

## **OFFICE OF COUNCILMEMBER RAUL A. CAMPILLO** THE CITY OF SAN DIEGO SEVENTH DISTRICT

## MEMORANDUM

DATE: October 18, 2022

Mayor Todd Gloria TO:

FROM:

Councilmember Raul A. Campillo Kula. Cult

SUBJECT: Parental Benefits Package

The National League of Cities published an article titled "Why Cities Should Support Paid Parental Leave". In it, they stated:

The United States is the only industrialized nation without a formal policy that guarantees workers paid time off when they become new parents. To support healthy families and strengthen the economy, cities should consider implementing paid parental leave policies.

Parental benefits provide economic stability for an organization's workforce. These benefits also promote wellness for parents and children and improve workplace recruitment and retention. The City of San Diego's current parental benefits are insufficient to serve our workforce. Specifically, our current parent leave offerings and pregnancy disability benefits are subpar compared to other private and public organizations, and do not meet the needs of our hardworking employees. They simply do not go far enough.

My "Parental Benefits Package" provides solutions for these problems. This proposal triples the City's current parental leave benefits from 160 hours (4 weeks) to 380 hours (12 weeks), while also revamping pregnancy disability shifting from a long-term disability model to a short-term disability model that is no longer prohibitive for employees. I have attached my "Parental Benefits Package" to this memorandum.

- I ask that you review this proposal with urgency, and formally adopt the proposed "Parental Benefits Package" to improve the parental benefits we provide our employees.
- Cc: Paola Avila, Chief of Staff, Office of the Mayor Jessica Lawrence, Director of Policy, Office of the Mayor Michael Simonsen, Chief of Staff, District 7

RAC/jrm



## Councilmember Campillo's "Parental Benefits Package"

**Purpose:** To update the City's parental leave policies and benefits for their employees relating to pregnancy and childbirth.

**Problem:** Data shows employees feel more valued in their workplace when provided with better parental leave and support. Vital benefits, such as paid parental leave, should not be ignored as a mechanism for quality employee recruitment and retention. The City's current parental leave offerings for its employees are both inadequate in the current day and are confusing for employees to navigate.

- There is no clearly defined and easily accessible parental leave plan. Employees must search on Citynet, Google, and talk to colleagues to try and navigate their options, and potential applicants to the City often have no information about these benefits.
- Paid parental leave is currently offered at four weeks for full-time employees, three weeks for part-time, and two weeks for half-time, which is not enough for new parents.
- Long term disability does not sufficiently support City employees who are pregnant or have just given birth.

**Solution:** The City must create a specific and easily accessibly parental benefits package that is easy to navigate for all City employees. The City should update both the policy regarding disability leave for pregnant employees, as well as the policy regarding paid parental leave offered to all employees to better support its work force. In an article titled "Why Cities Should Support Paid Parental Leave"<sup>1</sup>, they stated:

The United States is the only industrialized nation without a formal policy that guarantees workers paid time off when they become new parents. To support healthy families and strengthen the economy, cities should consider implementing paid parental leave policies.

Although the Family and Medical Leave Act guarantees eligible workers up to twelve weeks of unpaid leave per year for caregiving activities, only 14 percent of civilian workers have access to paid family leave.

Paid parental leave policies have been shown to promote wellness for both children and parents. For infants, paid parental leave is associated with decreased rates of low birthweight, fewer infant deaths, and increased rates of breastfeeding. Paid parental leave also has help benefits for new mothers including a reduced risk for experiencing

<sup>&</sup>lt;sup>1</sup> <u>https://www.nlc.org/article/2019/06/20/why-cities-should-support-paid-parental-leave/</u>

symptoms of postpartum depression. For fathers, the length of leave offered is positively correlated with involvement with families.

Research shows paid parental leave also supports the economy. With paid leave options, families do not have to worry about risking financial insecurity and are less likely to have to use the social safety net. Within the private sector, paid parental leave improves worker productivity and retention, saving employers money by reducing turnover costs.

**New Parental Benefit Package**: The new plan should be hosted in one place on sandiego.gov and in one place on CityNet with a clear direction for City employees to look at their available options should they decide to have a child, whether that be through birth or adoption. The plan should also be included as a section of the employee handbook. The new plan should include two overarching topics: Parental Leave and Pregnancy Disability.

