

California

<https://www.edd.ca.gov/disability/>



Date law enacted	Disability Insurance Start Date: 1946 Family Leave Insurance: Start Date: 2004 (Enhancements: 2021)
Annual updates due	November
Benefits can be used for	DI can be used for a worker's own serious off-the job illness or injury. Paid Family Leave (PFL) can be used to (1) bond with a child within one year of the child's birth or placement for foster care or adoption; or (2) care for a family member with a serious health condition; or (3) address certain military family needs.
Type of law	Competitive between state fund and private plans — former automatic if latter not elected by employer, following approval by a majority of employees.
Funding source	Tax-supported state fund provides benefits — like Unemployment Compensation. Voluntary plans must exceed the state's offering without additional costs to employees.
Types of private plans	Self-insured plans exceeding state fund standards. Employee vote required before state will approve a voluntary private CA VDI/PFL plan.
Limitations upon right to establish private plans	Must not result in substantial selection of risks adverse to the state fund.
Employee contributions	State or private; not more than 1.1% of the first \$145,600 of annual wages (maximum of \$1,601.60).
Employer contributions required	State: None Private plan: Service fees for self-insured plan administration
Employers covered	Employers of one or more and pay more than \$100 of wages in any quarter — same as Unemployment Compensation.
Employees excluded	Certain employees of certain non-profit organizations, railroad and government employees, real estate salesmen, and others.
Religious exemptions	Members of any sect, etc., which depends on prayer for healing in the practice of religion, upon filing waiver of benefits.
Employee eligibility requirements	Earnings in base year of not less than \$300, from which state disability taxes were withheld.
How benefits are computed	Wage replacement is: 60% for individuals who earn one-third or more of the State's Average Quarterly Wage (SAWW); or 70% for individuals who earn less than one-third of the SAWW. SAWW Q1 2021 = \$1,383

California (continued)

Minimum weekly benefits	\$50
Maximum weekly benefits	\$1,540
Maximum duration	Disability: 52 weeks PFL: 8 weeks
Waiting period	Disability: 7 days PFL: None
Maternity benefits	Pregnancy-related disabilities treated as any other illness.
Effect of continued pay from employer during disability	Can still receive disability benefits for each day of disability in amount which, together with wages, does not exceed 1/7 of regular weekly wage immediately prior to disability.
State sick leave mandate	Yes. One hour for every 30 hours worked, can use up to 24 hours, accrue up to 48 hours. In-Home Supportive Service Workers: From January 1, 2020 to December 31, 2021 (scheduled), can use up to 16 hours. From January 1, 2022 onwards, can use up to 24 hours.
State program benefits financed by	State fund, which will be credited with a percentage of taxable wages paid to employees for each calendar year.
Post-employment	None
Job protection	None
Family leave covered relatives	Child, parent, grandparent, grandchild, sibling, spouse, or registered domestic partner.
Definition of wages used in contribution and benefit calculations	Wages are payments made to an employee for his or her personal services, including commissions, bonuses, and the reasonable cash value of all amounts paid to employees in any medium other than cash (for example, taxable benefits).
Benefit taxation	SDI: No, unless an employee was receiving unemployment first, then qualifies for SDI. In this instance, state-paid DI benefits are taxable for federal income tax and the state will issue a 1099-G. PFL: State-issued benefits are taxable for federal income tax and the state will issue a 1099-G. Please visit here for more information: https://www.edd.ca.gov/Disability/SDI_FAQ_for_1099G.htm Voluntary plan taxation for DI/PFL can be different. In many cases, plan administrators issue a W2 for benefits received under an employer-sponsored self-insured private plan.