

# CAPS COUNTER PROPOSAL

**Bargaining Unit:** 10  
**Exclusive Representative:** CAPS  
**Article:** 3  
**Subject:** Leaves

**Date:** August 18, 2022 @10:12am

## 3.24 New - State Disability Insurance (SDI)

Bargaining Unit 10 shall be converted to the State Disability Insurance (SDI) program following ratification by both parties and pursuant to the process below:

- A. Effective at the earliest possible date within 6 months from ratification, implementation of the SDI program for Bargaining Unit 10 shall be completed. The completion of implementation will signify the beginning of SDI deductions and the beginning of the transition period.
- B. The transition period for Bargaining Unit 10 shall span six (6) months.
- C. At the completion of the transition period, all Bargaining Unit 10 employees shall be covered under the State Disability Insurance (SDI) benefit as follows:
  1. Employees eligible for SDI benefits are those who are defined by section 2601, et seq. of the California Unemployment Insurance Code. SDI provides benefits for an employee disabled due to a non-work-related illness or injury. SDI benefits include Paid Family Leave (PFL) which provides benefits to an employee who takes time off to care for a seriously ill family member as defined by section 3301 et seq. of the California Unemployment Insurance Code, or to bond with a minor child within one (1) year after the child's birth or placement of the child in connection with foster care or adoption. Eligible employees covered under the SDI program shall receive benefits pursuant to California Unemployment Insurance Code section 2655.
  2. The State will pay the full premiums for an employee and any applicable dependent coverage for health, dental and vision benefits for the length of the employee's disability up to a maximum of twenty-six (26) weeks and for PFL up to a maximum of eight (8) weeks. The State shall recover the employee's portion of the premium paid through an accounts receivable consistent with Government Code section 19838(a)(2). All accounts receivable notices shall be sent via mail and electronic mail. Within the notice for the accounts receivable, employees shall be informed of the ability to utilize leave credits to settle the amount owed. Any reimbursements for overpayment shall be in monthly installments and the number of repayments shall be equal to the number of monthly overpayments. By mutual agreement, the overpayment may be satisfied using leave credits, excluding sick leave. If an employee's SDI leave extends past twenty-six (26) weeks, the employee shall remit the full health, dental and vision premiums directly to the healthcare providers.
  3. If an employee is released by the employee's physician to return to work on a part-time basis, an employee may use accrued vacation, annual leave, CTO, holiday credit, personal leave (PLP) or sick leave balances to supplement the employee's SDI benefits.

4. SDI does not cover the first seven (7) days of any disability; therefore, sick leave, vacation, CTO, holiday, PLP, or annual leave may be used to cover this period in its entirety.
  - i. If the employee meets the requirements pursuant to CA Unemployment Insurance Code 3303, an employee taking PFL as described in Section A(1) is eligible for benefits without the seven (7) day waiting period.
5. An employee may elect to supplement the employee's SDI benefit by utilizing up to 40 hours per month of the employee's accrued vacation, annual leave, CTO, holiday credit, personal leave (PLP), or sick leave balances. If an employee elects to use annual leave or sick leave to supplement, it may affect the SDI benefits. An employee's combined SDI benefit and use of leave credits cannot exceed the employee's regular monthly gross (less mandatory reductions) pay. Within one week of being disabled from work, the employee or the employee's representative must contact the employee's departmental personnel office to provide information on the following:
  - i. The date the disability/illness commenced,
  - ii. The estimated duration of the disability,
  - iii. A phone number where the employee can be reached,
  - iv. The election of leave credits usage during the first week of disability,
  - v. The number of hours in a month to be charged to leave credits,
  - vi. Whether or not the employee is planning to file for SDI,
  - vii. The election to supplement leave credits with SDI benefits,
  - viii. Once the SDI benefit amount has been determined, the employee must provide a copy of the SDI award letter and the SDI check stubs to the employee's personnel office to ensure proper supplementation of benefits and payment.
- D. All appeals of a denial of an employee's SDI benefits shall only follow the procedures in the California Unemployment Insurance Code and Title 22 of the California Code of Regulations. All disputes relating to an employee's denial of benefits are not grievable or arbitrable. This limitation does not change either party's contractual rights which are not related to the denial of an individual employee's benefits.
- E. Current State employees who transfer into this bargaining unit who are eligible for ENDI and NDI benefits prior to transfer shall be entitled to retain the employee's ENDI and NDI eligibility for six (6) months.
- F. For a period of three (3) months, after the transition of Bargaining Unit 10 employees to SDI is complete, employees may elect to switch between either program: the Vacation and Sick Leave Program and the Annual Leave Program.
- G. When the State Controller's Office resumes its effort to modernize the State's current payroll system, the State agrees to meet with the Union to discuss the feasibility of integration of SDI benefits.