



December 30, 2020

Dear Voluntary Plan Employer:

The General Release Letter (GRL) provides the 2021 State Disability Insurance (SDI) contribution rate, wage ceiling, and assessment rate. The GRL also provides information on legislation and procedural changes that may affect the Voluntary Plan (VP).

A. SDI Contribution Rate and Wage Ceiling

Effective January 1, 2021, the SDI worker contribution rate will be 1.2 percent of an employee's annual gross taxable wages up to \$128,298.

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

SDI program taxes cover employees up to the 2021 SDI taxable wage ceiling of \$128,298, set by section 985 of the CUIC. The SDI taxable wage ceiling is the maximum amount of wages per employee that are subject to SDI contributions. The maximum annual contribution per employee for 2021 is \$1,539.58 (\$128,298 x 1.2 percent). Employers report these subject wages to the Employment Development Department (EDD) on the *Quarterly Contribution Return* (DE 3D) Line D, Item D1 labeled Voluntary Plan Disability Insurance (VPDI) Wages. Employers are expected to use their e-Services account to file their DE 3D forms quarterly.

Reference: CUIC, section 985.

B. VP Assessment Rate

Effective January 1, 2021, the VPDI assessment rate will be 14 percent of the Disability Insurance (DI) State Plan contribution rate multiplied by taxable wages. In 2021, with the State Plan tax rate at 1.2 percent, VP employers are assessed at 0.00168 (14 percent of 0.012) of VP taxable wages.

Reference: CUIC, section 3252(b).



C. Legislation

Assembly Bill 196 (Gonzalez D) - Paid Family Leave. This bill would define “injury” for certain employees who are employed in an occupation or industry deemed essential in the Governor’s Executive Order of March 19, 2020, except as specified, or who are subsequently deemed essential to include coronavirus diseases of 2019, that develops or manifests itself during a period of employment of those persons in the essential occupation or industry. This would apply to injuries occurring on or after March 1, 2020. Additionally, this bill will shorten the investigatory time frame for denial or presumed acceptance of a claim from 90 days to 30 days.

Reference: An act to add section 3213.5 to the Labor Code, relating to workers’ compensation.

Status: September 1, 2020 - Ordered to inactive file.

Assembly Bill 370 (Voepel R) - Physicians and surgeons: forms: fee limitations. This bill would limit physicians and surgeons to charge no more than a reasonable fee to complete a medical form, including SDI forms.

Reference: An act to add Article 16 (commencing with section 2380) to Chapter 5 of Division 2 of the Business and Professions Code, relating to healing arts.

Status: February 3, 2020 - From Committee: Filed with the Chief Clerk pursuant to Joint Rule 56.

Assembly Bill 499 (Chapter 155, Statutes of 2020) (Mayes) – Personal information: social security numbers: state agencies. This bill would prohibit a state agency, on or before January 1, 2023, from mailing documents to an individual that contains the individual’s Social Security number unless it is truncated to the last four digits, except in specific circumstances. State agencies unable to comply must submit an annual action plan to the Legislature until they are in compliance.

Reference: An act to amend section 11019.7 of the Government Code, relating to state government.

Status: September 25, 2020 - Chaptered by Secretary of State. Chapter 155, Statutes of 2020.

Assembly Bill 406 (Chapter 386, Statutes of 2019) (Limón D) - Paid Family Leave. This bill requires the Department to distribute non-English language Paid Family Leave (PFL) claim forms in all non-English languages spoken by a substantial number of non-English speaking applicants.

Reference: An act to add section 3308 to the CUIA, relating to disability compensation.

Status: September 30, 2019 - Chaptered by Secretary of State. Chapter 386, Statutes of 2019.

Assembly Bill 567 (Chapter 746, Statutes of 2019) (Calderon D) - Long-term care insurance. This bill established the Long Term Care Insurance Task Force in the Department of Insurance. Among other things, the Task Force would consider whether or how a long-term insurance program could be included in the SDI program.

Reference: An act to add and repeal section 10234.75 of the Insurance Code, relating to insurance.

Status: October 11, 2019 - Chaptered by Secretary of State. Chapter 746, Statutes of 2019.

Assembly Bill 890 (Chapter 265, Statutes of 2020) (Wood D) - Nurse practitioners. This bill would allow a nurse practitioner meeting specific requirements to, among other things, certify a SDI claim without physician or surgeon supervision or collaboration.

Reference: An act to amend sections 650.01, 805, and 805.5 of, and to add Article 8.5 (commencing with section 2837.100) to Chapter 6 of Division 2 of, the Business and Professions Code, relating to healing arts.

Status: September 29, 2020 - Chaptered by Secretary of State. Chapter 265, Statutes of 2020.

