with Section 14000) of Part 3 of Division 9 of the Welfare and
37 Institutions Code, the Healthy Families Program, provided pursuant
38 to Part 6.2 (commencing with Section 12693) of Division 2 of the
39 Insurance Code, and the Access for Infants and Mothers Program,
40 provided pursuant to Part 6.3 (commencing with Section 12695)

1 of Division 2 of the Insurance Code, where the verification or
2 determination is directly connected with, and limited to, the
3 administration *and funding* of the state health subsidy programs
4 referenced in this clause.

5 (ii) Verifying or determining the eligibility of an applicant for,
6 or a recipient of, federal subsidies offered through the California
7 Health Benefit Exchange, provided pursuant to Title 22
8 (commencing with Section 100500) of the Government Code,
9 including federal tax credits and cost-sharing assistance pursuant
10 to the federal Patient Protection and Affordable Care Act, (Public
11 Law 111-148), as amended by the federal Health Care and
12 Education Reconciliation Act of 2010 (Public Law 111-152), where
13 the verification or determination is directly connected with, and
14 limited to, the administration of the California Health Benefit
15 Exchange.

16 (iii) Verifying or determining the eligibility of employees and
17 employers for health coverage through the Small Business Health
18 Options Program, provided pursuant to Section 100502 of the
19 Government Code, where the verification or determination is
20 directly connected with, and limited to, the administration of the
21 Small Business Health Options Program.

22 (g) For purposes of this section, “employer” includes a labor
23 union hiring hall.

24 (h) This section shall become operative on July 1, 1998.

25 *SEC. 3. Section 1095 of the Unemployment Insurance Code is*
26 *amended to read:*

27 1095. The director shall permit the use of any information in
28 his or her possession to the extent necessary for any of the
29 following purposes and may require reimbursement for all direct
30 costs incurred in providing any and all information specified in
31 this section, except information specified in subdivisions (a) to
32 (e), inclusive:

33 (a) To enable the director or his or her representative to carry
34 out his or her responsibilities under this code.

35 (b) To properly present a claim for benefits.

36 (c) To acquaint a worker or his or her authorized agent with his
37 or her existing or prospective right to benefits.

38 (d) To furnish an employer or his or her authorized agent with
39 information to enable him or her to fully discharge his or her

1 obligations or safeguard his or her rights under this division or
2 Division 3 (commencing with Section 9000).

3 (e) To enable an employer to receive a reduction in contribution
4 rate.

5 (f) To enable federal, state, or local government departments
6 or agencies, subject to federal law, to verify or determine the
7 eligibility or entitlement of an applicant for, or a recipient of, public
8 social services provided pursuant to Division 9 (commencing with
9 Section 10000) of the Welfare and Institutions Code, or Part A of
10 Title IV of the Social Security Act, where the verification or
11 determination is directly connected with, and limited to, the
12 administration *and funding* of public social services.

13 (g) To enable county administrators of general relief or
14 assistance, or their representatives, to determine entitlement to
15 locally provided general relief or assistance, where the
16 determination is directly connected with, and limited to, the
17 administration of general relief or assistance.

18 (h) To enable state or local governmental departments or
19 agencies to seek criminal, civil, or administrative remedies in
20 connection with the unlawful application for, or receipt of, relief
21 provided under Division 9 (commencing with Section 10000) of
22 the Welfare and Institutions Code or to enable the collection of
23 expenditures for medical assistance services pursuant to Part 5
24 (commencing with Section 17000) of Division 9 of the Welfare
25 and Institutions Code.

26 (i) To provide any law enforcement agency with the name,
27 address, telephone number, birth date, social security number,
28 physical description, and names and addresses of present and past
29 employers, of any victim, suspect, missing person, potential
30 witness, or person for whom a felony arrest warrant has been
31 issued, when a request for this information is made by any
32 investigator or peace officer as defined by Sections 830.1 and
33 830.2 of the Penal Code, or by any federal law enforcement officer
34 to whom the Attorney General has delegated authority to enforce
35 federal search warrants, as defined under Sections 60.2 and 60.3
36 of Title 28 of the Code of Federal Regulations, as amended, and
37 when the requesting officer has been designated by the head of
38 the law enforcement agency and requests this information in the
39 course of and as a part of an investigation into the commission of
40 a crime when there is a reasonable suspicion that the crime is a

1 felony and that the information would lead to relevant evidence.
2 The information provided pursuant to this subdivision shall be
3 provided to the extent permitted by federal law and regulations,
4 and to the extent the information is available and accessible within
5 the constraints and configurations of existing department records.
6 Any person who receives any information under this subdivision
7 shall make a written report of the information to the law
8 enforcement agency that employs him or her, for filing under the
9 normal procedures of that agency.

