



December 31, 2023

Dear Voluntary Plan Employer:

The General Release Letter (GRL) provides the 2024 State Disability Insurance (SDI) contribution rate, and the Voluntary Plan (VP) assessment rate. The GRL also provides information on legislation and procedural changes that may affect the VP.

A. SDI Contribution Rate

Effective January 1, 2024, the SDI worker contribution rate will be 1.1 percent of an employee's annual gross taxable wages.

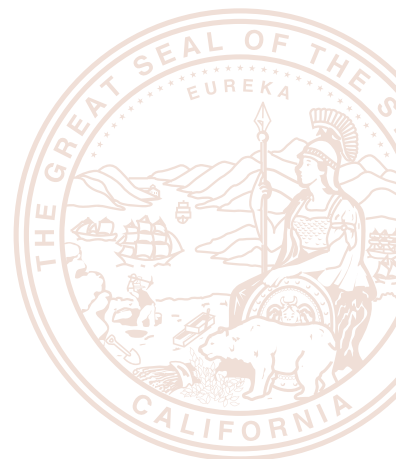
Reference: California Unemployment Insurance Code (CUIC) section 984(a) (1).

Note: Effective January 1, 2024, Senate Bill 951 removes the taxable wage limit and withholdings for each employee subject to SDI contributions. For those VP employers who will retain the wage ceiling, refer to the Guidelines for Voluntary Plan Employers Retaining the Wage Ceiling that was previously sent to the VP community.

B. VP Assessment Rate

Effective January 1, 2024, the VPDI assessment rate will be 14 percent of the Disability Insurance (DI) State Plan contribution rate multiplied by taxable wages. In 2024, with the State Plan tax rate at 1.1 percent, VP employers are assessed at 0.00154 (14 percent of 0.011) of VP taxable wages.

Reference: CUIC, section 3252(b).



C. Legislation

[Assembly Bill \(AB\) 518 \(Wicks\)](#) – Paid Family Leave (PFL): eligibility: care for designated persons. This bill expands the eligibility for benefits under the Paid Family Leave program to include individuals who take time off work to care for a seriously ill “designated person”. This bill would add the definition of “designated persons” which would be a person whose association with the employee is equivalent to a family relationship. The bill would make conforming changes to the definitions of the terms “family care leave” and “family member.”

Reference: An act to amend, repeal, and add sections 3301, 3302, and 3303 of the Unemployment Insurance Code, relating to disability compensation, and making an appropriation therefor.

Status: 09/13/2023- Ordered to inactive file at the request of Senator Durazo.

[AB 575 \(Papan\)](#) – Paid Family Leave. The bill will expand eligibility for Paid Family Leave benefits to individuals who take time off work to bond with a minor child within one year of assuming responsibilities of a child in loco parentis. This bill also deletes the eligibility restriction relating to another family member being ready, willing, and able and available to provide care (or partake in a military exigency) for the same period. Additionally, this bill would delete the authority of an employer to require a worker to take vacation leave before receiving benefits.

Reference: An act to amend sections 3301, 3302, 3302.1, 3303, and 3303.1 of the Unemployment Insurance Code, relating to unemployment insurance, and making an appropriation therefor.

Status: 10/08/2023- Vetoed by Governor.

[AB 1163 \(Luz Rivas\)](#) – Lesbian, Gay, Bisexual, and Transgender (LGBT) Disparities Reduction Act. Under the existing law, the LGBT Disparities Reduction Act requires state entities to collect demographic data and collect voluntary data on individuals’ self-identification information on sexual orientation and gender identity. The bill will prohibit public disclosure of self-identifying information in which an individual may be identified by the provided voluntary data. This bill also requires additional state agencies to enact the bill’s provisions by January 1, 2025, but no later than July 1, 2026.

Reference: An act to add section 14776 to the Government Code, relating to data collection.

Status: 10/13/2023 Chaptered by Secretary of State – Chapter 832, Statutes of 2023.

