REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: June 21, 2019

TO: Honorable Members of the Rules, Elections & Intergovernmental Relations Committee

FROM: Sharon M. Tso T. Chief Legislative Analyst

Council File No: 19-0002-S97 Assignment No: 19-06-0598

SUBJECT: Resolution to Support SB 135 (Stern)

<u>CLA RECOMMENDATION</u>: Adopt Resolution (Martinez – Ryu – Rodriguez) to include in the City's 2019-2020 State Legislative Program, SUPPORT for SB 135 (Stern) which would expand paid family leave protections, remove the exemption for businesses that employ under fifty employees, and require that businesses employing over five employees provide paid family leave.

SUMMARY

The Resolution (Martinez – Ryu – Rodriguez), introduced May 29, 2019, advises that in 2017 the California Legislature approved the New Parent Leave Act which currently provides existing law for parental leave rights in California. Existing law prohibits employers with 20 or more employees from refusing up to 12 weeks of parental leave with a guarantee of employment in a comparable position to employees with more than 12 months of service. The Resolution further advises that paid family leave results in the improvement of infant and maternal health and helps employers retain experienced employees.

Existing law provides paid family leave protections for approximately 16 percent of the California workforce. In order to provide for the well-being and financial security of families, as well as promoting gender and social equality, paid family leave should be available to all individuals. Currently pending before the California State Senate is SB 135 (Stern) which would expand paid family leave protections, remove paid family leave exemptions for businesses that employ under 50 employees, and require that businesses that employ over five employees provide paid family leave. Lack of paid family leave protections result in the deterioration of health and disproportionately lead to discrimination of women in the workplace.

The Resolution recommends that the City support SB 135 (Stern) which would expand paid family leave protections, remove the exemption for businesses that employ under fifty employees, and require that businesses employing over five employees provide paid family leave.

BACKGROUND

The California Family Rights Act (CFRA), signed in 1993, entitles employees who work for an employer with 50 or more employees to 12 weeks or unpaid, job-protected leave and continued health coverage during leave. Leave is only available to employees who have worked 1,250 hours in the prior 12 months. The CFRA is required to be taken concurrently with the federal Family and Medical Leave Act, which also allows for 12 weeks of unpaid leave. Leave under the CFRA is allowed for the birth or placement of a child; care for a parent; child; spouse; or for health conditions.

The New Parent Leave Act, signed in 2004, prohibits an employer with 20 or more employees, within a 75 mile radius of a workplace, from refusing to grant an employee up to 12 weeks of unpaid leave to care for a child within one year of birth, adoption, or placement. The New Parent Leave Act also requires an

employee to work 1,250 hours in the prior 12 months. Both the CFRA and the New Parent Leave Act provide job-protected leave, requiring an employer to reinstate the employee at the same or comparable position the employee held prior to leave.

The Paid Family Leave (PFL) Program, established in 2002, provides a partial wage replacement plan through State Disability Insurance funded through employee payroll deductions. PFL provides up to 6 weeks of wage replacement benefits for leave relating to illness of a child, parent, grandparent, or parent in the Armed Forces. The PFL does not provide job protection nor health coverage during leave.

SB 135 would repeal the New Parent Leave Act but would expand the provisions of the CFRA to include all employers with 5 or more employees, essentially including New Parent Leave Act provisions to the CFRA for expanded protections. The bill would also change the required time worked for an employee to be entitled to work from 1,250 hours in a 12 month period to 180 days of service. The definition of "family care and medical leave" would also be expanded to include leave related to adoption or foster care; leave to care for a grandparent, grandchild, sibling, domestic partner, or a designated person with a serious health condition; and leave due to a qualifying exigency related to covered active duty in the Armed Forces. The bill would further expand the scope of the PFL Program to allow leave for care of a designated person related to birth or illness.

Although the bill was approved by the Committee on Rules and the Committee on Labor, Public Employment, and Retirement, the bill was not approved by the State Senate in time to meet the Legislature's May 31st deadline for a bill to leave its house of origin, therefore the bill is inactive.

Support for SB 135 (Stern) is consistent with past City efforts to protecting workers' rights, advocating for paid family leave, and addressing gender inequality in the workplace.

DEPARTMENTS NOTIFIED

Bureau of Contract Administration

BILL STATUS

NIII ON	
01/15/19	Introduced
01/24/19	Referred to Committee on Rules
03/25/19	Amended and re-referred to Committee on Rules
04/03/19	Re-referred to Committee on Labor, Public Employment, and Retirement
04/24/19	Approved by the Committee on Appropriations
05/16/19	Approved by the Committee on Labor, Public Employment, and
	Retirement
05/16/19	Read second time. Ordered to third reading.
05/30/19	Ordered to inactive file on request of Senator Jackson.

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Andy Galan Analyst

Attachments: 1. Resolution (Martinez – Ryu – Rodriguez)

RESOLUTION RULES, ELECTIONS & INTERGOVERNMENTAL RELATION:

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state, or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, in 2017 the California Legislature approved SB 68 (Jackson), the New Parent Leave Act, which provides existing law for parental leave rights in the State of California; and

WHEREAS, existing law prohibits employers, with 20 or more employees within a 75 mile radius, to refuse to allow employees, with more than 12 months of service, to take up to 12 weeks of parental leave and requires them to provide a guarantee of employment in the same or comparable position upon return; and

WHEREAS, studies have demonstrated that paid family leave results in the improvement of infant and maternal health, but also aides employers in hiring and retaining skilled and experienced employees; and

WHEREAS, current law provides for paid family leave protections for approximately sixteen percent of the California workforce, however paid family leave should be an option for all individuals and no one should be forced to choose between the physical and mental well-being of their family or financial security; and

WHEREAS, paid family leave is a critical component in addressing gender and social inequality, promoting career retention and growth for women, and allowing fathers to share in childcare responsibilities; and

WHEREAS, currently pending before the California State Senate is SB 135 (Jackson) which would expand paid family leave protections, remove the exemption for businesses that employ under fifty employees, and require that businesses employing over five employees provide paid family leave; and

WHEREAS, the bill would also expand the definition of "family care and medical leave" to include care of relatives, designated individuals, and leave for reasons related to active military service of an individual or their partner; and

WHEREAS, lack of paid family leave protections result in the deterioration of health for infants and their parents, and disproportionately lead to discrimination of women in the workplace;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2019-2020 State Legislative Program SUPPORT for SB 135 (Jackson) which would expand paid family leave protections, remove the exemption for businesses that employ under fifty employees, and require that businesses employing over five employees provide paid family leave.

PRESENTED BY Councilwoodan, 6th District

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DAVID RYU

Councilmember, 4th District

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