10 (1) This subdivision shall not be construed to authorize the
11 release to any law enforcement agency of a general list identifying
12 individuals applying for or receiving benefits.

13 (2) The department shall maintain records pursuant to this
14 subdivision only for periods required under regulations or statutes
15 enacted for the administration of its programs.

16 (3) This subdivision shall not be construed as limiting the
17 information provided to law enforcement agencies to that pertaining
18 only to applicants for, or recipients of, benefits.

19 (4) The department shall notify all applicants for benefits that
20 release of confidential information from their records will not be
21 protected should there be a felony arrest warrant issued against
22 the applicant or in the event of an investigation by a law
23 enforcement agency into the commission of a felony.

24 (j) To provide public employee retirement systems in California
25 with information relating to the earnings of any person who has
26 applied for or is receiving a disability income, disability allowance,
27 or disability retirement allowance, from a public employee
28 retirement system. The earnings information shall be released only
29 upon written request from the governing board specifying that the
30 person has applied for or is receiving a disability allowance or
31 disability retirement allowance from its retirement system. The
32 request may be made by the chief executive officer of the system
33 or by an employee of the system so authorized and identified by
34 name and title by the chief executive officer in writing.

35 (k) To enable the Division of Labor Standards Enforcement in
36 the Department of Industrial Relations to seek criminal, civil, or
37 administrative remedies in connection with the failure to pay, or
38 the unlawful payment of, wages pursuant to Chapter 1
39 (commencing with Section 200) of Part 1 of Division 2 of, and

1 Chapter 1 (commencing with Section 1720) of Part 7 of Division
2 2 of, the Labor Code.

3 (l) To enable federal, state, or local governmental departments
4 or agencies to administer child support enforcement programs
5 under Title IV of the federal Social Security Act (42 U.S.C. Sec.
6 651 et seq.).

7 (m) To provide federal, state, or local governmental departments
8 or agencies with wage and claim information in its possession that
9 will assist those departments and agencies in the administration
10 of the Victims of Crime Program or in the location of victims of
11 crime who, by state mandate or court order, are entitled to
12 restitution that has been or can be recovered.

13 (n) To provide federal, state, or local governmental departments
14 or agencies with information concerning any individuals who are
15 or have been:

16 (1) Directed by state mandate or court order to pay restitution,
17 fines, penalties, assessments, or fees as a result of a violation of
18 law.

19 (2) Delinquent or in default on guaranteed student loans or who
20 owe repayment of funds received through other financial assistance
21 programs administered by those agencies. The information released
22 by the director for the purposes of this paragraph shall not include
23 unemployment insurance benefit information.

24 (o) To provide an authorized governmental agency with any or
25 all relevant information that relates to any specific workers'
26 compensation insurance fraud investigation. The information shall
27 be provided to the extent permitted by federal law and regulations.
28 For the purposes of this subdivision, "authorized governmental
29 agency" means the district attorney of any county, the office of
30 the Attorney General, the Contractors' State License Board, the
31 Department of Industrial Relations, and the Department of
32 Insurance. An authorized governmental agency may disclose this
33 information to the State Bar, the Medical Board of California, or
34 any other licensing board or department whose licensee is the
35 subject of a workers' compensation insurance fraud investigation.
36 This subdivision shall not prevent any authorized governmental
37 agency from reporting to any board or department the suspected
38 misconduct of any licensee of that body.

39 (p) To enable the Director of the Bureau for Private
40 Postsecondary Education, or his or her representatives, to access

1 unemployment insurance quarterly wage data on a case-by-case
2 basis to verify information on school administrators, school staff,
3 and students provided by those schools who are being investigated
4 for possible violations of Chapter 8 (commencing with Section
5 94800) of Part 59 of Division 10 of Title 3 of the Education Code.

6 (q) To provide employment tax information to the tax officials
7 of Mexico, if a reciprocal agreement exists. For purposes of this
8 subdivision, “reciprocal agreement” means a formal agreement to
9 exchange information between national taxing officials of Mexico
10 and taxing authorities of the State Board of Equalization, the
11 Franchise Tax Board, and the Employment Development
12 Department. Furthermore, the reciprocal agreement shall be limited
13 to the exchange of information that is essential for tax
14 administration purposes only. Taxing authorities of the State of
15 California shall be granted tax information only on California
16 residents. Taxing authorities of Mexico shall be granted tax
17 information only on Mexican nationals.

18 (r) To enable city and county planning agencies to develop
19 economic forecasts for planning purposes. The information shall
20 be limited to businesses within the jurisdiction of the city or county
21 whose planning agency is requesting the information, and shall
22 not include information regarding individual employees.

