

EMPLOYMENT DEVELOPMENT DEPARTMENT

**Amendment of Section 3271-1
Title 22, California Code of Regulations**

**DISABILITY COMPENSATION VOLUNTARY PLANS
ADJUSTMENT IN PROVISIONS OF VOLUNTARY PLAN**

Text of Proposed Amendments

NOTE: Language to be repealed is shown in ~~strikeout~~ format; language to be added is shown in underline format.

AMEND SECTION 3271-1 TO READ AS FOLLOWS:

§ 3271-1. Adjustments in Provisions of Voluntary Plans.

(a) As set forth in Section 3271 of the code, approval of the department shall be requested and such approval shall be given only if the department finds that a majority of the employees covered by the plan, or all of the employees covered by the plan who are adversely affected by the amendment, have consented in writing to the modification and that the plan after such modification will continue to meet the requirements of the code. If the procedure set forth in Section 3271 of the code is followed, approval of the department shall be obtained and such approval shall be given only if the plan after such modification will continue to meet the requirements of the code and of these regulations.

(b) When the plan is amended pursuant to any subdivision of Section 3271 of the code, the notice of amendment distributed to the covered employees must include notification of their right to withdraw from the plan as of the effective date of such amendment. Such withdrawal shall be effected by written notice to the employer not later than 10 days after the effective date.

(c) When the plan is amended pursuant to any changes in contribution rates, benefit amounts, or provisions required by regulation or statute as set forth in Sections 984, 2653, 2655, 3254, 3254.1, 3254.5, and 3255 of the code, the Voluntary Plan employer or its designated third-party administrator is required to submit the plan's updated text provisions, on a form prescribed by the department, not less than 30 days prior to the effective date of any change in contribution rates or benefit amounts or operative date of any new provisions required by statute or regulation; provided, however, that if a statute or regulation requiring such a change becomes effective less than 30 days after its

enactment or filing with the Secretary of State, as applicable, the submission due date will be 30 days from the effective date of the statute or regulation.

The submission due date may also be extended by the department for a period not to exceed an additional 30 days if the department finds good cause demonstrated in a written request, received on or before the submission due date. The written request for an extension must be either e-mailed to DIBVPNewPlans@edd.ca.gov or mailed to:

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

The written request must include the plan number, employer name, and reason for request. The department will respond to a request in the same manner in which it was received.

Failure to comply with the requirements of this section may be cause for termination of the voluntary plan.

Note: Authority cited: Sections 305, 306 and 2602, Unemployment Insurance Code.
Reference: Sections 984, 2653, 2655, 3254, 3254.1, 3254.5, 3254, 3255 and 3271, Unemployment Insurance Code. Section 3251-1, California Code of Regulations.