



## City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 <sup>st</sup> Reading	2 <sup>nd</sup> Reading
<b>6/2/2021</b>	<input checked="" type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Other</b>	Ordinance Reading	<b>N/A</b>	<b>N/A</b>
		Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
		Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
		Quasi Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
File No.:				
<b>21-128</b>				
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number :	
<b>\$0</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
Contract/P.O. Required		RFP/RFQ/Bid Number:	Sponsor Name:	Department:
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<b>N/A</b>	<b>Radu Dodea, Human Resources Director</b>	<b>Human Resources/Risk Management</b>
Strategic Plan Focus Areas:				
<input type="checkbox"/> Finance & Budget		<input checked="" type="checkbox"/> Organizational Capacity		<input type="checkbox"/> Infrastructure/Projects
Implementation Timeline:				
Estimated Start Date: 10/1/2021    Estimated End Date: N/A				

### SHORT TITLE:

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, DIRECTING THE PREPARATION OF AN ORDINANCE ADOPTING AND CODIFYING A PAID PARENTAL LEAVE POLICY FOR CITY EMPLOYEES; AND PROVIDING AN EFFECTIVE DATE.**

### STAFF SUMMARY:

**Summary:**

At the City Commission meeting held on February 3, 2021, staff was directed to explore the feasibility and economic/fiscal impact of implementing a paid parental leave benefit for City employees for the birth, adoption, or placement of a foster child and to bring back for discussion.

**Background:**

Paid Parental Leave (PPL) is an employee benefit that has been adopted in several states, and many counties, and local municipalities throughout the United States. PPL is a new paid leave category that provides eligible employees with up to 12 weeks of PPL in connection with the birth of an employee's son or daughter or the placement of a son or daughter with an employee for adoption or foster care.

The United States has historically lagged behind most of the developed—as well as developing—world with regard to family leave benefits. It was not until 1993 that the United States passed the Family and Medical Leave Act (FMLA), granting certain categories of women and men up to twelve weeks of unpaid job-protected leave for the following reasons: the birth and care of a newborn child; the placement of a son or daughter for adoption or foster care; to care for an immediate family member (spouse, child, or parent) with a serious health condition; and the employee's own serious illness or injury. The act contains numerous eligibility requirements, however: employees must work in either a public agency or a private company with at least fifty employees within a seventy-five mile radius; the employee must have been employed by the company for at least one year and have worked at least 1,250 hours in that year; and employees in the top 10 percent of the agency's pay scale may be excluded. As a result of the stringent parameters of the law, only about 60 percent of the workforce is covered. Despite the shortcomings of the FMLA, its passage was a major accomplishment. The law would go on to help millions of workers by ensuring their job security while on leave and improving the work-life balance of American workers.

Employees of the City, having worked at least 1,250 hours in the previous 12 months, also have job protection under the FMLA for up to 12 weeks following the birth, adoption, or fostering of a child; however, the leave is unpaid. Employees may use their accrued leave, if available, to substitute part or the entire 12-week unpaid period.

Over the last two decades, attempts to increase family leave benefits at the national level have largely failed. Because Congress has been reluctant to expand the FMLA or enact a new federal-level paid family leave law, efforts to improve family leave coverage have largely been concentrated at the subnational level. State, county, and municipal lawmakers can legislate social policy not addressed by the federal government and have greater freedom to design policy that is consistent with the social-economic factors affecting their population. Many have done just that, by adopting PPL policies to benefit employees (women and men) who need the continued income following the birth, adoption or foster placement of a child and improve their work-life balance.

Based on the FMLA data on file, for the period October 1, 2017 through present, employee's of the City requested FMLA leave for the birth, adoption or foster placement of a child on average seven (7) times per Fiscal Year.

### **Current Situation:**

Local government agencies in the State of Florida and around the country have begun adopting PPL policies.