23 (s) To provide the State Department of Developmental Services
24 with wage and employer information that will assist in the
25 collection of moneys owed by the recipient, parent, or any other
26 legally liable individual for services and supports provided pursuant
27 to Chapter 9 (commencing with Section 4775) of Division 4.5 of,
28 and Chapter 2 (commencing with Section 7200) and Chapter 3
29 (commencing with Section 7500) of Division 7 of, the Welfare
30 and Institutions Code.

31 (t) To provide the State Board of Equalization with employment
32 tax information that will assist in the administration of tax
33 programs. The information shall be limited to the exchange of
34 employment tax information essential for tax administration
35 purposes to the extent permitted by federal law and regulations.

36 (u) Nothing in this section shall be construed to authorize or
37 permit the use of information obtained in the administration of this
38 code by any private collection agency.

39 (v) The disclosure of the name and address of an individual or
40 business entity that was issued an assessment that included

1 penalties under Section 1128 or 1128.1 shall not be in violation
2 of Section 1094 if the assessment is final. The disclosure may also
3 include any of the following:

4 (1) The total amount of the assessment.

5 (2) The amount of the penalty imposed under Section 1128 or
6 1128.1 that is included in the assessment.

7 (3) The facts that resulted in the charging of the penalty under
8 Section 1128 or 1128.1.

9 (w) To enable the Contractors' State License Board to verify
10 the employment history of an individual applying for licensure
11 pursuant to Section 7068 of the Business and Professions Code.

12 (x) To provide any peace officer with the Division of
13 Investigation in the Department of Consumer Affairs information
14 pursuant to subdivision (i) when the requesting peace officer has
15 been designated by the Chief of the Division of Investigation and
16 requests this information in the course of and as part of an
17 investigation into the commission of a crime or other unlawful act
18 when there is reasonable suspicion to believe that the crime or act
19 may be connected to the information requested and would lead to
20 relevant information regarding the crime or unlawful act.

21 (y) To enable the Labor Commissioner of the Division of Labor
22 Standards Enforcement in the Department of Industrial Relations
23 to identify, pursuant to Section 90.3 of the Labor Code, unlawfully
24 uninsured employers. The information shall be provided to the
25 extent permitted by federal law and regulations.

26 (z) To enable the Chancellor of the California Community
27 Colleges, in accordance with the requirements of Section 84754.5
28 of the Education Code, to obtain quarterly wage data, commencing
29 January 1, 1993, on students who have attended one or more
30 community colleges, to assess the impact of education on the
31 employment and earnings of students, to conduct the annual
32 evaluation of district-level and individual college performance in
33 achieving priority educational outcomes, and to submit the required
34 reports to the Legislature and the Governor. The information shall
35 be provided to the extent permitted by federal statutes and
36 regulations.

37 (aa) To enable the Public Employees' Retirement System to
38 seek criminal, civil, or administrative remedies in connection with
39 the unlawful application for, or receipt of, benefits provided under

1 Part 3 (commencing with Section 20000) of Division 5 of Title 2
2 of the Government Code.

3 (ab) To enable the State Department of Education, the University
4 of California, the California State University, and the Chancellor
5 of the California Community Colleges, pursuant to the
6 requirements prescribed by the federal American Recovery and
7 Reinvestment Act of 2009 (Public Law 111-5), to obtain quarterly
8 wage data, commencing July 1, 2010, on students who have
9 attended their respective systems to assess the impact of education
10 on the employment and earnings of those students, to conduct the
11 annual analysis of district-level and individual district or
12 postsecondary education system performance in achieving priority
13 educational outcomes, and to submit the required reports to the
14 Legislature and the Governor. The information shall be provided
15 to the extent permitted by federal statutes and regulations.

16 (ac) To provide the Agricultural Labor Relations Board with
17 employee, wage, and employer information, for use in the
18 investigation or enforcement of the
19 Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations
20 Act of 1975 (Part 3.5 (commencing with Section 1140) of Division
21 2 of the Labor Code). The information shall be provided to the
22 extent permitted by federal statutes and regulations.

23 (ad) (1) To enable the State Department of Health Care
24 Services, the California Health Benefit Exchange, the Managed
25 Risk Medical Insurance Board, and county departments and
26 agencies to obtain information regarding employee wages,
27 California employer names and ~~account~~ *state employer*
28 *identification* numbers, employer reports of wages and number of
29 employees, and disability insurance and unemployment insurance
30 claim information, for the purpose of:

31 (A) Verifying or determining the eligibility of an applicant for,
32 or a recipient of, state health subsidy programs, limited to the
33 Medi-Cal Program, provided pursuant to Chapter 7 (commencing
34 with Section 14000) of Part 3 of Division 9 of the Welfare and
35 Institutions Code, the Healthy Families Program, provided pursuant
36 to Part 6.2 (commencing with Section 12693) of Division 2 of the
37 Insurance Code, and the Access for Infants and Mothers Program,
38 provided pursuant to Part 6.3 (commencing with Section 12695)
39 of Division 2 of the Insurance Code, where the verification or
40 determination is directly connected with, and limited to, the

1 administration *and funding* of the state health subsidy programs
2 referenced in this subparagraph.

