



## **California State Disability Insurance Plan Amendments Effective January 1, 2025**

This memo is to notify you of changes occurring in 2025 to the California State Disability Insurance plan.

### **Contribution Rates:**

California employees under business entities, **Bill Me Later** and **PayPal Data Services** are covered by the California State Disability Insurance plan. The California State Disability Insurance plan employee contribution rate will increase to 1.2% and there will be no cap on taxable wages based on an employee's annual earnings (the wage ceiling was permanently removed in 2024). The State Disability Insurance Plan maximum weekly benefit will increase to \$1,681.

### **Maximum Benefit applicable to both plans:**

- Benefit Class 1 employees (those working 20 hours/wk or more) receive a benefit of 70-90% of the Employee's Wages or Regular Wages to a maximum of \$1,681 per week. The Gross Minimum Weekly Benefit will be sixty dollars (\$60).
- Benefit Class 2 employees (those working less than 20 hours/wk) receive a benefit of 70-90% of the Employee's Wages or Regular Wages to a maximum of \$1,681 per week. The Gross Minimum Weekly Benefit will be sixty dollars (\$60).
- Benefits for Class 3 employees (Interns) receive a benefit of 70-90% of Employee's Wages or Regular Wages but limited to the weekly and maximum benefit amount that an Intern would be entitled to receive from the California State Disability Insurance Plan, if he/she were not covered by the PayPal Voluntary Disability Plan.

### **Paid Family Leave Benefits**

Eligibility for Paid Family Leave benefits for Class 1 and Class 2 will be based on current earnings. Employees may receive up to eight weeks of benefits that may be paid over a Twelve (12) Month Period. The benefit rate for 2025 is 70-90% and the maximum weekly benefit is \$1,681/wk. Class 3 employees will receive a benefit equal to the State Plan rate and maximum benefit amount.

### **Important**

To view the complete plan document text, please refer to PayPal Benefits. In accordance with the California Unemployment Insurance Code, employees who are participating in PayPal's California Voluntary Plan have the right to discontinue their coverage under this plan by notifying the Company in writing of their decision within ten (10) days following the effective date of any amendment to the plan.

### **REGULATORY/LEGISLATIVE CHANGES IMPACTING VOLUNTARY PLANS - 2025:**

- Senate Bill 951 - Revises the State Disability Insurance (SDI) weekly benefit amount (WBA) formulas to a 70% to 90% wage replacement for periods of disability beginning on or after January 1, 2025.



- Assembly Bill 2123 - Removes sub-sections (c) and (d) from the CUIA Section 3303.1 which give employers the ability to require that employees take two weeks of earned unused vacation pay prior to the receipt of PFL benefits.

If you have any additional questions or would like more details regarding our Voluntary Plan, please contact Employee Central at 1-855-489-0343.