File No. 200401

Committee Item No.4Board Item No.1

## COMMITTEE/BOARD OF SUPERVISORS

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Committee:	Budget & Finance Committee	Da	te	<u>May 6, 2020</u>
Board of Su	pervisors Meeting	Da	te	May 19, 2020
Cmte Boar	d			
	Motion Resolution Ordinance Legislative Digest Budget and Legislative Analyst R Youth Commission Report Introduction Form Department/Agency Cover Letter MOU Grant Information Form Grant Budget Subcontract Budget Contract/Agreement Form 126 – Ethics Commission Award Letter Application Public Correspondence	-	Repor	t
OTHER	(Use back side if additional space	e is nee	ded)	
Completed k	,	)ate )ate	<u>May 1</u> May 7	

1 2	[Annual Salary Ordinance Amendment - COVID-19 Military Service Qualifying for Supplementation of Military Pay]							
3	Ordinance amending Ordinance No. 170-19, the Annual Salary Ordinance FYs 2019-							
4	2020 and 2020-2021, to add active military service related to the COVID-19 pandemic to							
5	the enumerated events that qualify for supplementation of military pay.							
6								
7	NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u> .							
8	Deletions to Codes are in <i>strikethrough italics Times New Roman font</i> . Board amendment additions are in <u>double-underlined Arial font</u> .							
9	Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code							
10	subsections or parts of tables.							
11	Be it ordained by the People of the City and County of San Francisco:							
12								
13	Section 1. Ordinance No. 170-19, the Annual Salary Ordinance Fiscal Years 2019-20							
14	and 2020-21, is hereby amended by revising Section 2.3, to read as follows. Although this is							
15	an uncodified ordinance, for the purpose of clearly showing its amendment of the Annual							
16	Salary Ordinance Fiscal Years 2019-20 and 2020-21, the font as described above for							
17	"Additions to Codes" has been used, rather than the font for "Unchanged Code text and							
18	uncodified text."							
19	Section 2.3. SUPPLEMENTATION OF MILITARY PAY.							
20	A. In accordance with Charter Section A8.400 (h) and in addition to the benefits							
21	provided pursuant to Section 395.01 and 395.02 of the California Military and Veterans Code							
22	and the Civil Service Rules, any City officer or employee who is a member of the reserve							
23	corps of the United States Armed Forces, National Guard or other uniformed service							
24	organization of the United States and is called into active military service on or after							
25	September 11th, 2001 in response to the September 11th, 2001 terrorist attacks, international							

terrorism, conflict in Iraq or related extraordinary circumstances, *or is called into active military service related to the COVID-19 pandemic*, shall have the benefits provided for in subdivision (B).

B. Any officer or employee to whom subdivision (A) applies, while on military leave
shall receive from the City, as of the effective date of this ordinance, the following supplement
to their military pay and benefits:

- 6 1. The difference between the amount of the individual's gross military pay and the
  7 amount of gross pay the individual would have received as a city officer or employee, had the
  8 officer or employee worked his or her normal work schedule.
- 9 2. Retirement service credit consistent with Section A8.520 of the Charter. The City 10 shall pay the full employee contributions required by the Charter to the extent employer paid 11 employee contributions are required under the memorandum of understanding covering the 12 employee.
- 3. All other benefits to which the individual would have been entitled had the individual
  not been called to active duty, except as limited under state law or the Charter.
- B<u>C</u>. As set forth in Charter Section A8.400 (h), this section shall be subject to the
  following limitations and conditions:
- 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 have been to respond to the
   September 11th, 2001 terrorist attacks, international terrorism, conflict in Iraq or related
   extraordinary circumstances, *or to respond to the COVID-19 pandemic*, and shall not include
   scheduled training, drills, unit training assemblies or similar events.
   3. The amounts authorized pursuant to this ordinance shall be offset by amounts
- required to be paid pursuant to any other law in order that there be no double payments.
- 25

1 4. Any individual receiving compensation pursuant to this ordinance shall execute an 2 agreement providing that if the individual does not return to City service within 60 days of 3 release from active duty (or if the individual is not fit for employment at that time, within 60 days of a determination that the employee is fit for employment), then that compensation 4 5 described in Sections (B)(1) through (B)(3) shall be treated as a loan payable with interest at a 6 rate equal to the greater of (i) the rate received for the concurrent period by the Treasurer's 7 Pooled Cash Account or (ii) the minimum amount necessary to avoid imputed income under 8 the Internal Revenue Code of 1986, as amended from time to time, and any successor 9 statute. Such loan shall be payable in equal monthly installments over a period not to exceed 10 5 years, commencing 90 days after the individual's release from active service or return to fitness for employment. 11

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5. This section shall not apply to any active duty served voluntarily after the time that the individual is called to active service.

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Section 2. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance. The pay supplement under this ordinance is prospective only, from the effective date of this ordinance.

