Welcome
Minimum Compensation Ordinance (MCO)

Beverly Popek
Compliance Officer
Wages and Paid Time Off (PTO)
MCO

Who needs to comply?
A company that has:
• A City Contract with an MCO Requirement/Provision
• 5 employees or greater, anywhere in the world
• Includes subcontractors
MCO

Which employees are covered under the MCO?

An employee NOT covered under Prevailing Wage. Usually non construction workers/positions.

Common Examples:
• Clerical/administrative staff
• Childcare/Afterschool program employees
• Outreach workers, program managers, case managers, counselors
MCO

Wage Requirement:
Any employee who works on a City contract for services:

• Pay at least the MCO Wage
  • Non-profit MCO rate is $16.50 per hour
  • Public Entities (IHSS) MCO rate is $16.50 per hour
MCO
Time Off Requirements

Paid Time Off

0.04615 hours of **Paid Time Off (PTO)** per hour worked
- PTO can be used as vacation or sick leave.
- Must be vested and cashed out at termination
MCO
Time Off Requirements

Unpaid Time Off

0.0392 hours of **unpaid time off** allowed

- Allowed for **sick leave** for the covered employee, covered employee’s spouse, domestic partner, child, parent, sibling, grandparent or grandchild.
- It is possible that your company may already have an unpaid leave policy that is in compliance with the unpaid time off requirements of the MCO.
MCO - Other Requirements

- Annual Posters
- Annual MCO Know Your Rights Forms
- All posters and forms are on our website: www.sfgov.org/olse/mco
MCO Common Violations/Misconceptions Employers Make

- Employer does not think that they have to comply because workers are not working in San Francisco
- Employer does not think they have to comply because the company is headquartered outside of San Francisco, CA
- Employer thinks that PTO and Sick Time are the same thing
- Employer thinks that by complying with SF Paid Sick Leave they are in compliance with the MCO
For More Information about MCO

MCO: [www.sfgov.org/olse/mco](http://www.sfgov.org/olse/mco)
  • Sign up for MCO/HCAO email list

OLSE: [www.sfgov.org/olse](http://www.sfgov.org/olse)

Beverly Popek, Compliance Officer
415-554-6238
beverly.popek@sfgov.org
San Francisco
Minimum Wage Ordinance

Office of Labor Standards Enforcement
The minimum wage is currently at $15.59 per hour.

Beginning July 1, 2019, and each year thereafter, the minimum wage will be adjusted based on the annual increase in the Consumer Price Index.
OLSE HOTLINE for SF Minimum Wage Questions

(415) 554-6292
mwo@sfgov.org
www.sfgov.org/olse/mwo
San Francisco
Paid Sick Leave Ordinance

Office of Labor Standards Enforcement
Covered Employees

- Employees NOT covered under the Minimum Compensation Ordinance (MCO)
- Employees who perform work in San Francisco, including on a part time or temporary basis, accrue paid sick leave for those hours worked in the city, regardless of where their employer is located
Use of Paid Sick Leave

- An employee may use paid sick leave when he or she is ill or injured or for the purpose of the employee's receiving medical care, treatment, or diagnosis.

- Sick leave can also be used to aid or care for the following persons – child; parent; legal guardian or ward; sibling; grandparent; grandchild; and spouse, registered domestic partner under any state or local law, or designated person.

- Sick leave can be used by an employee who is a victim of domestic violence, sexual assault or stalking.
Accrual and Use of Paid Sick Leave

• Accrue 1 hour of PSL for every 30 hours worked
• Accrue PSL starting on day 1
• Use PSL hours after 90 days
• Caps on accrual:
  • 40 hours for employers with <10 employees
  • 72 hours for all other employers
• Caps are not annual; accrued PSL hours carry over from year to year
• Employers must notify employees of PSL accrued each pay period
• Employees can use any PSL accrued
Paid Sick Leave Questions

(415) 554-6271
psl@sfgov.org
www.sfgov.org/olse/pslo
Chapter 21C
Miscellaneous Prevailing Wage Requirements

Anna Liu
Compliance Officer, OLSE
San Francisco Administrative Code Chapter 21C

• Establishes 10 prevailing wage classifications.