Current Policy	New Policy	<b>Rationale for New Policy</b>
Paid Parental Leave Administrative Regulation 95.89 3.5 Parental Leave (Leave) – 160 hours of paid leave, pro- rated based on the Employee's current employment status, for an Employee Parent to take time off due to an Eligible Event.	New PolicyPaid Parental LeaveAdministrative Regulation95.893.5. Parental Leave (Leave) – <u>480 hours</u> of paid leave, pro-rated based on theEmployee's currentemployee's currentemployee Parent to take timeoff due to an Eligible Event.NEW SECTION 3.6:If an employee undergoes acesarean delivery duringchildbirth, they shall begranted an additional 80hours of parental leave. Thesame shall apply for any birthcharacterized by neonatalhealth complications.	<ul> <li>160 hours (four weeks) does not provide enough time for parents to bond with a new child, take the child to necessary appointments, and other early-life health and wellness milestones.</li> <li>Additionally, 480 hours serve to allow families more time to secure childcare upon return to work.</li> </ul>
4.2.1. Parental Leave, is limited to one Eligible Event per rolling 12-month period, calculated from the date of the Eligible Event.	Additional language: <u>Birth or</u> <u>placement of a Child in which</u> <u>the Employee becomes a</u> <u>Parent of that Child occurs</u> <u>within that 12-month period.</u>	<ul> <li>It is rare, but an employee may get pregnant twice in 12 months, and this additional language prevents any employee from being excluded by the policy.</li> <li>It is rare, but an employee applying for adoption may be approved for two</li> </ul>

		different children within one calendar year.
Long Term Disability: Established in 1981 for the purpose of providing income to eligible employees while disabled as a result of injury, illness, or pregnancy.	Create a new type of disability called pregnancy disability, specifically for those who are pregnant. As defined by the State of California, "Pregnancy disability leave (PDL) is time away from work for female employees and employees with uteruses who become unable to work due to their pregnancy."	<ul> <li>Pregnancy is not a long- term disability.</li> <li>Long term disability requires a 30-day elimination period to verify a person is actually disabled.</li> <li>The State of California qualifies disability for pregnant employees as Pregnancy Disability Leave for purposes of clarity and specification of need.</li> </ul>
Employees currently must wait 30 days from when their doctor declares them disabled to collect disability leave, commonly referred to as an "elimination period."	Remove the elimination period for pregnant employees and employees who have given birth. Unless required by a doctor for medical reasons, an employee can file for and begin pregnancy disability within the two weeks prior to their expected due date.	<ul> <li>The purpose of an elimination period is to give you the opportunity to get treatment and see how your illness or injury responds.</li> <li>A pregnant person should not need to wait for treatment or injury response to see if they will still give birth.</li> </ul>
Benefits cease following a six-week recovery period for a normal delivery and an eight-week recovery period for a Caesarean section delivery. (Current language found in the City's "Employees' Long-Term Disability Income Plan")	Benefits cease following an <u>eight</u> -week recovery period for a normal delivery and a <u>ten</u> -week recovery period for a Caesarean section delivery. Two of those weeks may be utilized two weeks prior to the expected due date.	• Given the nature of pregnancy both medically and physically, for a "typical" or a Caesarean pregnancy, an employee should be able to use two weeks of their disability benefit prior to their due date without sacrificing time potentially needed after the birth.
Employees are eligible after working at least 12 consecutive months in a permanent or limited position with standard working hours each bi-weekly period.	Pregnancy disability should match Parental Leave, which only requires City employees to be employed by the City for 1.5 months prior to being eligible.	• This is a deterrent to people of child-bearing years who are considering employment with the City.

**Fiscal Impact:** The potential increased costs are minimal for this proposal when considering the benefit it provides for City employees and their overall sentiment towards their employer. Data shows that employees who receive "good" parental leave benefits are more likely to feel happier and supported in their workplace, resulting in improved worker retention. Increasing and improving paid parental leave for City employees via the proposed Parental Benefits Package is centered around opportunity cost specifically as it relates to recruitment and retention; by not improving such benefit the city risks the potential of losing employees to other organizations and agencies who provide better parental leave. Furthermore, the positive health benefits to both the parents and their newborn children help the long-term financial circumstances of our City employees, reducing the risk of losing our employees to other employers who may offer competitive wage and benefits packages.