Legal Title

Garment Manufacturers Special Account

Legal Citation/Authority

Pursuant to Government Code section 13306(a), this fund was administratively created to carry out the objectives of Labor Code section 2675.5(a)

Fund Classification	**Fund Classification**
GAAP Basis	**Legal Basis**
Governmental/Special Revenue Funds	Governmental/General Fund Special Accounts

Purpose

Pursuant to Labor Code section 2675.5(a) funds from this account shall be disbursed by the Labor Commissioner only to persons determined by the Labor Commissioner to have been damaged by the failure of a garment manufacturer to pay wages and benefits, when the damage exceeds the limits of the registrant's bond, if any.

Administering Agency/Organization Code

Department of Industrial Relations/Org 7350

Major Revenue Source

A portion ($75) of each garment manufacturer's annual registration fee per Labor Code section 2675.5(a).

Disposition of Fund (upon abolishment)

Pursuant to Government Code 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment shall be transferred to the General Fund.

Appropriation Authority

Available upon appropriation by the Legislature.

State Appropriations Limit

Excluded – Revenues in this fund are not proceeds of taxes, however, when transferred, may become proceeds of taxes. These revenues are used to regulate the activities engaged in by the payers.

Comments/Historical Information

Chapter 1564, Statutes of 1984 required a portion of each garment manufacturer's annual registration fee be deposited in a separate account. For accountability purposes, the Department of Finance, with the concurrence of the State Controller's Office, established the Garment Manufacturer's Special Account in the General Fund.