[Supplemental Compensation For Employees On Military Leave]

CHARTER AMENDMENT

PROPOSITION _____

Describing and setting forth a proposal to the qualified voters of the City and County of San Francisco to amend the Charter of the City and County of San Francisco by amending Section A8.400 (h) to allow for employees called to active duty to receive supplemental compensation for a period to be specified by ordinance.

The Board of Supervisors hereby submits to the qualified voters of the City and County, at an election to be held on March 2, 2004 a proposal to amend the Charter of the City and County by amending Section A8.400(h) to read as follows:

Note: Additions are *single-underline italics Times New Roman*. Deletions are *strikethrough italics Times New Roman*.

A8.400 GENERAL RULES FOR ESTABLISHING AND PAYING COMPENSATION

(h) Notwithstanding any other limitation in the Charter to the contrary, and subject to meet and confer obligations of state law, the Mayor may request that the Board of Supervisors enact, and the Board shall then have the power to so enact, an ordinance entitling City officers or employees called to active duty with a United States military reserve organization to receive from the City the following as part of the individual's compensation: for a period to be specified in the ordinance *which may not exceed 180 days*, the difference between the amount of the individual's military pay and the amount the individual would have received as a City officer or employee had the employee worked his or her normal work schedule, including any merit raises which otherwise would have been granted during the time the individual was on active duty. Any such ordinance shall be subject to the following limitations and conditions:

SUPERVISORS NEWSOM, HALL BOARD OF SUPERVISORS The individual must have been called into active service for a period greater than
30 consecutive days.

2. The purpose for such call to active service shall be extraordinary circumstances and shall not include scheduled training, drills, unit training assemblies, or similar events.

3. The amounts authorized pursuant to such an ordinance shall be offset by amounts required to be paid pursuant to any other law in order that there be no double payments.

4. Any individual receiving compensation pursuant to such an ordinance shall execute an agreement providing that if such individual does not return to City service within 60 days of release from active duty, or if the individual is not fit for employment at that time, within 60 days of return to fitness for employment, then that compensation shall be treated as a loan payable with interest at a rate equal to the greater of (i) the rate received for the concurrent period by the Treasurer's Pooled Cash Account or (ii) the minimum amount necessary to avoid imputed income under the Internal Revenue Code of 1986, as amended from time to time, and any successor statute. Such loan shall be payable in equal monthly installments over a period not to exceed 5 years, commencing 90 days after the individual's release from active service or return to fitness for employment, as the case may be.

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SUPERVISORS NEWSOM, HALL BOARD OF SUPERVISORS 5. Such an ordinance shall not apply to any active duty served voluntarily after the time that the individual is called to active service.

6. Such ordinance shall not be retroactive.

APPROVED AS TO FORM:

DENNIS J. HERRERA City Attorney

By:____

MARTIN R. GRAN Deputy City Attorney