

CHARTER AMENDMENT

LEGISLATIVE ANALYST SUMMARY

TO: HONORABLE MEMBERS OF THE BOARD
OF SUPERVISORS and RULES COMMITTEE

FROM: JOHN D.R. CLARK, Legislative Analyst

HEARING DATE: JUNE 24, 1999

SUBJECT: TRANSFER OF VACATION & SICK LEAVE
CREDITS (File 99-0986)

SUMMARY OF PROPOSED AMENDMENT

Currently, the City allows employees to donate some or all of their accumulated sick leave and/or vacation leave to other City employees who are catastrophically ill and have exhausted their own leave time and comp. time balances. This Charter Amendment will allow City employees to receive vacation donations and use this time to care for an ailing spouse, domestic partner or dependent in addition to themselves. This amendment also allows sick leave and vacation donations into a pool (rather than strictly from one individual employee to another), which may help insure equity in the distribution of this benefit. While the City already provides "family leave" pursuant to the federal Family and Medical Care Leave Act, FMLA leave is unpaid while these donations would allow the City employee to continue receiving a paycheck, at least for a while.

CURRENT CHARTER PROVISIONS

Sections A8.364 and A8.441 of the Charter allow employees to transfer their unused vacation and/or sick leave hours to another employee, but these sections do not allow the use of vacation time for anyone except the employee receiving the donation, nor do these sections allow or imply the ability to donate sick time or vacation time into a pool.

(COPIED FROM OLA WEBSITE)

POLICY ANALYSIS

A number of City employees have found themselves in the situation of having to care full-time for ill spouses, domestic partners or children for such a length of time that their own accumulated leave time balances run out. Given that relatively few employees have disability insurance, this can cause a serious financial burden. Even for those employees with disability insurance, the amount paid is often 50-70% of normal pay and is additionally reduced by any other payments received -- meaning a financial shortfall is still frequent.

Note that this amendment would not change the limitation of sick leave, that is, sick leave donations could only be used by an ill employee and not their spouses, partners or dependents (unlike vested vacation). On this same point, "dependents" are defined here as specified in the IRS code, this prevents someone from using donated vacation time to care for a person who is not truly their dependent.

The Catastrophic Sick Leave and Long Term Disability Task Force is reviewing recommendations for administration of the "donation pool." The Task Force will address the potential impact of the pool on the level of donations. It is envisioned by the Task Force that one department will administer the pool so that inequities will not arise (e.g., employees of small departments are often at a disadvantage, as there are fewer potential donors). This department could be the Retirement System, Human Resources, administrative Services or a number of others. The designation is left to the Board of Supervisors by ordinance to preserve flexibility. The Task Force also anticipates addressing other concerns such as temporary replacement of employees on such leave, limits on total time usage, etc.

If approved by the electorate, the Health Commission, Retirement Board and Civil Service Commission shall conduct a joint hearing to consider administrative policies and procedures to recommend to the Board of Supervisors. Ultimately, the Board retains final authority on how this amendment would be administered.

Prepared 6/18/99 by John Clark, Office of the Legislative Analyst; 415-554-7781,

e-mail: john_clark@ci.sf.ca.us

(report Issued 6/18/99)