

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: State Disability Insurance (SDI)	REFERENCE NUMBER: 2005-015
DATE ISSUED: 5/3/05	SUPERSEDES:

This memorandum should be forwarded to:

**Personnel Officers
Labor Relations Officers**

FROM: Department of Personnel Administration
Labor Relations Division

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The Department of Personnel Administration is sending you the attached fact sheet to respond to questions you may have about the implementation of the State Disability Insurance program (SDI) benefits for employees in SEIU-represented bargaining units (1, 3, 4, 11, 14, 15, 17, 20, and 21). We anticipate SDI withholding for these employees will begin October 1, 2005.

This benefit was established through a side letter dated March 3, 2004, between the State of California and SEIU, Local 1000.

We're also working with the State Controller's Office (SCO) and the Employment Development Department (EDD) to offer SDI training for departmental personnel offices in mid-July. We'll send you information about that training in the near future.

For additional information about SDI, visit EDD's Web site at www.edd.ca.gov/direp/diind.htm.

If you have questions or need additional information, please contact Sydney Perry at the number or e-mail address listed above.

Attachment

Fact Sheet State Disability Insurance (SDI)

This fact sheet explains the **State Disability Insurance program (SDI)** which was negotiated for employees in Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21. All represented employees in these bargaining units will be converted to the SDI program once it's implemented.

1. What is SDI?

SDI pays part of an employee's wages if they have to stop working because of a non-work-related illness or injury. SDI also covers an employee if they take time off due to pregnancy or childbirth, or to bond with a minor child (i.e., under age 18) within one year of its birth, adoption, or foster care placement. SDI also covers time off to care for a seriously ill child, spouse, parent, or domestic partner. For specific benefit eligibility and payment amount information please refer to www.edd.ca.gov/direp/diind.htm.

2. How is the SDI program funded?

The SDI program is funded through employee payroll deductions. The deduction for calendar year 2005 (contribution rate) is 1.08 percent of gross salary, up to \$79,418. The SDI contribution rate is reviewed yearly and adjusted for the following year if necessary to cover anticipated costs associated with the program.

3. Can an employee choose to participate in either SDI or NDI/ENDI?

No. The existing agreement provides for continuing the current NDI program (both the regular and enhanced benefit levels) until the SDI deductions start, and for six months following the initial SDI deduction. After that, the State will discontinue coverage under the NDI program if the employee is in a bargaining unit covered by SDI.

4. When does SDI coverage for State employees begin?

The agreement between the Service Employee International Union (SEIU) and the State provides for implementation no later than January 1, 2006. The State Controller's Office (SCO) will begin withholding SDI deductions on payments issued on or after October 1, 2005.

5. Will the State continue to contribute to the employee's health, dental, and vision benefits if the employee is unable to work and receive SDI benefits?

If an employee is unable to work (for reasons described in question 1) and is receiving SDI benefits, the State will **not** pay employer contributions for an employee's health, dental, and vision benefits during that time. However, an employee may be entitled to continuing payment for these benefits under the Family and Medical Leave Act (FMLA) for up to a maximum of 12 weeks, or the period of time they are eligible for leave under FMLA.

6. Who administers the SDI program?

The Employment Development Department (EDD) administers the SDI program; the SCO will calculate and withhold the deductions and the Department of Personnel Administration (DPA) is responsible for contract administration.

7. Can an employee use leave credits while receiving SDI benefits?

The agreement between the State and SEIU does not allow for the use of accrued leave credits while receiving SDI benefits. However, an employee may use accrued vacation, annual leave, CTO, holiday credit, personal leave (PLP), or sick leave balances to cover the benefit waiting period, per the provisions of the Memorandum of Understanding (MOU).

8. How soon can an employee claim benefits?

The SCO will implement on October 1, 2005, which means an employee could be eligible for SDI benefits beginning April 1, 2006, provided there are sufficient wages in the employee's "base period." (Visit the EDD Web site at www.edd.ca.gov/direp/difaq2.htm#Benefits for base period information.)

9. Is an employee covered for paid family leave benefits under SDI?

Yes. Paid Family Leave, known as Family Temporary Disability Insurance (FTDI), provides benefits to individuals who need to be off work to care for a seriously ill family member or for the birth, adoption, or foster care placement of a child. FTDI is a component of SDI, which means if an employee is covered by SDI, they are also covered for this paid family leave benefit.

10. Where can an employee find additional information about SDI, such as eligibility, benefit amounts, claim filing, etc.?

Specific information about the SDI program is available on EDD's Web page at www.edd.ca.gov/direp/diind.htm.

Please note that these questions and answers are intended to be general in nature, and may not address each individual situation. Specific situations will need to be evaluated on a case-by-case basis and in accordance with the applicable MOU.

♦ BARGAINING UNITS:

BARGAINING UNIT 1
PROFESSIONAL, ADMINISTRATIVE, FINANCIAL, AND STAFF SERVICES
Union: <http://www.seiu1000.org/>

BARGAINING UNIT 3
PROFESSIONAL EDUCATORS AND LIBRARIANS
Union: [Service Employees International Union \(SEIU\)](#), Local 1000

BARGAINING UNIT 4
OFFICE AND ALLIED
Union: [Service Employees International Union \(SEIU\)](#), Local 1000

BARGAINING UNIT 11
ENGINEERING AND SCIENTIFIC TECHNICIANS
Union: [Service Employees International Union \(SEIU\)](#), Local 1000

BARGAINING UNIT 14
PRINTING AND ALLIED TRADES
Union: [Service Employees International Union \(SEIU\)](#), Local 1000

BARGAINING UNIT 15
ALLIED SERVICES
Union: [Service Employees International Union \(SEIU\)](#), Local 1000

BARGAINING UNIT 17
REGISTERED NURSE
Union: [Service Employees International Union \(SEIU\)](#), Local 1000

BARGAINING UNIT 20
MEDICAL AND SOCIAL SERVICES
Union: [Service Employees International Union \(SEIU\)](#), Local 1000

BARGAINING UNIT 21
EDUCATIONAL CONSULTANT AND LIBRARY
Union: [Service Employees International Union \(SEIU\)](#), Local 1000