• May apply to San Francisco service contracts, subcontracts, leases, management agreements, and permits.

• Apply to work performed at any facilities or properties owned or leased by the City.
What is prevailing wage?

Basic Hourly Wage
( Including Overtime )

Benefits
(Pension, Vacation, Health & Welfare, etc.)

Total Hourly Rate
10 Categories of Work Under 21C

- Motor Bus Services (21C.1) 1999
- Janitorial Services (21C.2) 1999
- Work at Parking Lots and Garages (21C.3) 2003
- Theatrical Services (21C.4) 2004
- Solid Waste Hauling (21C.5) 2006
- Moving Services (21C.6) 2004
- Trade Show/Special Event Work (21C.8) 2014
- Broadcast Services (21C.9) 2016
- Loading/Unloading (21C.10) 2016
- Security Guard Services (21C.11) 2016
21C.2 – Janitorial Services

Date prevailing wage rate was established: 1/16/2004

• Current total hourly rate including fringes (for >4,850 hours): $34.42 per hour

• Health and welfare contribution is $8.66 per hour (when employee worked for employer for at least four months and a minimum of 105 hours in previous month)

• Working more than 7.5 hours a day will require overtime pay
21C.2 – Window Cleaners

Date prevailing wage rate was established: 12/13/2007

- Current total hourly rate including fringes (for Base trainee with more than 2,925 hours): $33.45 per hour
- Health and welfare contribution is $8.86 per hour (when employee works at least 975 hours and a minimum of 75 hours in previous month)
- Working more than 7.5 hours a day will be subject to overtime
Exemptions – Janitorial Services (including Window Cleaners)

1. Non-profit organizations to provide work experience for individuals with disabilities.

2. Services performed under jurisdiction of Airport Commission (SFO exempted).
21C.11 – Security Guard Services

Date prevailing wage rate was established: 6/2/2017

- Current total hourly rate including fringes: $20.75 per hour (for Security Officer 1 with health benefit for employee only and hired after 1/1/19)

- Amendment to extend current MCO & HCAO contracts will trigger 21C.11

- No waivers on health and welfare contribution (HCAO waiver provision does not apply to prevailing wage)

- HCSO may apply if employer has 20+ employees
Exemptions – Security Guards

1. City contracts issued by SF Airport Commission or to be performed at any facility owned, leased, or otherwise under jurisdiction of SF Airport Commission.

2. City contracts for a cumulative amount of $10,000 or less per security guard services provider in each fiscal year.

3. Celebration of a marriage, domestic partnership, or similar civil union.

4. Event less than $10,000 and free access in a public park or public street, or property under the jurisdiction of Port Commission.

5. Any permit or agreement to engage in film production.

6. In a circumstance would be preempted by federal or state law.

7. A total number of employees providing security guard services for the event is less than 15 persons.
OLSE Prevailing Wage
Contact Information

(415) 554-OLSE (6573)

www.sfgov.org/olse/prevailing-wage

prevailingwage@sfgov.org
Compensation Laws:
Questions?
Paid Parental Leave Ordinance

Bernice Casey
Compliance Officer
What is the Paid Parental Leave Ordinance?

• Passed unanimously by Board of Supervisors on April 21, 2016 and implemented beginning 2017.

• First of its kind in the United States

• Requires employers to supplement an employee’s California Paid Family Leave (PFL) benefits

• Provides eligible employees working in San Francisco with additional compensation from their employer while they are taking PFL.
Covered Employers

Applies to employers worldwide that have employee(s) who work(s) in San Francisco

• Employ Threshold Number of Employees:
  Global count of twenty (20) or more employees

• An Employer with fluctuating workforce – number of employees goes up and down over time – should average employees over PPLO Lookback period

• Covered employers must display poster (available on our website) and provide the PPLO form to any employee who is expecting to become a parent (Rule 4)

Note: Government entities are not covered employers
Covered Employees

1. Works in San Francisco
2. Commenced work for a covered employer at least 180 days before leave period
3. Work at least 8 hours per week in San Francisco for a covered employer
4. Work in San Francisco at least 40% of weekly hours for a covered employer
5. Apply for and receive California Paid Family Leave (PFL) benefits from the Employment Development Department (EDD)
6. The employee does not have to be covered by other state or federal leave laws to receive the benefit
Key Term: PPLO LookBack Period

- The 12 weekly, 6 semi-monthly or bi-weekly, or 3 monthly pay periods before the first day of an employee’s leave

- Is used to determine if an employer is covered when the number of employees fluctuate

- Is used to determine if an employee is covered when hours fluctuate

- Is used to calculate the average normal weekly wage when wages fluctuate.

