

SB 1661
Temporary Family Leave Salary Replacement
Effective 7/1/04

Effective July 1, 2004, a new disability program will be enacted in California. Benefits of the program apply to all employers regardless of employer size.

Employees would be eligible to take up to six weeks of leave in any 12-month period and receive wage replacement benefits of up to 55% of base-period earnings for this time period.

Eligibility and Conditions

1. All employees are eligible for this benefit program. There is no requirement of length of employment.
2. No advance notice requirement is stipulated in the law, but employers may require a reasonable advance notice period from employees.
3. Eligible absences include an employee's own illness or injury, the illness or injury of a family member (child, spouse, parent, domestic partner, the birth, adoption or foster care placement of a child.
4. Individuals receiving of unemployment compensation benefits or State Disability benefits - would be ineligible for Temporary Family Care benefits.
5. Individuals will be ineligible for benefits on any day that another family member is able and available to provide care for a family member.
6. Employees are required by the program to use up to two-weeks of any earned and accrued vacation during the absence.
7. There is a seven-day waiting period for benefits (one week of accrued vacation can be applied to this waiting period).
8. Providing false or fraudulent medical information in order to secure benefits will result in a fine of 25% of the benefits paid.

Absence Administration

Unlike family leave laws, this program does not explicitly include a right to time off, job protection, or guaranteed reinstatement. The program simply provides a benefit to employees who choose to take an absence covered under the program.

Employers should understand that an employee can be denied benefits under the program for an absence to care for a family member if another family member is available to care for the ill individual. Hence, the employer needs to understand the eligibility requirements of each individual case so that that employee who are not eligible for benefits do not use the program for "free absences" from work.

This program will result in an additional employee deduction from wages to fund the program. There is no required employer contribution at this time.

All newly hired employees must be provided with a copy of the Temporary Disability Program Notice at the time of hire and at the time of an absence that could qualify for benefits.