



October 31, 2018

To: Voluntary Plan Self-Insurers

Subject: GENERAL RELEASE LETTER

The General Release Letter (GRL) provides the 2019 State Disability Insurance (SDI) Contribution Rate, Wage Ceiling, and the Assessment Rate. The GRL also provides information on legislation and procedural changes that may affect your Voluntary Plan (VP).

A. SDI Contribution Rate and Wage Ceiling

Effective January 1, 2019, the SDI worker contribution rate will be 1.0 percent of an employee's annual gross taxable wages up to \$118,371.

Reference: California Unemployment Insurance Code (CUIC), Section 984(a) (1).

SDI program taxes cover employees up to a ceiling set by Section 985 of the CUIC. The 2019 SDI taxable wage ceiling (the maximum amount of wages per employee that are subject 183.71 (\$118,371 x 1.0 percent). Employers report these contributions to the Employment Development Department (EDD) Tax Branch on the Quarterly Contribution Return, DE 3D, Line D, box D1 labeled VPDI Wages.

Reference: CUIC, Section 985.

B. VP Assessment Rate

Effective January 1, 2019, the VP assessment rate (on line I of the Quarterly Contribution Return, DE 3D) will be 0.140 percent. This figure is the product obtained by multiplying the worker contribution rate by 14 percent, or $0.010 \times 0.14 = 0.140$ percent.

Reference: CUIC, Section 3252(b).



C. Legislation

Senate Bill 1123 Paid Family Leave (PFL) - Qualifying Exigency - Effective January 1, 2021, this bill adds a military exigency as a new eligibility element to receive PFL benefits. Specifically, this bill establishes eligibility for PFL benefits to an employee who takes time off work to participate in a "qualifying exigency" related to active duty status of an individual's spouse, domestic partner, child, or parent in the armed forces of the United States. This bill also defines "qualifying exigency" and specifies the condition under which an individual meets the requirements of a military exigency.

Status: 8/29/2018 Passed in Assembly. 8/30/2018 - Ordered to engrossing and enrolling.

References: An act to amend, repeal, and add Sections 3301, 3302.1, 3303, and 3303.1 of, and to add Sections 3302.2 and 3307 of the CUIA.

D. Regulation

Assembly Bill 2587 PFL - Disability Compensation - This bill deletes the provision to apply up to one week of vacation leave to the PFL waiting period, as specified. This provides consistency with the elimination of the PFL seven day waiting period as a result of AB 908 (Chapter 908, Statutes 2017).

Status: This bill was chaptered by the Secretary of State on 07/09/2018. Chapter 80, Statutes of 2018.

Reference: An act to amend 3303.1 of the CUIA, relating to unemployment benefits.

E. Enclosures

Please refer to the following enclosures for required actions and Voluntary Plan Group (VPG) contact information.

- Enclosure 1 - Calendar of Required Actions
- Enclosure 2 - EDD VPG Central Office Contacts
- Enclosure 3 - EDD VPG Field Office Contacts

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You can access information and forms online about DI, PFL, and the VPG at www.edd.ca.gov/Disability/VP_Forms_and_Publications.htm. For further assistance with your VP, contact us at 1-916-653-6839 or VPPProgram@edd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Renee Gibson", with a stylized flourish at the end.

RENEE GIBSON
Deputy Director
Disability Insurance Branch

Enclosure

Annual Calendar of Required Actions

Note: If the due date falls on a weekend or a holiday, the forms are due on the first workday after the weekend or holiday.

Date	Required Actions
January 2 nd	<p>1. Annual Employee Notification of Benefit Changes</p> <ul style="list-style-type: none"> • Provide a notice of benefit changes to the Voluntary Plan (VP) employees by December 21st, at least 10 days prior to the effective date of January 1st, and provide a copy of that notice to the Voluntary Plan Group (VPG). • No Revised Plan Text is required to be submitted to the EDD due to no new legislations. Update the Plan Text with the 2019 benefit changes and retain copy internally. <p><i>Reference: California Unemployment Insurance Code (CUIC) Section 3271(a); Employer's Guide to Voluntary Plan Procedures, DE 2040, Section – Amendments to Approved Provisions.</i></p>
February 15 th	<p>2. Annual Report of Self-Insured Voluntary Plan Transactions, DE 2568V</p> <ul style="list-style-type: none"> • Form should be submitted by selecting the SEND TO EDD button. <p><i>Reference: California Code of Regulations, Title 22, Section 3267-2</i></p> <p>3. Revised Plan Text</p> <ul style="list-style-type: none"> • If there are changes to the Plan Text other than the benefit changes for 2019, submit a copy of the Revised Plan Text to the EDD. <p><i>Reference: CUIC Section 3271(a); Employer's Guide to Voluntary Plan Procedures, DE 2040, Section – Amendments to Approved Provisions.</i></p>
April 15 th	<p>4. VP Security Review Worksheet, DE 2544SRW</p> <ul style="list-style-type: none"> • Form should be submitted by selecting the SEND TO EDD button. • If a security adjustment is required, send the original security to the VPG. Copies and emailed documents will not be accepted. <p><i>Reference: CUIC Section 3258</i></p>
June 15 th	<p>5. VP Third Party Administrator Authorization Form, DE 2520BV-A</p> <ul style="list-style-type: none"> • This form should be completed by the VP employer to authorize a third party administrator (TPA) to act on its behalf. <p>6. VP Third Party Administrator Administrative Changes Form, DE 2520BV-B</p> <ul style="list-style-type: none"> • This form should be completed by the designated TPA to indicate which duties are performed by the TPA on behalf of the VP employer. <p>7. VP Employer Administrative Changes Form, DE 2520BV-C</p> <ul style="list-style-type: none"> • This form should be completed by the VP employer to inform VPG of authorized representatives of the VP employer. <p><i>Reference: CUIC Section 3267</i></p>

Send hardcopy documents to:
EDD, Disability Insurance Branch
Voluntary Plan Group
PO Box 826880, MIC 29VP
Sacramento, CA 94280-0001

OR

Submit electronically (except securities):
VPPprogram@edd.ca.gov