NONINDUSTRIAL DISABILITY INSURANCE **8538**
(Revised and Renumbered from 8539 10/88)

Under the provision of Senate Bill No. 1555, Chapter 341, Statutes of 1976, the Employment Development Department is charged with the responsibility of administering the Nonindustrial Disability Insurance Program for State employees. The Employment Development Department shall be reimbursed for its Nonindustrial Disability Insurance related administrative costs by the State agencies or entities employing individuals receiving Nonindustrial Disability Insurance benefits.

The Employment Development Department has developed procedures for ongoing reimbursement of its administrative costs by agencies, based on actual costs for the number of employees paid benefits in respective periods. The Fiscal Programs Division of the Employment Development Department will process billing invoices for Nonindustrial Disability Insurance Program administrative costs to participating agencies through SCO on a quarterly basis. The SCO will make the reimbursement payments by a transfer from the appropriate agency operating account to the Unemployment Compensation Disability Fund.

Nonindustrial Disability Insurance Program payments shall be accounted for by the agencies in the following manner:

1. Nonindustrial Disability Insurance benefit costs are charged as "Personal Service" expenditures, Section 3(a) of the Budget Act.

2. Nonindustrial Disability Insurance administrative costs are charged as "Operating Expenses and Equipment" expenditures, Section 3(b) of the Budget Act.