

AMENDED IN SENATE AUGUST 31, 2015

AMENDED IN SENATE JUNE 18, 2015

AMENDED IN ASSEMBLY MARCH 18, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 908

**Introduced by Assembly Members Gomez and Burke
(Coauthor: Assembly Member Gonzalez)**

February 26, 2015

An act to ~~amend~~ *amend, repeal, and add* Section 3301 of the Unemployment Insurance Code, relating to disability compensation, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 908, as amended, Gomez. Disability compensation: family temporary disability insurance.

Existing unemployment compensation disability law provides a formula for determining benefits available to qualifying disabled individuals. For an individual who has quarterly base wages of greater than \$1,749.20, the weekly benefit is calculated by multiplying base wages by 55% and dividing the result by 13. For a benefit that is not a multiple of \$1, existing law provides that the benefit shall be computed to the next higher multiple of \$1. However, existing law provides that this amount may not exceed the maximum workers' compensation temporary disability indemnity weekly benefit amount.

Under existing law, the family temporary disability insurance program provides up to 6 weeks of wage replacement benefits to workers who take time off work to care for specified persons, or to bond with a minor child within one year of the birth or placement of the child in connection

with foster care or adoption. Existing law defines “weekly benefit amount” for purposes of this program to mean the amount of benefits available to qualifying disabled individuals pursuant to unemployment compensation disability law.

This bill would require the family temporary disability insurance program to provide up to ~~10~~ 8 weeks of wage replacement benefits *on and after January 1, 2018*. This bill would, for purposes of this program *on and after January 1, 2017*, require the weekly benefit amount to be calculated with a specified formula. However, the amount would be prohibited from being less than \$250, *except as specified*, and more than the maximum workers’ compensation temporary disability indemnity weekly benefit amount, as specified.

Under existing law, workers are required to pay contributions to the Unemployment Compensation Disability Fund, a special fund in the State Treasury, and those funds are continuously appropriated for the purpose of providing disability benefits and making payment of expenses in administering those provisions.

This bill, by authorizing an increase in the expenditure of money from the Unemployment Compensation Disability Fund, would make an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 3301 of the Unemployment Insurance
- 2 Code is amended to read:
- 3 3301. (a) (1) The purpose of this chapter is to establish, within
- 4 the state disability insurance program, a family temporary disability
- 5 insurance program. Family temporary disability insurance shall
- 6 provide up to six weeks of wage replacement benefits to workers
- 7 who take time off work to care for a seriously ill child, spouse,
- 8 parent, grandparent, grandchild, sibling, or domestic partner, or
- 9 to bond with a minor child within one year of the birth or placement
- 10 of the child in connection with foster care or adoption.
- 11 (2) Nothing in this chapter shall be construed to abridge the
- 12 rights and responsibilities conveyed under the CFRA or pregnancy
- 13 disability leave.
- 14 (b) An individual’s “weekly benefit amount” shall be the amount
- 15 provided in Section 2655. An individual is eligible to receive

1 family temporary disability insurance benefits equal to one-seventh
2 of his or her weekly benefit amount for each full day during which
3 he or she is unable to work due to caring for a seriously ill or
4 injured family member or bonding with a minor child within one
5 year of the birth or placement of the child in connection with foster
6 care or adoption.

7 (c) The maximum amount payable to an individual during any
8 disability benefit period for family temporary disability insurance
9 shall be six times his or her “weekly benefit amount,” but in no
10 case shall the total amount of benefits payable be more than the
11 total wages paid to the individual during his or her disability base
12 period. If the benefit is not a multiple of one dollar (\$1), it shall
13 be computed to the next higher multiple of one dollar (\$1).

14 (d) No more than six weeks of family temporary disability
15 insurance benefits shall be paid within any 12-month period.

16 (e) An individual shall file a claim for family temporary
17 disability insurance benefits not later than the 41st consecutive
18 day following the first compensable day with respect to which the
19 claim is made for benefits, which time shall be extended by the
20 department upon a showing of good cause. If a first claim is not
21 complete, the claim form shall be returned to the claimant for
22 completion and it shall be completed and returned not later than
23 the 10th consecutive day after the date it was mailed by the
24 department to the claimant, except that such time shall be extended
25 by the department upon a showing of good cause.

26 (f) This section shall become ~~operative on July 1, 2014.~~
27 *inoperative and shall be repealed on January 1, 2017.*

28 *SEC. 2. Section 3301 is added to the Unemployment Insurance*
29 *Code, to read:*

30 *3301. (a) (1) (A) The purpose of this chapter is to establish,*
31 *within the state disability insurance program, a family temporary*
32 *disability insurance program. Family temporary disability*
33 *insurance shall provide wage replacement benefits to workers who*
34 *take time off work to care for a seriously ill child, spouse, parent,*
35 *grandparent, grandchild, sibling, or domestic partner, or to bond*
36 *with a minor child within one year of the birth or the placement*
37 *of the child in connection with foster care or adoption.*

38 *(B) Before January 1, 2018, up to six weeks of wage replacement*
39 *benefits shall be provided.*

1 (C) On and after January 1, 2018, up to eight weeks of wage
2 replacement benefits shall be provided.