- When in doubt, call OLSE with questions about whether employer and employee are covered by the PPLO
Steps for Employers

1. Post the Notice
2. Provide the PPLO form to any employee who indicates that they will be or have become a parent (Other employer obligations under federal & state law)
3. Determine employee eligibility
4. Calculate and pay employee
Steps for Employees

1. Apply for California Paid Family Leave, on-line or in paper form
2. Complete the San Francisco Paid Parental Leave (PPL) form
3. Submit the completed SF PPL form and the Notice of Computation to Employer
4. Maintain records and receipts from EDD
Paid Family Leave (PFL)

• Employee funded benefit
• Six weeks of partial wage replacement to employees while:
  1. caring for a seriously ill family member; OR
  2. bonding with a newborn, adopted or foster child
• Benefit, depending on income, is 60% to 70% up to cap
• Both parents can take the same or different time
• Can be taken consecutively or intermittently
• Must be taken within one year of birth, adoption or placement

PFL Questions: Call 855.342.3645
Paid Family Leave (PFL): upcoming changes

• In 2019, the CA legislature expanded PFL benefits from 6 weeks to 8 weeks.

• For Claim Effective Dates starting July 1, 2020 and going forward, employees can get 8 weeks of PFL benefits.

• This also means that for employees with PFL Claim Effective Dates 7/1/20 and going forward, SF employers will provide supplemental compensation for 8 weeks, not just 6.

• Check our website in 2020 for updated calculation instructions for employees entitled to 8 weeks of supplemental compensation.
How to Provide Supplemental Compensation

1. Employee returns SF PPL form
   a. review Section II
2. Calculation Instructions
   a. EDD weekly rate
   b. Employee’s Normal Gross Weekly Wages

The sum of the EDD PFL benefit & employer provided supplemental compensation equals 100% of employee’s gross wages to a cap (2019 cap is $2,087)

Example:
If an employee earns $1,000 per week and the EDD replaces $700 then the employer will owed $300 per week for up to six weeks ($1,800).

**Payment is due at next regularly schedule pay period**
Paid Parental Leave Ordinance: Common Compliance Issues

• Notifying employees about their rights: *as soon as you become aware that an employee expects to become a parent via birth, adoption, or fostering*, provide them with the PPLO form and document that you provided the form.

• Common misconceptions:
  • Paid Family Leave and PPLO compensation are only for birth mothers (not true!!)
  • An employee has to take their six weeks all at once (not true!!)
  • If an employee hasn’t worked for 180 days, I don’t need to notify them of their rights (not true!! The employee may become covered by PPLO at a later date, while they’re eligible for PFL!!)
Employer Resources on PPLO Website

• Official Notice – required to be posted
• Webinar slides and audio presentations
• Downloadable Excel calculators
• Written Calculation Instructions
• FAQs
• Rules
• Employee & Employer documents in multiple languages

https://sfgov.org/olse/paid-parental-leave-ordinance
Paid Parental Leave: Questions?

415.554.4190

pplo@sfgov.org
Health Care Accountability Ordinance (HCAO)

Beverly Popek
Compliance Officer
HCAO

Covered Employer:
A company that has:

• A City Contract with an HCAO Requirement/Provision
• 20 or more employees, anywhere in the world.

Keep in Mind:
It doesn’t matter where the company has it’s headquarters
HCAO

Which employees are covered under the HCAO?

• If an employee is NOT covered under Prevailing Wage.

• Same workers/examples in MCO

• Usually non construction workers/positions.
Covered Employee:

- Anyone who works at least 20 hours a week or more on a City Contract for services.

