

ASSEMBLY BILL

No. 123

Introduced by Assembly Member Lorena Gonzalez

December 18, 2020

An act to amend Section 3301 of the Unemployment Insurance Code, relating to paid family leave, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 123, as introduced, Lorena Gonzalez. Paid family leave: weekly benefit amount.

Existing unemployment compensation disability law requires workers to pay contribution rates based on, among other things, wages received in employment and benefit disbursement, for payment into the Unemployment Compensation Disability Fund, a special fund in the State Treasury. That fund is continuously appropriated for the purpose of providing disability benefits and making payment of expenses in administering those provisions.

Existing law establishes, within the above state disability insurance program, a family temporary disability insurance program, also known as the paid family leave program, for the provision of wage replacement benefits for up to 8 weeks to workers who take time off work to care for a seriously ill family member or to bond with a minor child within one year of birth or placement, as specified. Existing law defines “weekly benefit amount” for purposes of both employee contributions and benefits under this program to mean the amount of weekly benefits available to qualifying disabled individuals pursuant to unemployment compensation disability law, calculated pursuant to specified formulas partly based on the applicable percentage of the wages paid to an individual for employment by employers during the quarter of the

individual’s disability base period in which these wages were highest, but not to exceed the maximum workers’ compensation temporary disability indemnity weekly benefit amount established by the Department of Industrial Relations.

This bill would revise the formula for determining benefits available pursuant to the family temporary disability insurance program, for periods of disability commencing after January 1, 2022, by redefining the weekly benefit amount to be equal to 90% of the wages paid to an individual for employment by employers during the quarter of the individual’s disability base period in which these wages were highest, divided by 13, but not exceeding the maximum workers’ compensation temporary disability indemnity weekly benefit amount established by the Department of Industrial Relations.

By providing for the deposit of additional contributions in, and by authorizing an increase in disbursements from, the Unemployment Compensation Disability Fund, this bill 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, as amended by Section 40 of Chapter 24 of the Statutes of
3 2019, is amended to read:

4 3301. (a) (1) The purpose of this chapter is to establish, within
5 the state disability insurance program, a family temporary disability
6 insurance program. Family temporary disability insurance shall
7 provide up to eight weeks of wage replacement benefits to workers
8 who take time off work to care for a seriously ill child, spouse,
9 parent, grandparent, grandchild, sibling, or domestic partner, to
10 bond with a minor child within one year of the birth or placement
11 of the child in connection with foster care or adoption, or to
12 participate in a qualifying exigency related to the covered active
13 duty or call to covered active duty of the individual’s spouse,
14 domestic partner, child, or parent in the Armed Forces of the United
15 States.

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

1 (b) (1) An individual's "weekly benefit amount" for periods
2 of disability commencing before January 1, 2022, shall be the
3 amount provided in Section ~~2655~~: 2655, and for periods of
4 disability commencing on or after January 1, 2022, shall be the
5 amount provided in paragraph (2). An individual is eligible to
6 receive family temporary disability insurance benefits equal to
7 one-seventh of the individual's weekly benefit amount for each
8 full day during which the individual is unable to work due to caring
9 for a seriously ill or injured family member, bonding with a minor
10 child within one year of the birth or placement of the child in
11 connection with foster care or adoption, or participating in a
12 qualifying exigency related to the covered active duty or call to
13 covered active duty of the individual's spouse, domestic partner,
14 child, or parent in the Armed Forces of the United States.

15 (2) For periods of disability commencing on or after January
16 1, 2022, the weekly benefit amount shall be equal to 90 percent of
17 the wages paid to an individual for employment by employers
18 during the quarter of the individual's disability base period in
19 which these wages were highest, divided by 13, but not exceeding
20 the maximum workers' compensation temporary disability
21 indemnity weekly benefit amount established by the Department
22 of Industrial Relations pursuant to Section 4453 of the Labor Code.

23 (c) The maximum amount payable to an individual during any
24 disability benefit period for family temporary disability insurance
25 shall be eight times the individual's "weekly benefit amount," but
26 in no case shall the total amount of benefits payable be more than
27 the total wages paid to the individual during the individual's
28 disability base period. If the benefit is not a multiple of one dollar
29 (\$1), it shall be computed to the next higher multiple of one dollar
30 (\$1).

31 (d) No more than eight weeks of family temporary disability
32 insurance benefits shall be paid within any 12-month period.

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

- 1 department to the claimant, except that such time shall be extended
- 2 by the department upon a showing of good cause.
- 3 ~~(f) This section shall become operative on January 1, 2021.~~

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