SAN FRANCISCO ELECTRICAL WORKERS HEALTH & WELFARE PLAN 720 Market Street, Suite 700 San Francisco, CA 94102

NEW PARENTAL LEAVE BENEFIT

August 2018

TO: All Participants in the SFEW Health & Welfare Plan

FROM: Board of Trustees of the SFEW Health & Welfare Plan

SUBJECT: New Supplemental Parental Leave Benefit

The new collective bargaining agreement that became effective June 1, 2018, provides for an Employer contribution to the SFEW Health & Welfare Plan to fund a new parental leave "supplemental benefit" that supplements the state-provided California Paid Family Leave (CPFL) benefit to bond with a new child entering the family through birth, adoption or foster care placement.

What is the benefit? The supplemental benefit is a single sum cash payment equal to $2/3^{rds}$ of the cash benefit you received under the CPFL for purposes of parental bonding. Because the CPFL benefit will pay you 60% of your average weekly wages for up to 6 weeks, the supplemental benefit will pay you 40% of your average weekly wages for up to 6 weeks. The CPFL limits your "weekly wages" in 2018 to \$1,216, so your maximum supplemental benefit in 2018 is \$811. No supplemental benefit will be paid to you with respect to CPFL benefits paid for a week during which you were not covered under the Plan on the Monday of that week.

Who is eligible for the new parental leave benefit? All Plan participants who have health coverage under the Plan (including COBRA coverage), and who are paid CPFL benefits for child bonding purposes, are eligible for the supplemental benefit. CPFL benefits paid for reasons other than child bonding will not provide eligibility for a supplemental benefit payment.

When is the benefit effective? A supplemental benefit may be paid in connection with any CPFL benefit paid for dates falling on and after June 1, 2018.

How do I apply for the CPFL benefit? You can apply for the CPFL benefit online through the state website at <u>https://www.edd.ca.gov/disability/How_to_File_a_PFL_Claim_in_SDI_Online.htm</u>, or by obtaining Form DE 2501F by calling (877) 238-4373.

How do I apply for the Plan's supplemental benefit? To obtain the supplemental benefit, you must send a completed Parental Leave Benefit Application form to the address provided on the form. The form is available from the Plan Office and on the EISB website at www.eisb.org. If you were approved to receive CPFL benefits, you received a *Notice of Computation* (Form DE429D) from the state providing the claim effective date, and your weekly and maximum benefit amount. Also, with each CPFL benefit payment, you received a payment notification with the amount and period covered by each payment. You will need to provide the Form DE429D and your payment notifications along with your Application to receive your supplemental benefit. Submit your Application <u>after</u> you have received all of your CPFL payments under your CPFL claim. Unless there are questions about your Application, your benefit should be paid within two weeks.

How are supplemental benefits taxed? Supplemental benefits are taxed in the same manner as other regular wage payments. EISB will withhold state and federal income taxes, and other payroll taxes such as social security, Medicare and unemployment insurance. You will receive a separate Form W-2 reporting the supplemental benefits and your available income tax withholding credits.

Who do I call with questions? If you have questions about the parental leave benefit, call EISB at (415) 263-3670.