

STATE CONTROLLER'S OFFICE  
PERSONNEL AND PAYROLL SERVICES DIVISION  
P.O. BOX 942850  
SACRAMENTO, CA 94250-5878

DATE: November 8, 2022

PAYROLL LETTER #22-022

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Jil Barraza, Chief  
Personnel and Payroll Services Division**RE: 2023 STATE DISABILITY INSURANCE (SDI) RATES**

The Employment Development Department (EDD) published the new 2023 State Disability Insurance rates. For 2023, the withholding rate decreased to 0.9% of eligible earnings. The annual taxable wage limit increased to \$153,164.00 per employee with a maximum contribution of \$1,378.48. These changes will take effect beginning with payments issued on January 1, 2023.

The 2023 SDI Rates can be accessed at the Employment Development Department's website [Contribution Rates, Withholding Schedules, and Meals and Lodging Values \(ca.gov\)](#). Revisions to the Payroll Procedures Manual (PPM) Sections E803 and N171 are forthcoming.

For additional questions regarding this letter, please use the following contact information:

**Additional Contact Information:**

- Affordable Care Act (ACA) Email [acasupport@sco.ca.gov](mailto:acasupport@sco.ca.gov)
- Cal Employee Connect Help and Feedback: [Connect - Help and Feedback \(ca.gov\)](#)
- California Leave Accounting System (CLAS) Email [Clas@sco.ca.gov](mailto:Clas@sco.ca.gov)
- ConnectHR Email (All HR Staff) [connecthrhelp@sco.ca.gov](mailto:connecthrhelp@sco.ca.gov)
- ConnectHR Feedback Email (All HR Staff) [connecthrhelp@sco.ca.gov](mailto:connecthrhelp@sco.ca.gov)
- CS Escalation Email (HR Supervisors and Managers) [PPSDOps@sco.ca.gov](mailto:PPSDOps@sco.ca.gov)
- HR Suggestions Email (All HR Staff) [PPSDHRSuggestions@sco.ca.gov](mailto:PPSDHRSuggestions@sco.ca.gov)
- Management Information Retrieval System (MIRS) Email [ppsdmir@sco.ca.gov](mailto:ppsdmir@sco.ca.gov)
- [Statewide Customer Contact Center](#) (916) 372-7200

**SCO Key Initiatives:**

- [Cal Employee Connect Project](#)
- [California State Payroll System Project](#)

JEB:AR:EO:STSP