Keep in Mind:

- A worker is covered if they are performing work anywhere in the US.
- Work hours that fluctuate from week to week are Covered Employees if the average number of hours per week during applicable month is 20 hours or more.
HCAO Requirements 1/3

*Employer must choose one option.*

**Option 1**

Offer each covered employee a compliant health plan at no charge to the employee - no later than the first of the month after 30 days.

**HEALTH INSURANCE AT NO PREMIUM CHARGE (DEDUCTION)**
HCAO Requirements – 2/3

*Option 2*

Pay $5.40 per employee per hour to SF General Hospital

• *Rate adjusted every July 1 – Effective July 1, 2019 - $5.40 per hour*
• Fee goes to SF General Hospital – not a benefit or $ for worker (this is NOT Healthy San Francisco)
HCAO Requirements – 3/3

*Option 3*

Pay an additional $5.40 per hour directly to employee (only available to employees NOT working in San Francisco and SFO).
HCAO - Other Requirements

• Annual Posters
• Annual HCAO Know Your Rights Forms
• HCAO Fee Payment Form on website: www.sfgov.org/olse/hcao
• All posters and forms are on our website: www.sfgov.org/olse/hcao
HCAO Common Employer Violations and Misconceptions

• Employer does not think that they have to comply because workers are not working in San Francisco
• Employer does not think they have to comply because the company is headquartered outside of San Francisco, CA
• Health Plan is not compliant per HCAO Minimum Standards
For More Information about HCAO

HCAO: www.sfgov.org/olse/hcao

OLSE: www.sfgov.org/olse

Beverly Popek, Compliance Officer
415-554-6238
beverly.popek@sfgov.org
HEALTH CARE
ACCOUNTABILITY ORDINANCE

OCTOBER 29TH, 2019

OFFICE OF POLICY & PLANNING • SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH
DEPARTMENT ROLES

MINIMUM STANDARDS
HEALTH COMMISSION
SFDPH

- Updates Minimum Standards
- Reviews health plan compliance

ENFORCEMENT
OLSE

- Audits employers
- Responds to worker complaints
- Negotiates settlements
- Coordinates payment plans
July 1, 2001

Employers provide health insurance that meets the Minimum Standards or pay a fee to DPH

City & County of SF contractors & lease holders

A compliant health plan must meet all of the standards, and they are reviewed/updated at least every 2 years

The Health Commission has sole authority to revise the Minimum Standards
MINIMUM STANDARDS

16

MINIMUM STANDARDS
JAN 1, 2019 – DEC 31, 2020

- PREMIUM CONTRIBUTION
- EMPLOYEE COST-SHARING
- COVERED SERVICES
**MINIMUM STANDARDS (2019-2020)**

- All gold and platinum plans are automatically deemed compliant if the plan satisfies the minimum standards for all premium contribution and required covered services standards.

<table>
<thead>
<tr>
<th>#</th>
<th>BENEFIT REQUIREMENT</th>
<th>CURRENT</th>
<th>EFFECTIVE JAN 1, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PREMIUM CONTRIBUTION^</td>
<td>Employer pays 100%</td>
<td></td>
</tr>
</tbody>
</table>
| 2  | ANNUAL OOP MAXIMUM   | • In-Network: $7,550  
• Out-of-Network: Not specified | In-Network: ⬆ to $7,850 |
| 3  | REGULAR (MEDICAL SERVICES) DEDUCTIBLE^ | • In-Network: $2,000  
• Out-of-Network: Not specified  
• Employer reimburses all expenses that count towards amount# | |

^ Indicates the Minimum Standards that must be satisfied for gold and platinum plans to be compliant
<table>
<thead>
<tr>
<th>#</th>
<th>BENEFIT REQUIREMENT</th>
<th>STANDARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>PRESCRIPTION DRUG DEDUCTIBLE</td>
<td>• In-Network: $200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Out-of-Network: Not specified</td>
</tr>
<tr>
<td>5</td>
<td>PRESCRIPTION DRUG COVERAGE^</td>
<td>Plan must provide drug coverage, including coverage of brand-name drugs.</td>
</tr>
<tr>
<td>6</td>
<td>COINSURANCE PERCENTAGES</td>
<td>• In-Network: 80% / 20%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Out-of-Network: 50% / 50%</td>
</tr>
<tr>
<td>7</td>
<td>COPAYMENT FOR PRIMARY CARE PROVIDER VISITS</td>
<td>• In-Network: $45 per visit.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Out-of-Network: Not specified</td>
</tr>
</tbody>
</table>