3 (2) Nothing in this chapter shall be construed to abridge the
4 rights and responsibilities conveyed under the CFRA or pregnancy
5 disability leave.

6 (b) An individual is eligible to receive family temporary
7 disability insurance benefits equal to one-seventh of his or her
8 weekly benefit amount for each full day during which he or she is
9 unable to work due to caring for a seriously ill or injured family
10 member or bonding with a minor child within one year of the birth
11 or the placement of the child in connection with foster care or
12 adoption.

13 (c) (1) Before January 1, 2018, the maximum amount payable
14 to an individual during any disability benefit period for family
15 temporary disability insurance shall be six times his or her “weekly
16 benefit amount,” but in no case shall the total amount of benefits
17 payable be more than the total wages paid to the individual during
18 his or her disability base period.

19 (2) On and after January 1, 2018, the maximum amount payable
20 to an individual during any disability benefit period for family
21 temporary disability insurance shall be eight times his or her
22 “weekly benefit amount,” but in no case shall the total amount of
23 benefits payable be more than the total wages paid to the individual
24 during his or her disability base period.

25 (d) (1) Before January 1, 2018, no more than six weeks of family
26 temporary disability insurance benefits shall be paid within any
27 12-month period.

28 (2) On and after January 1, 2018, no more than eight weeks of
29 family temporary disability insurance benefits shall be paid within
30 any 12-month period.

31 (e) An individual shall file a claim for family temporary
32 disability insurance benefits not later than the 41st consecutive
33 day following the first compensable day with respect to which the
34 claim is made for benefits, which time shall be extended by the
35 department upon a showing of good cause. If a first claim is not
36 complete, the claim form shall be returned to the claimant for
37 completion and it shall be completed and returned not later than
38 the 10th consecutive day after the date it was mailed by the
39 department to the claimant, except that such time shall be extended
40 by the department upon a showing of good cause.

1 (f) For purposes of this chapter, an individual’s “weekly benefit
2 amount” shall be as follows:

3 (1) When the amount of wages paid to the individual for
4 employment by employers during the quarter of the individual’s
5 disability base period in which these wages were highest is not
6 more than four thousand sixty three dollars (\$4,063), then two
7 hundred fifty dollars (\$250), except that the weekly benefit amount
8 shall not exceed the amount of wages paid to the individual during
9 the quarter of the person’s disability base period in which these
10 wages were highest divided by 13.

11 (2) When the amount of wages paid to the individual for
12 employment by employers during the quarter of the individual’s
13 disability base period in which these wages were highest is more
14 than four thousand sixty three dollars (\$4,063), but not more than
15 five thousand dollars (\$5,000), then 80 percent of the amount of
16 wages paid to the individual for employment by employers during
17 the quarter of the individual’s disability base period in which these
18 wages were highest, divided by 13. If the weekly benefit amount
19 is not a multiple of one dollar (\$1), it shall be computed to the next
20 higher multiple of one dollar (\$1).

21 (3) When the amount of wages paid to the individual for
22 employment by employers during the quarter of the individual’s
23 disability base period in which these wages were highest is more
24 than five thousand dollars (\$5,000), but is not more than fifteen
25 thousand dollars (\$15,000), then either (A) three hundred eight
26 dollars (\$308) or (B) 75 percent of the amount of wages paid to
27 the individual for employment by employers during the quarter of
28 the individual’s disability base period in which these wages were
29 highest divided by 13, whichever amount is greater. If the weekly
30 benefit amount is not a multiple of one dollar (\$1), it shall be
31 computed to the next higher multiple of one dollar (\$1).

32 (4) Except as provided in paragraph (5), when the amount of
33 wages paid to the individual for employment by employers during
34 the quarter of the individual’s disability base period in which these
35 wages were highest exceeds fifteen thousand dollars (\$15,000),
36 then either (A) eight hundred sixty five dollars (\$865) or (B) 65
37 percent of the amount of wages paid to the individual for
38 employment by employers during the quarter of the individual’s
39 disability base period in which these wages were highest divided
40 by 13, whichever amount is greater. If the weekly benefit amount

1 *is not a multiple of one dollar (\$1), it shall be computed to the next*
2 *higher multiple of one dollar (\$1).*

3 (5) *An individual’s “weekly benefit amount” shall not exceed*
4 *the maximum workers’ compensation temporary disability*
5 *indemnity weekly benefit amount established by the Department*
6 *of Industrial Relations pursuant to Section 4453 of the Labor Code.*