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Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Annual
Salary Ordinance Fiscal Years 2019-20 and 2020-21 that are explicitly shown in this
ordinance as additions, deletions, Board amendment additions, and Board amendment

Supervisor Stefani BOARD OF SUPERVISORS

1	deletions in accordance with the "Note" that appears under the official title of the ordinance, as
2	modified in the introduction to Section 1 of this ordinance
3	
4	APPROVED AS TO FORM:
5	DENNIS J. HERRERA, City Attorney
6	By:
7	JENNIFLR S. STOUGHTON Deputy City Attorney
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Item 4	Department:							
Files 20-0401	Human Resources							
EXECUTIVE SUMMARY								
	Legislative Objectives							
	ds Section 2.3 of the Annual Salary Ordinance for FY 2019-20 military service related to the COVID 19 pandemic to the							
	Key Points							
City to pay for employees on military pay. The City also pays	y Ordinance for FY 2019-20 and FY 2020-21 provides for the military leave the difference between their City salary and the employees' share of their retirement contribution while benefits to which employees are entitled.							
	Fiscal Impact							
employees have been paid for	ded by the City's Department of Human Resources, 123 City r military leave in FY 2018-19 and FY 2019-20 at a cost of \$55,000 per employee on military leave.							
COVID-19 is not available at the However, based on approxim	s who have been called up for active military duty due to his time, so the increased costs to the City are not known. mately 1,000 National Guard members being called up employees who are called up for active military duty due to e.							
Recommendation								
Approval of the proposed ordin	• Approval of the proposed ordinance is a policy matter for the Board of Supervisors.							

SAN FRANCISCO BOARD OF SUPERVISORS

#### MANDATE STATEMENT

City Administrative Code Section 3.10 provides for Board of Supervisors approval of the administrative provisions of the Annual Salary Ordinance.

#### BACKGROUND

Section 2.3 of the Annual Salary Ordinance for FY 2019-20 and FY 2020-21 provides for the City to pay the difference for employees on military leave between their City salary and military pay. The City also pays the employees' share of their retirement contribution while on military leave, and all other benefits to which employees are entitled.

These provisions apply to employees who are called to active service for more than 30 consecutive days in response to terrorist attacks or active conflict. These provisions do not apply to scheduled training, drills, unit training assemblies, or similar events.

#### DETAILS OF PROPOSED LEGISLATION

The proposed ordinance amends Section 2.3 of the Annual Salary Ordinance for FY 2019-20 and FY 2020-21 to add active military service related to the COVID 19 pandemic to the events for which the City pays the salary difference, retirement contribution, and other benefits for employees.

#### National Guard Deployment

In March, the President authorized California and other states to deploy the National Guard to respond to COVID 19. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) appropriated \$1.4 billion for deployments of the National Guard for the next six months to support state and local response efforts. According to a report by the California Legislative Analyst's Office, approximately 1,000 National Guard members were deployed in California as of April 8, 2020 to respond to the COVID 19 pandemic.

#### **FISCAL IMPACT**

According to information provided by the City's Department of Human Resources, 123 City employees have been paid for military leave in FY 2018-19 and FY 2019-20 at a cost of approximately \$6.8 million, or \$55,000 per employee on military leave. City departments could have additional costs for positions that need to be backfilled through overtime or temporary salaries. The costs of military leave pay are generally absorbed within the respective City departments' budgets through salary or other savings.

The number of City employees who have been called up for active military duty due to COVID-19 is not available at this time, so the increased costs to the City are not known. However, based on approximately 1,000 National Guard members being called up statewide, the number of City employees who are called up for active military duty due to COVID-19 is unlikely to be large.

### RECOMMENDATION

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

SAN FRANCISCO BOARD OF SUPERVISORS

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# **Introduction Form**

By a Member of the Board of Supervisors or Mayor

I hereby submit the following item for introduction (select only one):	Time stamp or meeting date
	A
✓ 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendmen	ı).
2. Request for next printed agenda Without Reference to Committee.	
3. Request for hearing on a subject matter at Committee.	
4. Request for letter beginning :"Supervisor	inquiries"
5. City Attorney Request.	
6. Call File No. from Committee.	
7. Budget Analyst request (attached written motion).	
8. Substitute Legislation File No.	·
9. Reactivate File No.	
10. Topic submitted for Mayoral Appearance before the BOS on	
Please check the appropriate boxes. The proposed legislation should be forwarded to the foll	owing:
Small Business Commission Vouth Commission	ommission
Planning Commission Building Inspection Commiss	ion
Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Impera	ntive Form.
Sponsor(s):	
Catherine Stefani	
Subject:	
Amendment of Annual Salary Ordinance COVID-19 Military Service Qualifying for Supple Pay	ementation of Military
The text is listed:	
Ordinance amending Ordinance No. 170-19, the Annual Salary Ordinance Fiscal Years 2019-2 active military service related to the COVID-19 pandemic to the enumerated events that qualif of military pay.	-
Signature of Sponsoring Supervisor:	
For Clerk's Use Only	The second