

Amendments to State Unemployment Insurance Laws

U.S. DEPARTMENT OF LABOR
Employment and Training Administration
Washington, D.C. 20210

REPORT ON STATE LEGISLATION

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CALIFORNIA	AB 664 (CH 827)	ENACTED September 28, 2004 EFFECTIVE January 1, 2005
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Financing

Amends state law to include SUTA dumping prevention provisions which:

- mandate transfer of experience from one employer to another when there is substantially common ownership, management, or control; apply to both total and partial transfers;
- prohibit transfer of experience if a person becomes an employer by acquiring an existing business and if the purpose of the acquisition is to obtain a lower contribution rate; apply to persons, who prior to the acquisition of the business, (a) had no employees and (b) had some employees but not enough to be an employer for state law purposes;
- provide meaningful civil and criminal penalties for knowingly violating or attempting to violate the law's requirements, and for knowingly advising to violate the law; and
- establish procedures to identify the transfer or acquisition of a business for purposes of the law.