AB 549 (Wilson) – Gender discrimination. This bill would require all state agencies to evaluate their own department to ensure that women are not discriminated against through the allocation of funding and delivery of services. This bill would require agencies on or before January 1, 2025, and every two years on or before January 1st, to report findings to the Commission on the Status of Women and Girls and provide recommendations for changes in practices or policies to ensure the state does not discriminate against women.

Reference: An act to add Chapter 3.15 (commencing with section 8250.2) to Division 1 of Title 2 of the Government Code, relating to discrimination.

Status: 05/18/2023- In committee: Held under submission.

AB 1516 (Kalra) – Labor and Workforce Development Agency: working group: minimum wage. This bill requires the Labor and Workforce Development Agency to meet a working group study to evaluate topics related to minimum wage in California and submit a report to the Legislature on or before July 1, 2024, with recommendations for raising the minimum wage for all workers in California.

Reference: An act to add section 1182.14 to the Labor Code, relating to employment.

Status: 05/31/2023- Ordered to inactive file at the request of Assembly Member Kalra.

Senate Bill (SB) 667 (Dodd) – Healing arts: pregnancy and childbirth. This bill makes amendments to the scope of a certified nurse-midwife. This bill makes changes to the definition of “practitioner” to include nurse practitioners who act within their scope to include pregnancy, childbirth, and post-partum conditions consistent with the scope of their professional licensure.

Reference: An act to amend sections 1206.5, 1265, 2746.5, 2746.51, and 4170 of the Business and Professions Code, and to amend section 2708 of the Unemployment Insurance Code, relating to healing arts.

Status: 10/08/2023- Chaptered by Secretary of State – Chapter 497, Statutes of 2023.

SB 636 (Cortese) – Workers’ compensation: utilization review. This bill would, for private employers, require psychologists and physicians be licensed by California state law for the purposes of workers’ compensation. This bill requires employers establishing a medical treatment utilization review process to ensure that utilization review physicians have the same duty of care to an employee as a treating physician. The bill makes an intent statement sharing the Legislature intends to require these physicians that are performing utilization review must be licensed in California and subject to the

Medical Board of California. This bill would also define “health professional” for the purposes of establishing medical eligibility for filing disability benefits. The provisions of this bill apply to private employers and employees. The bill would, for private employers, require, by January 1, 2025, that physicians be licensed by California state law.

Reference: An act to amend 4610 of the Labor Code, relating to workers’ compensation.

Status: 08/28/2023- Ordered to inactive file on the request of Assembly Member Bryan.

[SB 279 \(Niello\)](#) – Administrative regulations: public participation: comment process. This bill requires state agencies to provide a minimum 21-day public comment period for regulations that require a standardized regulatory impact analysis to determine if it is a “major regulation” and to allow interested parties to submit economic impact statements or other related information. This bill also requires the department, upon receipt of the analysis, to provide a 30-day public comment period on the analysis.

Reference: An act to amend section 11346.3 of the Government Code, relating to state government.

Status: 05/18/2023- May 18 hearing: Held in committee and under submission

D. Regulations

Amendments to Title 22, California Code of Regulations: 2706-5 and 2706-7

These regulations include provisions to establish criteria for determining timeliness of a SDI benefit payment pending an appeal when the envelope with a postmark date is not retained. The regulations clarify that the postmark date is established by counting back five business days from the receipt date.

Amendments to Title 22, California Code of Regulations: 2655 (d)-1

These regulations establish definitions for the terms “Date Disability Began” and “Claim Effective Date”. These definitions will eliminate uncertainty and clarify the use of each date when determining a base period and benefit award.

Amendments to Title 22, California Code of Regulations: 3258-1(a)

These regulations would remove the reference to Bearer Bonds for VP securities. These would be consistent with the Tax Equity and Fiscal Responsibility Act of 1982.

Amendments to Title 22, California Code of Regulations: 3271-1

These regulations would specify that VP employers or their designated Third-Party Administrator (TPAs) need to submit their updated plan text to the Employment

Development Department (EDD) for review and approval not less than 30 days prior to the effective date of any change in contribution rates or operative date of any new law or regulation. This will ensure that the VP employers comply with current laws and regulations in the administration of their VPs for its covered employees. Additionally, this proposed regulation will provide the EDD adequate time to review and approve VP text provisions prior to the effective date of changes in contribution rates, benefit amounts, and new provisions as mandated by law and regulations.

