

PERSONNEL & ANIMAL WELFARE

MOTION

Los Angeles' Paid Parental Leave Initiative

Family life has changed in the last half-century, and so has the role that parents play at work and at home. According to the Pew Research Center, more than 60 percent of women with children under the age of 5 participate in the labor force, compared to roughly 30 percent in 1970. Not surprisingly, more than half of working parents find it difficult to balance their job and family responsibilities, and while dual-income families bring in more money, the cost of living in many American cities has far outpaced wage growth. According to the Economic Policy Institute, child care remains one of the largest expenses for U.S. families. In 33 states and the District of Columbia, infant care costs exceed the average cost of in-state college tuition at a public four-year institution.

Several large employers have recently begun to offer parental leave benefits to their employees. According to the Society for Human Resources Management (SHRM), one in three U.S. employers offer Paid Parental Leave (PPL). As of 2017, however, only 15 percent of workers received any paid family leave. Moreover, companies that provide paid leave do not always offer the benefit to all workers. A recent survey of 385 employers conducted by World at Work, found that 22 percent of companies that offer paid leave do not cover all workers often excluding fathers, LGBTQ employees, adoptive parents, and contract or part-time workers.

Additionally, many employees who are eligible for paid parental leave chose not to take time off for fear of receiving partial pay while on leave. A national study of the effects of paid family leave programs conducted by the Urban Institute found that 84 percent of working people with partially paid leave reported having difficulty paying bills when they took time off. Similarly, a 2011 survey conducted by the Center for Economic Policy Research found that nearly a third of Californians who were eligible but did not apply for paid family leave said it was because the pay would be too low, and nearly half of new parents who make less than \$30,000 annually and did not have fully paid parental leave had to apply for public assistance.

Several studies have shown that parents who have access to paid leave are better able to care for their children, have improved outcomes in health and well-being, and greater long-term educational and earnings outcomes. Paid leave has been shown to increase labor force participation and employment-to-population ratios, and has been associated with greater labor-force attachment and retention, resulting in higher wage growth for women. According to one study, women who return to work after taking paid leave are 40 percent less likely to receive public assistance. And when Google increased its paid leave benefits, the rate of new mothers leaving the company was cut in half, and when Aetna increased its benefits, the retention rate among new parents jumped from 77 percent to 91 percent.

California's Paid Family Leave provides eligible employees with 60-70 percent (depending on income) of their weekly wages for up to six weeks to allow for bonding with a newborn, newly adopted or foster child. Effective January, 2017, the San Francisco Paid Parental Leave Ordinance (SF PPLO) requires large employers in San Francisco to provide up to six weeks of supplemental compensation to employees who are receiving California Paid Family Leave (PFL) benefits to bond with a new child. Together these programs allow employees to receive up to 100 percent of their normal weekly wage during 6 weeks of parental leave. Given the benefits of a comprehensive and accessible PPL program, the City of Los Angeles should implement a Paid Parental Leave Ordinance to supplement California's State Disability Insurance and/or Paid Family Leave benefits.




I THEREFORE MOVE that the City Attorney be requested to report back with options for a Paid Parental Leave Ordinance that would require employers to provide employees within the City of Los Angeles, who are receiving State Disability Insurance and/or Paid Family Leave benefits prior to the birth of a child and/or for recovery and new child bonding with supplemental compensation for up to 18 weeks, equal to the difference between the employee's State Disability Insurance and/or Paid Family Leave benefits and the employee's normal gross weekly wages, such that the employee receives up to 100 percent of their weekly wages, to be capped at the annual adjusted cost of living in the City of Los Angeles.


I FURTHER MOVE that the City Administrative Officer and Chief Legislative Analyst be instructed to procure an independent study to evaluate the potential impacts to small business and options to mitigate risk, including, but not limited to, an exemption for small businesses and/or non-profit organizations, off-setting the City's business tax, expanding short-term disability insurance coverage, and the development of an opt-in program intended to pool risk and costs associated with a potential Paid Parental Leave program.

I FURTHER MOVE that the Office of Finance, Bureau of Contract Administration, and Department of Economic and Workforce Development, with the assistance and cooperation of the City Administrative Office, Chief Legislative Analyst and City Attorney be instructed/requested to report back with a review of potential program elements, including, but not limited to, outreach and education related to the proposed program, a timeline and framework for implementation, enforcement, mechanisms available to ensure for employment protections for Paid Parental Leave beneficiaries, and the inclusion of part-time and contract workers in the City's Paid Parental Leave Program.


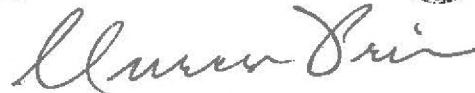
I FURTHER MOVE that the City Administrative Officer and Chief Legislative Analyst monitor ongoing efforts of the Governor's Paid Family Leave Program Task Force to provide additional funding for the Paid Family Leave Program and to report back to Council how best to leverage State funds for program implementation.

PRESENTED BY:


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SECONDED BY:

JAN 29 2014

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