7 (g) *This section shall become operative on January 1, 2017.*

8 SECTION 1. ~~Section 3301 of the Unemployment Insurance~~
9 ~~Code is amended to read:~~

10 3301. (a) (1) ~~The purpose of this chapter is to establish, within~~
11 ~~the state disability insurance program, a family temporary disability~~
12 ~~insurance program. Family temporary disability insurance shall~~
13 ~~provide up to 10 weeks of wage replacement benefits to workers~~
14 ~~who take time off work to care for a seriously ill child, spouse,~~
15 ~~parent, grandparent, grandchild, sibling, or domestic partner, or~~
16 ~~to bond with a minor child within one year of the birth or the~~
17 ~~placement of the child in connection with foster care or adoption.~~

18 (2) ~~Nothing in this chapter shall be construed to abridge the~~
19 ~~rights and responsibilities conveyed under the CFRA or pregnancy~~
20 ~~disability leave.~~

21 (b) ~~An individual is eligible to receive family temporary~~
22 ~~disability insurance benefits equal to one-seventh of his or her~~
23 ~~weekly benefit amount for each full day during which he or she is~~
24 ~~unable to work due to caring for a seriously ill or injured family~~
25 ~~member or bonding with a minor child within one year of the birth~~
26 ~~or the placement of the child in connection with foster care or~~
27 ~~adoption.~~

28 (c) ~~The maximum amount payable to an individual during any~~
29 ~~disability benefit period for family temporary disability insurance~~
30 ~~shall be 10 times his or her “weekly benefit amount,” but in no~~
31 ~~case shall the total amount of benefits payable be more than the~~
32 ~~total wages paid to the individual during his or her disability base~~
33 ~~period.~~

34 (d) ~~No more than 10 weeks of family temporary disability~~
35 ~~insurance benefits shall be paid within any 12-month period.~~

36 (e) ~~An individual shall file a claim for family temporary~~
37 ~~disability insurance benefits not later than the 41st consecutive~~
38 ~~day following the first compensable day with respect to which the~~
39 ~~claim is made for benefits, which time shall be extended by the~~
40 ~~department upon a showing of good cause. If a first claim is not~~

1 complete, the claim form shall be returned to the claimant for
2 completion and it shall be completed and returned not later than
3 the 10th consecutive day after the date it was mailed by the
4 department to the claimant, except that such time shall be extended
5 by the department upon a showing of good cause.

6 (f) For purposes of this chapter, an individual's "weekly benefit
7 amount" shall be as follows:

8 (1) When the amount of wages paid to the individual for
9 employment by employers during the quarter of the individual's
10 disability base period in which these wages were highest is not
11 more than four thousand sixty three dollars (\$4,063), then two
12 hundred fifty dollars (\$250).

13 (2) When the amount of wages paid to the individual for
14 employment by employers during the quarter of the individual's
15 disability base period in which these wages were highest is more
16 than four thousand sixty three dollars (\$4,063), and does not exceed
17 25 percent of the amount of the annual full-time minimum wage
18 level, then 80 percent of the amount of wages paid to the individual
19 for employment by employers during the quarter of the individual's
20 disability base period in which these wages were highest, divided
21 by 13. If the weekly benefit amount is not a multiple of one dollar
22 (\$1), it shall be computed to the next higher multiple of one dollar
23 (\$1).

24 (3) When the amount of wages paid to the individual for
25 employment by employers during the quarter of the individual's
26 disability base period in which these wages were highest exceeds
27 25 percent of the amount of the annual full-time minimum wage
28 level, but does not exceed 75 percent of the amount of the annual
29 full-time minimum wage level, then either (A) 20 percent of the
30 annual full-time minimum wage level divided by 13 or (B) 75
31 percent of the amount of wages paid to the individual for
32 employment by employers during the quarter of the individual's
33 disability base period in which these wages were highest divided
34 by 13, whichever amount is greater. If the weekly benefit amount
35 is not a multiple of one dollar (\$1), it shall be computed to the next
36 higher multiple of one dollar (\$1).

37 (4) Except as provided in paragraph (5), when the amount of
38 wages paid to the individual for employment by employers during
39 the quarter of the individual's disability base period in which these
40 wages were highest exceeds 75 percent of the amount of the annual

1 full-time minimum wage level, then either (A) 56.25 percent of
2 the annual full-time minimum wage level divided by 13 or (B) 65
3 percent of the amount of wages paid to the individual for
4 employment by employers during the quarter of the individual's
5 disability base period in which these wages were highest divided
6 by 13, whichever amount is greater. If the weekly benefit amount
7 is not a multiple of one dollar (\$1), it shall be computed to the next
8 higher multiple of one dollar (\$1).
9 (5) An individual's "weekly benefit amount" shall not exceed
10 the maximum workers' compensation temporary disability
11 indemnity weekly benefit amount established by the Department
12 of Industrial Relations pursuant to Section 4453 of the Labor Code.
13 (g) For purposes of this chapter, the "annual full-time minimum
14 wage level" means 2,000 hours multiplied by the hourly minimum
15 wage in effect pursuant to Section 1182.12 of the Labor Code.