^ Indicates the Minimum Standards that must be satisfied for gold and platinum plans to be compliant
# BENEFIT REQUIREMENT

<table>
<thead>
<tr>
<th>#</th>
<th>AMBULATORY PATIENT SERVICES (OUTPATIENT CARE)* ^</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>• When coinsurance is applied See Benefit Requirement #6</td>
</tr>
<tr>
<td></td>
<td>• When copayments are applied for these services:</td>
</tr>
<tr>
<td></td>
<td>• Primary Care Provider: See Benefit Requirement #7</td>
</tr>
<tr>
<td></td>
<td>• Specialty visits: Not specified</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>#</th>
<th>PREVENTIVE &amp; WELLNESS SERVICES* ^</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>• In-Network: Provided at no cost, per ACA rules.</td>
</tr>
<tr>
<td></td>
<td>• Out-of-Network: Subject to the plan’s out-of-network fee requirements.</td>
</tr>
</tbody>
</table>

* Coverage of these services are standardized under ACA rules. Cost-sharing for these services are to conform to the requirements above.

^ Indicates the Minimum Standards that must be satisfied for gold and platinum plans to be compliant
## MINIMUM STANDARDS (2019-2020)

<table>
<thead>
<tr>
<th>#</th>
<th>BENEFIT REQUIREMENT</th>
<th>STANDARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>PRE/POST-NATAL CARE*</td>
<td></td>
</tr>
</tbody>
</table>
- In-Network: Scheduled prenatal exams and first postpartum follow-up consult is covered without charge, per ACA rules.  
- Out-of-Network: Subject to the plan’s out-of-network fee requirements. |
| 11  | HOSPITALIZATION*    |  
- When coinsurance is applied See Benefit Requirement #6  
- When copayments are applied for these services: Not specified |

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<table>
<thead>
<tr>
<th>#</th>
<th>BENEFIT REQUIREMENT</th>
<th>STANDARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>MENTAL HEALTH &amp; SUBSTANCE USE DISORDER SERVICES, INCLUDING BEHAVIORAL HEALTH* ^</td>
<td>• When coinsurance is applied See Benefit Requirement #6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• When copayments are applied for these services: Not specified</td>
</tr>
<tr>
<td>13</td>
<td>REHABILITATIVE &amp; HABILITATIVE SERVICES* ^</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>LABORATORY SERVICES* ^</td>
<td></td>
</tr>
</tbody>
</table>

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<th>STANDARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>EMERGENCY ROOM SERVICES &amp; AMBULANCE* ^</td>
<td>Limited to treatment of medical emergencies. The in-network deductible and coinsurance also apply to emergency services received from an out-of-network provider.</td>
</tr>
<tr>
<td>16</td>
<td>OTHER SERVICES* ^</td>
<td>The full set of covered benefits is based on the ACA list of Essential Health Benefits in conjunction with the <a href="#">Covered California EHB Benchmark plan</a>.</td>
</tr>
</tbody>
</table>

^ Indicates the Minimum Standards that must be satisfied for gold and platinum plans to be compliant
A HEALTH PLAN MUST SATISFY ALL MINIMUM STANDARDS IN ORDER TO BE COMPLIANT.
Health Care Security Ordinance (HCSO)

Kevin Brunner
Compliance Officer, OLSE

Office of Labor Standards Enforcement
HCSO History and Overview

• The HCSO was implemented on January 1, 2008 and has been amended several times.
• The HCSO requires covered employers to make health care expenditures (spend money) on behalf of covered employees for health care services.
Covered Employers

Nonprofit employers:
50+ persons perform work per week in the quarter

For-profit employers:
20+ persons perform work per week in the quarter

Minimum size threshold is based on total number of employees in ALL locations worldwide

Office of Labor Standards Enforcement
Covered Employees

• Employed for at least 90 calendar days for your organization
• Work at least 8 hours per week in San Francisco

