

1 [Supporting the Intent to Hire Healthcare Workers or other Essential Workers Due to
2 COVID-19]

3 **Resolution supporting the hiring of healthcare or other essential workers amidst an**
4 **unprecedented global pandemic, by indicating the Board of Supervisors' non-binding**
5 **intent to appropriate revenue generated by a November 2020 overpaid executive tax**
6 **ballot measure.**

7
8 WHEREAS, Our nation continues to experience an outbreak of COVID-19, deemed a
9 pandemic by the World Health Organization; and

10 WHEREAS, On March 6, 2020, the San Francisco Health Officer issued a Declaration
11 of Local Health Emergency Regarding Novel Coronavirus 2019 (COVID-19), which was
12 preceded by a March 4, 2020, Proclamation of a State of Emergency issued by Governor
13 Gavin Newsom and a February 25, 2020, Proclamation by the Mayor Declaring the Existence
14 of a Local Emergency; and

15 WHEREAS, Frontline healthcare workers such as doctors, nurses, paramedics, mental
16 health care workers, and In-home Support Service providers have been the first line of
17 defense in stopping the spread of COVID-19, often putting themselves in great risk of
18 contracting the virus from various patients that they come into contact with every day; and

19 WHEREAS, Even before COVID-19 posed a risk to the United States, many hospitals
20 around the country - including San Francisco General Hospital - were incredibly short of
21 nurses and other frontline health care workers.

22 WHEREAS, The pandemic isn't over; cities around the country are preparing for a
23 spike in the curve by stocking up on medical equipment and hiring nurses, doctors, first
24 responders, and other essential healthcare workers; San Francisco needs to be ready when
25 the next wave hits; and

1 WHEREAS, The Mayor and the Board of Supervisors recently passed Mental Health
2 SF and are committed to funding the following programs to fix our broken mental health
3 system: 1) create a street-crisis response team to treat people suffering from a mental health
4 crisis; 2) begin hiring case managers for people with mental illness or substance abuse
5 disorders; 3) creating a new centralized office meant to ensure patients progress seamlessly
6 through the city’s network of services, and

7 WHEREAS, In the last 30 years, executive salaries across the country have
8 sky-rocketed by 940%. But regular workers’ salaries have grown by just 12%. According to
9 the Economic Policy Institute, CEOs aren't getting these million-dollar raises because they’ve
10 increased productivity or even have high-demand skill sets. They make more money simply
11 because they have the power to set their own salaries. The Economic Policy Institute says
12 that “the economy would suffer no harm if CEOs were paid less or taxed more”; and

13 WHEREAS, 467 billionaires in America increased their wealth by an estimated
14 \$731.8 billion during the COVID-19 pandemic, have found substantial growth during the
15 pandemic, and continue to profit off average Americans; and

16 WHEREAS, San Francisco has significantly more billionaires per inhabitant compared
17 to other top cities; a Wealth-X report estimates one billionaire for approximately every 11,600
18 residents; and

19 WHEREAS, Research from the Public Policy Institute of California, which analyzed
20 2018 U.S. Census bureau data, found that the Bay Area has the highest income inequality of
21 California. Top income earners in the Bay Area make 12.2 times as much as those at the
22 bottom of the economic ladder; and

23 WHEREAS, One of the purposes of a November 2020 ballot measure, proposed by
24 Supervisor Matt Haney, is to promote our city’s economic recovery in the pandemic’s
25 aftermath by raising up to \$140 million annually from the Overpaid Executive Tax; and

1 WHEREAS, The ballot measure would impose an additional gross receipts tax or an
2 administrative office tax on businesses with a greater than 100:1 ratio of the compensation of
3 the business’s highest-paid managerial employee to the median compensation paid to the
4 business’s employees based in the City; and

5 WHEREAS, If the voters pass the Overpaid Executive Tax, most large corporations in
6 San Francisco that pay their highest-paid executive more than 100 times the amount they pay
7 their median worker will have a tax of at least 0.1% of their gross receipts added to their
8 annual business tax payment; the more inequity between the overpaid executive and their
9 workers, the higher the surcharge; for example, if the top executive receives more than 200
10 times the compensation of the median employee, then it's a 0.2% surcharge; more than 300
11 times gets a 0.3% surcharge; more than 400 times gets a 0.4% surcharge; and so on, capping
12 off at a 0.6%. Small businesses are exempt from the tax entirely; and

13 WHEREAS, Any and all funds raised by the Overpaid Executive Tax will be deposited
14 into the General Fund, and while not dedicated to any particular purpose, the Board of
15 Supervisors by this Resolution expresses its non-binding intent that such funds will be used to
16 hire healthcare workers, emergency responders, mental healthcare workers, or other
17 essential city workers; and

18 WHEREAS, The funds generated by this proposed tax could make great strides in
19 alleviating the economic hardships of coronavirus; now, therefore, be it

20 RESOLVED, That the Board of Supervisors intends to support the hiring of healthcare
21 workers, emergency responders, or other essential workers by appropriating funds raised by
22 the Overpaid Executive Tax ballot measure to hire and support these workers.