Assembly Bill 870 (Burke) - Public Social Services. This bill would require the California Health and Human Services Agency to collaborate with other agencies/ government entities including the Labor and Workforce Development Agency to examine the eligibility process and systems for public assistance programs and supportive services. This will include examining the feasibility and barriers to establishing a standardized, single accessible application form and process.

Reference: An act to add section 12803.1 to the Government Code, relating to public social services.

Status: February 3, 2020 - from committee: filed to Chief Clerk pursuant to Joint Rule 56.

Assembly Bill 1224 (Gray D) - Disability Insurance: PFL program. This bill would amend section 3301 of the CUIIC to provide claimants a maximum of 12 weeks of PFL within any 12-month period. This bill also limits the PFL benefits to six weeks for each established disability benefit period.

Reference: An act to amend section 3301 of the CUIIC, relating to employee leave, and making an appropriation therefor.

Status: February 3, 2020 - from committee: filed to Chief Clerk pursuant to Joint Rule 56.

Senate Bill 135 (Jackson D) - PFL – This bill would expand job protection related requirements and broaden the definition of a family member to include designated person related to PFL.

Reference: An act to amend section 12945.2 of, and to repeal section 12945.6 of, the Government Code, to amend section 245.5 of the Labor Code, and to amend sections 3301, 3302, 3303, and 3303.1 of the CUIIC, relating to PFL, and making an appropriation therefor.

Status: February 3, 2020 - died on file pursuant to Joint Rule 56.

Senate Bill 697 (Chapter 707, Statutes of 2019) (Caballero D) - Physician assistants: scope of practice. Similar to AB 890, this bill would expand the scope of physician assistant functions to include SDI certifications without physician or surgeon supervision.

Reference: An act to amend sections 3500, 3501, 3502, 3502.1, 3502.3, 3509, 3516, 3518, 3527, and 3528 of, and to repeal sections 3516.5, 3521, and 3522 of, the Business and Professions Code, relating to healing arts.

Status: October 9, 2019 - Chaptered by Secretary of State. Chapter 707, Statutes of 2019.

Senate Bill 83 (Chapter 24, Statutes 2019) – Budget; PFL and Nonindustrial Disability Insurance: This bill was enacted in June 2019 and became effective immediately, unless otherwise specified. Specifically related to the DI Branch, this bill will:

Beginning July 2020, provide for wage replacement benefits for up to eight weeks (currently six weeks) to workers who take time off work to care for a seriously ill family member or to bond with a minor child within one year of birth or placement.

Beginning July 2019, authorize an excluded state employee, as defined, to receive Nonindustrial Disability Insurance - Family Care Leave benefits equal to one-half full pay, 50 percent of gross salary, for up to 6 weeks of benefits during any 12-month period.

Beginning July 2019, require the rate of worker contributions for calendar year 2020 and for each subsequent calendar year to be 1.30 (currently 1.45) times the amount disbursed from the Disability Fund during the 12-month period ending September 30 and immediately preceding the calendar year for which the rate is to be effective.

Provide that any service contracts entered into by the Director of EDD to implement the requirements of this bill related to the PFL program be exempt from any requirements imposed pursuant to public contracts law, and not be subject to review or approval by the Department of General Services. This bill will also exempt any information technology projects undertaken by the EDD to implement the requirements of this bill, related to the PFL program, from the Project Approval Lifecycle requirements administered by the Department of Technology.

Reference: An act to amend sections 13302, 18930.5, 19792, 19803, 19809, 19815.6, 19878, 19879.1, 19880, 19881, 19882, 19883, 19884, 19995.1.5, 22551, 22555, 22556, 22560, 22600, 22602, 22871.3, and 100014 of, to add sections 3539.6 and 19878.5 to, and to repeal section 12472.5 of, the Government Code, to amend sections 1420, 1421, 1428, 1429, 1429.5, 1430, and 1434 of, to add section 6717.5 to, and to add and repeal section 1455 of, the Labor Code, and to amend sections 984, 1088.9, and 1095 of, and to amend, repeal, and add section 3301 of, the CUIIC, relating to employment, and making an appropriation therefor, to take effect immediately, bill related to the budget.

Status: June 27, 2019 - Chaptered by Secretary of State. Chapter 24, Statutes of 2019.

Assembly Bill 2399 (Committee on Insurance) - PFL: Exigency. This bill would revise definitions of “care recipient,” “care provider” and “family care leave” for the purpose of the qualifying exigency provisions, pursuant to Senate Bill (SB) 1123, effective January 1, 2021. This bill defines “military member.”

Reference: An act to amend sections 3302 and 3307 of the CUIA, relating to PFL.