• **NOT COVERED:**
  • Managers/Supervisors. Must satisfy (1) job duties test and (2) salary requirement. ($100,796 per year or $48.46 per hour)
  • Medicare OR TRICARE
  • Employees covered by the Health Care Accountability Ordinance (HCAO)
  • Employees who have employer based health coverage *through another employer* and who voluntarily sign an OLSE Employee Waiver Form
### Employer Spending Requirement

<table>
<thead>
<tr>
<th>Employer Size</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>100+ Employees</td>
<td>$2.93/hr</td>
<td>$3.08/hr</td>
</tr>
<tr>
<td>20-99 Employees</td>
<td>$1.95/hr</td>
<td>$2.05/hr</td>
</tr>
</tbody>
</table>

*Health Care Expenditure Rates Change Annually on January 1\(^{st}\)*
Employer Spending Requirement

- Payable Hours x HCE Rate = Amount To Spend Quarterly
- Payable hours includes hours worked and any hours a person is entitled to be paid wages, like sick leave, vacation, PTO
  - Payable hours cap: 172 hours/month
- HCEs must be made 30 days after the end of the preceding quarter.
  - For Q4 2019 (Oct., Nov., Dec.) the deadline is Jan. 30, 2020
- **Quarterly Deadlines**: Q1: Apr. 30, Q2: July 30, Q3: Oct. 30, Q4: Jan. 30.
How to Satisfy the Employer Spending Requirement?

• Provide health insurance:
  • Payments for insurance premiums, including medical, dental, and/or vision insurance for covered employees and/or their spouses, partners, children, or other dependents

• Contribute to SF City Option

• Contribute to a Health Savings Account, Medical Savings Account, or other irrevocable reimbursement account

• Combination of these options
Employer Obligations Under the HCSO

1) Post official OLSE notices in all workplaces
   • Download notice from the OLSE website
2) Report health care expenditures to OLSE annually
   • Annual Reporting Form (ARF) open in April.
3) Maintain employment records
   • Employment Records demonstrating contributions made each quarter
4) Satisfy Employer Spending Requirement (ESR)
Common Compliance Issues

• Failing to make any health care expenditures for some or all covered employees
• Not meeting the health care expenditure owed to a Covered Employee (e.g. spending too little for health insurance)
• Not providing part time employees who work 8+ hours/week with a health care expenditure (e.g. part time employee does not qualify for employer’s health insurance, no alternative health benefit provided to employee)
• Failing to make health care expenditures for employees with other coverage
HCAO vs. HCSO: distinctions

HCAO

• applies to City Contractors or Lessees
• applies to employees working at least 20 hours a week on the contract or City property
• requires a minimum standard insurance plan (or a SF General Hospital fee payment)
• Employee has no waiting period for coverage

HCSO

• applies to Covered Employers with employees in San Francisco
• applies to employees working at least 8 hours a week in San Francisco, who are not covered under the HCAO
• has a spending requirement
  • An employer can choose how to spend the money (e.g. Health Insurance, City Option, etc.)
• employee has a 90 day waiting period for coverage

Note: For more information on how the HCAO and HCSO can interact, please contact Beverly Popek at 415-554-6238.
HCAO vs. HCSO: employee analysis

Does employee work on a City contract?

Yes  

Does e’ee work at least 20h/wk on the contract?

Yes  

HCAO applies

No  

Does e’ee work in San Francisco?

Yes  

HCSO applies

No
Learn more about the HCSO

• Sign up for HCSO updates on OLSE website:
  Email Updates
• Online Resources
  • Administrative Guidance
  • OLSE Official Notice
  • Annual Reporting Form
  • Employee Voluntary Waiver Form
• Attend a Webinar (offered monthly—see www.sfgov.org/olse)
• Email us: HCSO@sfgov.org
• Call us: (415) 554-7892

Office of Labor Standards Enforcement
Health Care Laws: Questions?

Office of Labor Standards Enforcement
San Francisco Fair Chance Ordinance

• Regulates use of arrest and conviction records in employment and in affordable housing decisions
  • OLSE enforces employment sections
  • San Francisco Human Rights Commission (HRC) enforces housing sections

• Difficulty finding employment is the #1 factor affecting a return to criminal justice system
Who is Covered?