3 (B) Verifying or determining the eligibility of an applicant for,
4 or a recipient of, federal subsidies offered through the California
5 Health Benefit Exchange, provided pursuant to Title 22
6 (commencing with Section 100500) of the Government Code,
7 including federal tax credits and cost-sharing assistance pursuant
8 to the federal Patient Protection and Affordable Care Act (Public
9 Law 111-148), as amended by the federal Health Care and
10 Education Reconciliation Act of 2010 (Public Law 111-152), where
11 the verification or determination is directly connected with, and
12 limited to, the administration of the California Health Benefit
13 Exchange.

14 (C) Verifying or determining the eligibility of employees and
15 employers for health coverage through the Small Business Health
16 Options Program, provided pursuant to Section 100502 of the
17 Government Code, where the verification or determination is
18 directly connected with, and limited to, the administration of the
19 Small Business Health Options Program.

20 (2) The information provided under this subdivision shall be
21 subject to the requirements of, and provided to the extent permitted
22 by, federal law and regulations, including Part 603 of Title 20 of
23 the Code of Federal Regulations.

24 *SEC. 4. Section 11025 of the Welfare and Institutions Code is*
25 *amended to read:*

26 11025. (a) The State Department of Social Services and the
27 State Department of Health Services shall utilize the records of
28 the Franchise Tax Board to match unearned income against
29 reported income of applicants for and recipients of aid or public
30 social services *and to match social security numbers of applicants*
31 *for and recipients of aid or public services with their employer's*
32 *state employer identification number* under this division. The
33 matching information shall then be forwarded to the appropriate
34 county welfare department *or other appropriate state departments*
35 for use in determining the eligibility of, and proper grant amount
36 for, applicants for, and recipients of, aid or public social services
37 under this division. Any and all documents and records that result
38 from the matching of records with the Franchise Tax Board shall
39 be subject to the confidentiality requirements of Section 10850.

1 (b) This section shall not be construed to supersede the
2 requirements and protections in the California Right to Financial
3 Privacy Act under Chapter 20 (commencing with Section 7460)
4 of Division 7 of Title 1 of the Government Code in obtaining
5 information in possession of any financial institution.

6 (c) This section shall be implemented only to the extent it is
7 funded in the annual Budget Act.

8 ~~SECTION 1. Section 14000 of the Welfare and Institutions~~
9 ~~Code is amended to read:~~

10 ~~14000. (a) The purpose of this chapter is to afford to qualifying~~
11 ~~individuals health care and related remedial or preventive services,~~
12 ~~including related social services that are necessary for those~~
13 ~~receiving health care under this chapter.~~

14 ~~(b) The intent of the Legislature is to provide, to the extent~~
15 ~~practicable, through the provisions of this chapter, for health care~~
16 ~~for those aged and other persons, including family persons who~~
17 ~~lack sufficient annual income to meet the costs of health care, and~~
18 ~~whose other assets are so limited that their application toward the~~
19 ~~costs of such care would jeopardize the person or family's future~~
20 ~~minimum self-maintenance and security. It is intended that~~
21 ~~whenever possible and feasible:~~

22 ~~(1) The means employed shall allow, to the extent practicable,~~
23 ~~eligible persons to secure health care in the same manner employed~~
24 ~~by the public generally, and without discrimination or segregation~~
25 ~~based purely on their economic disability. The means employed~~
26 ~~shall include an emphasis on efforts to arrange and encourage~~
27 ~~access to health care through enrollment in organized, managed~~
28 ~~care plans of the type available to the general public.~~

29 ~~(2) The benefits available under this chapter shall not duplicate~~
30 ~~those provided under other federal or state laws or under other~~
31 ~~contractual or legal entitlements of the person or persons receiving~~
32 ~~them.~~

33 ~~(3) In the administration of this chapter and in establishing the~~
34 ~~means to be used to provide access to health care to persons eligible~~
35 ~~under this chapter, the department shall emphasize and take~~
36 ~~advantage of both the efficient organization and ready accessibility~~
37 ~~and availability of health care facilities and resources through~~
38 ~~enrollment in managed health care plans and new and innovative~~
39 ~~fee-for-service managed health care plan approaches to the delivery~~
40 ~~of health care services.~~

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