Status: September 30, 2020 - Chaptered by Secretary of State. Chapter 348, Statutes of 2020.

Senate Bill 1237 (Dodd) - Nurse Midwives: scope of practice. This bill will delete the condition that a certified nurse midwife practice under the supervision of a physician and surgeon.

Reference: An act to amend sections 650.01, 2746.2, 2746.5, 2746.51, and 2746.52 of, and to add sections 2746.54 and 2746.55 to, the Business and Professions Code, and to amend sections 102415, 102426, and 102430 of the Health and Safety Code, relating to healing arts.

Status: September 18, 2020 - Chaptered by Secretary of State. Chapter 88, Statutes of 2020.

Senate Bill 943 (Chang) – PFL: school closures: COVID-19. This bill would, until December 31, 2020, also authorize wage replacement benefits to specified workers who take time off work to care for a child, or other family member, including a child or adult with disabilities, for whom the employee is responsible for providing care if that person’s school has been closed or the care provider is unavailable due to the COVID-19 virus outbreak.

Reference: An act to amend section 3302 of, and to add and repeal sections 3302.1.5 and 3303.5 of, the CUIA, relating to PFL, and declaring the urgency thereof, to take effect immediately.

Status: June 18, 2020 - held in committee and under submission.

Assembly Bill 3216 (Kalra) – Employee leave: authorization. This bill would amend job protection related provisions to include public health emergency and state of emergency. This bill would also authorize the EDD to accept a self-certification from a claimant, in lieu of a medical certification, for SDI purposes, as specified.

Reference: An act to add section 2810.8 to the Labor Code, relating to employment.

Status: September 30, 2020 - Vetoed by Governor.

D. Regulations

Amendments to Title 22, California Code of Regulations sections 3301(d)-1, 3302-1, and 3303-1

These Regulations make regulatory provisions consistent with the statutory provisions of SB 83 (Chapter 24, Statutes of 2019). These amendments are effective July 1, 2020.

E. Voluntary Plan Text changes to the Voluntary Plan Text Provision DE form

The EDD Voluntary Plan Group (VPG) will require all employers and third party administrators to use the VP Text Provision DE form beginning January 1, 2022. The VPG will send out an announcement when the new DE form is available.

You can access information about DI, PFL, and the VPG by visiting [State Disability Insurance](#). For further assistance with your VP, email the [VPProgram](#).

Sincerely,



RONALD WASHINGTON
Deputy Director
Disability Insurance Branch

Enclosures

Annual 2021 VP Calendar of Required Actions

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Due Date	Required Actions
February 16, 2021	<p>Annual Report of Self-Insured Voluntary Plan (VP) Transactions (DE 2568V) (PDF) Submit this form by selecting the SEND TO EDD button.</p> <p>Reference: California Code of Regulations, title 22, section 3267-2</p> <p>Revised Voluntary Plan (VP) Text Provisions Submit this form to the Employment Development Department (EDD) DIBVPNewPlans inbox electronically by email.</p> <p>Reference: California Unemployment Insurance Code (CUIC), section 3271(a); <i>Employer's Guide to Voluntary Plan Procedures</i> (DE 2040), section – Amendments to Approved Provisions.</p>
April 15, 2021	<p>Voluntary Plan (VP) Security Review Worksheet (SRW) (DE 2544SRW) (PDF) Submit this form by selecting the SEND TO EDD button.</p> <p>Send the original security to the Voluntary Plan Group (VPG). Copies and emailed documents will not be accepted.</p> <p>Reference: CUIC, section 3258</p>
June 15, 2021	<p>Voluntary Plan Third Party Administrator Authorization Form (DE 2520BV-A) (PDF) The VP employer completes this form to authorize a third party administrator (TPA) to act on its behalf.</p> <p>Voluntary Plan Third Party Administrator Administrative Changes (DE 2520BV-B) (PDF) The designated TPA completes this form to indicate which duties are performed by the TPA on behalf of the VP employer.</p> <p>Voluntary Plan Employer Administrative Changes (DE 2520BV-C) (PDF) The VP employer completes this form to inform VPG of its authorized representatives. These forms should be emailed to DIBVPNewPlans.</p> <p>Reference: CUIC, section 3267</p>

Send securities to:

EDD, Disability Insurance Branch
Voluntary Plan Group
PO Box 826880, MIC 29VP
Sacramento, CA 94280-0001

Plan Text Provisions and Admin Contact forms must be emailed to [DIVPNewPlans](#).

Email claim related forms or if you have questions to:

- Disability Insurance: [VP Disability Insurance](#)
- Paid Family Leave: [VP Paid Family Leave](#)