• Police Code Article 49: Employers Citywide
  • 5+ employees worldwide & any employees (or planned positions) in SF
  • Any position where the employee works/will work at least 8 hours/week in SF

• Admin Code 12T: City Contractors
  • Any size & any employees (or planned positions) in SF
  • Any position where the employee works/will work at least 8 hours/week in SF
Job Announcements

• **cannot** say that someone with arrests or convictions will not be considered, or that a background check must be “passed.”

• **must** include an affirmative statement of compliance with the FCO:
  
  “Pursuant to the San Francisco Fair Chance Ordinance, we will consider for employment qualified applicants with arrest and conviction records.”
Job Applications

• Job applications cannot ask about the applicant’s history of arrests or convictions

• Employers cannot ask about, or inquire into, convictions or unresolved arrests until after a conditional offer of employment.
Background Check Prohibited Information

Seven categories of information may not be considered at any time:

1. an arrest not leading to a conviction (except unresolved arrests)
2. participation in a diversion or deferral of judgment program
3. a conviction that has been dismissed or expunged
4. a conviction in the juvenile justice system
5. a conviction that is more than 7 years old
6. an offense other than a felony or misdemeanor (i.e. traffic ticket)
7. Any decriminalized offense (such as some cannabis convictions)
Exceptions to Prohibited Information

1. Employers can consider convictions and arrests prior to 7-year lookback period for jobs supervising:
   • Minors
   • Dependent adults
   • Persons 65 years or older

2. Employers can consider infractions (driving record) where driving is a significant part of the job
Background Check Procedures

When considering an applicant’s conviction history, the Employer must:

• provide the applicant with a copy of the FCO Notice & background check
• give the applicant seven days to respond – correct or provide evidence of rehabilitation or mitigating factors
• consider only Directly-Related Convictions
• treat each applicant as an individual – no automatic rejections
Additional Employer Responsibilities

• FCO Poster at the Workplace (in addition to providing to applicants when performing a background check)

• Retain records of employment, applications, and other pertinent records for three years

• Retaliation strictly prohibited

• Annual Reporting to OLSE due each year by April 30
Resources

SF Fair Chance Ordinance
- Employment Questions – Office of Labor Standards Enforcement
  - Web page: http://sfgov.org/olse/fco
  - Phone hotline: (415) 554-5192
  - Email address: fco@sfgov.org
- Affordable Housing Questions – Human Rights Commission
  - Web page: http://sf-hrc.org/fair-chance-ordinance

California Fair Chance Act
- www.dfeh.ca.gov
Covered Employers & Employees

• **Covered Employers**
  • Any employer who regularly employs 20 or more employees, worldwide.

• **Covered Employees**
  • Employed by the employer for six months or more
  • Regularly works at least 8 hours per week in San Francisco.
Employee Rights

• Employees covered by the FFWO have the right to request a flexible or predictable working arrangement to assist with caregiving responsibilities for:
  • A child or children for whom the employee has parental responsibility
  • A person with a Serious Health Condition in a Family Relationship with the employee
  • The employee’s parent, age 65 or older
Employee Rights Continued

• The employee’s request may include, but is not limited to, request for changes in:
  • The number of hours worked
  • Times worked
  • Work location
  • Work assignments
  • Predictability of work schedule
Employer Response Requirements

- After receiving a request, the employer is required to:
  - Meet with the employee within 21 days.
  - Consider the request and respond within 21 days of the meeting.

- The employer may grant or deny the request.