Amendments to Title 22, California Code of Regulations: 2706-1 and 2706-2

These regulations would give the Department a clear authority to verify physician and practitioner information for a first claim for DI and PFL benefits to be properly completed.

Amendments to Title 22, California Code of Regulations: 2706-4

These regulations would require vetted physicians, practitioners, and registrars of county hospitals to file medical documents electronically through their verified EDD online accounts. The proposed changes would reaffirm that required claim documents completed may continue to be filed by mail or electronically.

Amendments to Title 22, California Code of Regulations: 2706-2, 3302-1 and 3303.1(a)-1

These regulations would establish eligibility requirements and definitions of new terms related to the new PFL component for “qualifying exigency” and outline all required elements to submit a completed claim for PFL benefits due to “qualifying exigency”. These regulations would add definitions for the term’s military assist claim, military member, and qualifying event.

E. Form Revisions

The Voluntary Plan Group (VPG) continually updates VPDI forms to meet customer and agency needs. The latest update is the Model Letter of Credit (MLOC) (Example) (DE 2042) form and will be available online at [Voluntary Forms and Publications](http://edd.ca.gov/en/Disability/VP_Forms_and_Publications). (edd.ca.gov/en/Disability/VP_Forms_and_Publications).

1. [Model Letter of Credit \(MLOC\) \(Example\) \(DE 2042\) \(PDF\)](#)

Now available on the Employment Development Department website. VP employers are recommended to reference the new Model Letter of Credit (DE 2042). The DE 2042 has the required language needed for an acceptable letter of credit. Provide this document to the banking institutions when preparing a letter of credit for the VP security. Access other VP forms at [Voluntary Forms and Publications](http://edd.ca.gov/en/Disability/VP_Forms_and_Publications). (edd.ca.gov/en/Disability/VP_Forms_and_Publications)

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

Sincerely,



MELISSA STONE
Deputy Director
Disability Insurance Branch

Enclosures
2024 Annual VP Calendar of Required Actions

Annual 2024 Calendar of Required Actions

Due Date	Required Actions
<p>February 15, 2024</p>	<p>Annual Report of Self-Insured Voluntary Plan (VP) Transactions (DE 2568V) (PDF) Submit this form by selecting the SEND TO EDD button. (Include VP Trust Fund bank statements for employee paid plans) Reference: California Code of Regulations, Title 22, section 3267-2</p>
<p>April 15, 2024</p>	<p>Voluntary Plan (VP) Security Review Worksheet (SRW) (DE 2544SRW) (PDF) Submit this form by selecting the SEND TO EDD button. Send the original security to the Voluntary Plan Group (VPG) if the increase is five percent or more. Decreases to the security can also be submitted, if VPG approved the SRW confirming the allowable security decrease amount. Copies and emailed documents will not be accepted. Reference: California Unemployment Insurance Code (CUIC), section 3258</p>
<p>June 17, 2024. Note: These forms are also required to be submitted immediately whenever there is a change to the administrative contact information.</p>	<p>Voluntary Plan Third Party Administrator Authorization (DE 2520BV-A) (PDF) The VP employer completes this form to authorize a third party administrator (TPA) to act on its behalf. 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. 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@edd.ca.gov. Reference: CUIC, section 3267</p>
<p>December 2, 2024 For changes effective January 1, 2025</p>	<p>Voluntary Plan (VP) Text Provisions (DE 2008) (PDF) This plan text applies to VP Disability Insurance and Paid Family Leave benefit periods. These forms should be emailed to dibvpnewplans@edd.ca.gov Reference: CUIC, section 3271(a); Employer's Guide to Voluntary Plan Procedures (DE 2040), section – Amendments Initiated by the Employer.</p>

Send securities to:

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

Email DI and PFL claim questions and forms to:

- Disability Insurance: divpg@edd.ca.gov
- Paid Family Leave: dibpflvp225DIBPFLVP225@edd.ca.gov