A review of the PPL policies summarized in Exhibit 1, Paid Parental Leave Policies for Municipal Employees, indicates the following:

- ✓ Most common benefit duration being offered is six (6) to twelve (12) weeks of paid leave;
- ✓ Employees must have worked for the organization at least one (1) year, and leave must run concurrent with FMLA;

- ✓ In addition to the birth of a child, leave is also provided for the adoption of a child or placement of a foster child;
- ✓ Some of the agencies offer 100% of a full-time employee's (FTE) base salary for the duration of leave, while others offer a reduced percentage of salary;
- ✓ PPL applies equally to parents regardless of gender, as well as to same-sex couples;
- ✓ The leave period does not exceed twelve (12) weeks per birth, adoption or foster care placement regardless of the number of children born, adopted by the employee, or placed in the employee's home through foster care;
- ✓ PPL occurs concurrently with, counts against, and is not added to periods of unpaid or job protected leave for which the employee may also be eligible, including the federally-mandated 12 weeks of FMLA leave, and/or any other paid or unpaid leave;
- ✓ Some of the agencies include a work obligation agreement, before commencement of the leave, to subsequently work for the Employer for at least 12 weeks.
  - Failure to meet the 12 week work obligation will require the employee to reimburse the Employer the total amount of any Employer contribution made to maintain the Employee's health insurance coverage during the period that paid parental leave was used.

FMLA data shows the average number of leave hours taken for the birth, adoption, or placement of a foster child for employees is 480 hours (12 weeks).

Workers oftentimes face tension in balancing their roles as parents and workers, especially if there are adverse consequences for missing too much time from work due to the birth, adoption, or foster placement of a child, or if they cannot afford to go unpaid for an extended period of time.

Based on the research findings, PPL addresses these problems as well as:

- PPL creates and maintains a work culture that supports employees in their effort to balance their work responsibilities with the demands of personal and family life;
- Provides a valuable benefit to employees, as well as their families;
- PPL allows parents additional flexibility and paid time to bond with their new child, adjust to their new family situation, and balance their professional obligations;
- Offering PPL tends to have strategic benefits, including the ability to attract talent, increase employee retention, reduce costly turnover, improve employee health and wellness, and better employee engagement and productivity;
- Paid leave helps close the gender wage gap;
- Paid leave helps women remain in the workforce throughout their careers and rise to leadership roles;
- Paid leave helps equalize caregiving in two-parent households;
- Paid leave will help women provide for their families and save for retirement.

Based on research findings, most agencies that implemented this benefit, did so through Administrative Policies. This benefit can also be implemented by City Administrative Policy which falls under the authority of the City Manager.

### **Why Action is Necessary**

Based on City Commission directive, staff is presenting the feasibility and economic/fiscal impact findings of implementing a PPL benefit for City employees.

### **Cost benefit:**

While no federal laws require us to provide PPL, research findings suggest that it is a valuable benefit to employees as well as to their families. Furthermore, PPL is an attractive tool that is useful in recruitment and retention of talented workers.

Historically, leave usage is taken into account as part of the City's annual budget development process. All full-time City employees are budgeted 2080 hours annually. All full-time City employees accumulate 96 hours of leave for sick and at least 104 hours of vacation leave annually. So whether employees work or utilize their accrued leave, the funding to pay an employees' full salary is included in the budget. Additionally, there are some departments that take into account both anticipated and unanticipated leave usage that occurs during the year to ensure City services are not interrupted by budgeting overtime or use of temporary staffing. Generally, during extended employee's leave, work may be distributed among existing staff. Staff that would be appointed to take on the additional duties and responsibilities will receive a 5% additional temporary Assignment Pay.

Based on the average hourly rate for all employees, the cost to provide temporary Assignment Pay for the 12-week period is approximately \$1,120 per employee (based on an average hourly rate of \$33.30/hour and additional benefit costs).

In regards to temporary staffing, the average cost for a full time temp, for a 12-week period is approximately \$13,440 (based on a \$28/hour average rate and 480 hours).

Another cost that might be associated with PPL is employees could have more accrued leave available in the future, and therefore could potentially have higher separation payments upon leaving the City.

### **PROPOSED ACTION:**

City Commission adopt the attached resolution directing the preparation of an ordinance requiring the City to maintain a paid parental leave policy for City employees.

### **ATTACHMENT(S):**

Exhibit 1 – Resolution  
Exhibit 2 – Summary of Paid Parental Leave Policies for Municipal Employees  
Exhibit 3 – Paid Parental Leave Presentation

Prepared By: Radu Dodea  
Radu Dodea  
Human Resources Director

Reviewed By: Noemy Sandoval  
Noemy Sandoval

Assistant City Manager

Approved By: *Jeremy Earle*  
Jeremy Earle  
City Manager