

EDD Update

- AB 1245, E-file and E-pay Mandate: Significant progress is being made in registering employers with e-Services for Business before the mandate takes effect. Thank you for helping us move in this direction and making the transition as smooth as possible.
- UI Solvency Report: www.lao.ca.gov/Publications/Report/3503
- AB 1234, Secure Choice: New retirement security law recently signed by Governor Brown. Still in the early stages of development, more details will be available down the road. For more information, visit www.treasurer.ca.gov/scib/.

Tax Branch Update

- Welcomed new committee members: Andy Agrawal (replacing Oscar Lizotte), Marc Connerly, and Tara Lynn Gray. Looking forward to continue expanding the committee. The goal is 20-25 members. If you know anyone interested, please contact Ken Wallis.
- Introduced two new Tax Branch Division Chiefs: Stella Seatrix-Hicks (Collection Division, replaced Renee Gibson) and Clera Yen (Field Audit and Compliance Division, replaced Lynn Prettyman).
- SBEAC's accomplishments from the last business plan as a result of your feedback and suggestions:
 - Standing agenda items: EDD Director Update, UI Branch Update, Tax Branch and Division Chief Updates.
 - e-Services for Business: Improvements made and new tutorials.
 - Employer Seminar topics have been expanded. Please continue to share any other types of seminars we should provide.
 - Underground economy fraud efforts and marketing have expanded, with [fraud convictions](#) now posted on the EDD website.
 - New *Information Sheet: Penalty Reference Chart, DE 231EP*, was created at the recommendation of Vicki Mulak and is now available and online.

Division Chief Update

- Collection Field Call appointments began in June and the process has been successful. Employers appreciate the new appointment process allowing them to be better prepared and reducing the concern employers have with the EDD visiting their business.
- The 2017 SDI rate is 0.9% and the taxable wages amount is \$110,902.
- The EDD will begin mailing the 2017 *Notice of Contribution Rates and Statement of UI Reserve Account*, DE 2088, by the second week in November and will complete the mailings by December 30. Once the rating process is completed, employers should be able to see their 2017 UI rate online.
- Member Question: Does the EDD know what percentage of collections is from penalties and interest?
 - Response: Voluntary compliance is our goal and educating employers is very important.

Monies collected by the EDD are placed into six different funds as seen in the table below. Amounts received from penalties and interest are placed into the Contingent Fund (CF). In the State Fiscal Year 2015/2016, \$131.1 million was deposited to the CF, which represents 0.2% of the total collections for the fiscal year. Data from the last five fiscal years shows that this percentage has remained constant each year.

Receipts by Fund, SFY 2015/2016		
Fund Name	Receipts (\$ millions)	% of Total
Personal Income Tax Fund	\$54,281.1	81.81%
Unemployment Insurance Fund	\$5,965.5	8.99%
Disability Insurance Fund	\$5,895.6	8.89%
Contingent Fund	\$131.1	0.19%
Employment Training Fund	\$78.8	0.12%
Total	\$66,352.0	100.0%

Unemployment Insurance (UI) Branch Update

The America's Job Center of CaliforniaSM service centers have added staff to start providing UI assistance.

Visit www.americasjobcenter.ca.gov.

E-file and E-pay Mandate (AB 1245)/e-Services for Business Enhancements www.edd.ca.gov/EfileMandate

- Active marketing began in July 2016, with letter notifications, website alerts, presentations, mail inserts and envelope messages, new and updated printed materials, and articles in the California Employer Newsletter.
- Development of new e-Services for Business User Guide, still in review and testing stage with SBEAC member volunteers and the Small Business Development Center trainers.
- View e-Services for Business updates at: www.edd.ca.gov/payroll_taxes/e-Services_for_Business_Updates.htm

Suggested Items for the May 2017 Meeting:

- Results of compiled feedback for two-year business plan.