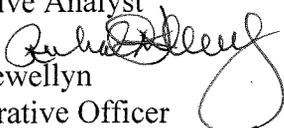


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 17, 2019

TO: Honorable Members of the City Council

FROM: Sharon M. Tso 
Chief Legislative AnalystCouncil File: 19-0101
Assignment No: 19-04-0386
Richard H. Llewellyn
City Administrative Officer**Economic Analysis of the Proposed Paid Parental Leave Program****SUMMARY/BACKGROUND**

At its meeting on April 2, 2019, the City Council adopted the reports (C.F. 19-0101) of the Health, Education, Neighborhoods, Parks, Arts and River Committee; the Economic Development Committee; and a Communication from the Chair of the Ad Hoc Committee on Comprehensive Jobs Creation Plan which, in part, directed the Chief Legislative Analyst (CLA) and City Administrative Officer (CAO) to report with recommendations to procure an independent economic analysis of the proposed Paid Parental Leave (PPL) program. The proposed PPL would require employers within the City to provide employees working within the City, who receive 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. Such compensation would be equal to the difference between the employee's State Disability Insurance and/or Paid Family Leave benefits and the employee's normal gross weekly wage, such that the employee receives their full weekly wage. Such wages would be capped at the annual adjusted cost of living in the City.

The requested independent economic analysis of the PPL proposal will also examine existing paid parental leave programs in and outside the City of Los Angeles, including costs, benefits, and impacts. Our Offices explored releasing a task order solicitation through the CAO's list of on-call economic advisors or releasing a stand-alone Request for Proposals. City staff also queried academic and nonprofit organizations to determine if such an economic analysis could be accomplished on a pro bono basis.

Based on this outreach, we recommend that the CLA be authorized to negotiate and execute a Professional Services Agreement with the Los Angeles County Economic Development Corporation (LAEDC), who will undertake this analysis at no cost to the City. LAEDC was founded in 1981 as a nonprofit organization whose mission is to link the private sector with Los Angeles County, foster the County's economic development activities, and create shared prosperity. LAEDC collaborates with stakeholders in the region including the education, business, and government sectors. Through its work on economic development initiatives, the organization

reports on the region's economy, including providing economic forecasts and industry-specific analysis.

The procurement of LAEDC to perform the independent economic analysis will be accomplished through a Professional Services Agreement that will include the project scope, timeline, and deliverables. As a result of LAEDC's demonstrated experience in economic analysis and their ability to conduct the study pro bono, the organization is best suited to provide the City with an independent review of the PPL proposal.

RECOMMENDATION

That the Council direct the Chief Legislative Analyst (CLA) to negotiate and execute a Professional Services Agreement with the Los Angeles County Economic Development Corporation for the purpose of preparing an analysis of the proposed Paid Parental Leave Program and authorize the CLA to make subsequent amendments/modifications to the agreement as necessary to effectuate the intent of the agreement.

FISCAL IMPACT

This action will have no impact on the General Fund. Any incidental costs associated with the release of the report will be paid for with special funds to be identified.