- If the employer *denies* the request, the employer is required to:
  - Explain the denial in writing and provide a bona fide business reason for the denial.
  - Notify the employee of the right to request a reconsideration.
Resources

• Online: www.sfgov.org/olse/ffwo
  o Required Notice
  o Full text of the FFWO
  o And more!
• FFWO email: FFWO@sfgov.org.
• FFWO help line: (415) 554-6424
Lactation in the Workplace & Consideration of Salary History

Greg Asay
Deputy Director, OLSE

Office of Labor Standards Enforcement
Lactation in the Workplace Ordinance
Legislative History

• The purpose of the LWO “is to provide a supportive work environment to enable employees who are nursing mothers to breastfeed or express breast milk during work hours”

• Amends the San Francisco Police Code and San Francisco Building Code, establishing local standards to complement State and Federal law
Covered Employers and Employees

• All employers – except for government entities – that have employees working in San Francisco are covered

• All employees working within the geographic boundaries of San Francisco, including part-time employees, are covered
Employer Requirements – Lactation Breaks

Employers must provide a reasonable amount of break time for employees to express breast milk

• Break time shall, if possible, run concurrently with any break time already provided to the employee

• Break time that does not run concurrently with the rest time authorized under State law may be unpaid
Employer Requirements – Lactation Location

• Employers must provide a location for lactation, other than a bathroom, in close proximity to the employee’s work area that:
  • Is shielded from view and free from intrusion
  • Is safe and clean
  • Contains a place to sit
  • Contains a surface
  • Contains a surface
  • Has access to electricity

• Employers must provide, in close proximity to the employee’s work area, access to a refrigerator and a sink with running water

• Employers in multi-tenant buildings may use a shared location if they cannot satisfy the location requirements on their own
Employer Requirements – Lactation Accommodation Policy

Employers must develop and implement a Lactation Accommodation policy that affirms an employee’s right to lactation accommodation and explains how employees may request it, including:

A. Identify the process by which an employee may submit a request
B. Require the employer to respond within 5 business days
C. Require the employer and employee to engage in an interactive process to determine the appropriate lactation break period(s) and location
OLSE – Lactation in the Workplace

www.sfgov.org/olse/lactation-workplace

• Legislative Text
• Frequently Asked Questions
• Sample Employer Policy & Request Form

(415) 554-6406
lactation@sfgov.org
Consideration of Salary History Ordinance
Legislative History

• The Ordinance will help ensure that an individual's prior earnings, which may reflect widespread, longstanding, gender-based wage disparities in the labor market, do not continue to weigh down a woman's salary throughout her career.

• Codified as Chapter 12K of the Administrative Code and Article 33J of the Police Code
Key Provisions

• Employers may not ask applicants about their current or past salary

• Employers may not disclose a current or former employee’s salary history without that employee’s written authorization unless the salary history is publicly available

• An applicant may choose to share salary history information voluntarily and without prompting. If the applicant does so, the employer may consider that information in determining the salary to offer that applicant.
OLSE – Consideration of Salary History

www.sfgov.org/olse/consideration-salary-history
(415) 554-6469
salaryhistory@sfgov.org
Egalité des salaires
WHAT IS THE EQUAL PAY ORDINANCE?

- The Equal Pay Ordinance creates a new mandate in City contracting which requires certain contractors doing business on large projects with the City to submit an Equal Pay Report regarding compensation to paid employees.

- The Equal Pay Report requires covered contractors to provide summary information on compensation paid to employees identified by gender, race, and gender and race combined.
WHY THE EQUAL PAY ORDINANCE?

- The Equal Pay Ordinance increases pay transparency and may help employers become aware of disparities in pay based on gender, race, or gender and race combined.

- Increased awareness of wage gaps through data collection and reporting

- Opportunities for growth, mobility, and better company-wide policies

- Goals are to reduce wage gaps, increase economic stability, and identify any possible discrimination that may be taking place
WHO IS A COVERED CONTRACTOR?

- Covered contractors include any contractor or subcontractor which has at least 20 employees worldwide. There are three additional categories:

- For construction and public works, with an agreement value equal to or in excess of $600,000 (Threshold Amount in S.F. Admin. Code Chapter 6);
- For goods and professional services, with an agreement value equal to or in excess of $100,000 (Minimum Competitive Amount in S.F. Admin. Code Chapter 21);
- For nonprofit grant recipients, an agreement value equal to or in excess of $50,000.
June 1, 2020 is the deadline for the first Equal Pay Report.

When we and our partners in the Controller’s Office have the reporting model available, to contractors, you can begin reporting FY2019 data.

The model will be substantially similar to the EEO-1 Component 2, which requires the same data.
FURTHER READING & RESOURCES

Mullane.ahern@sfgov.org

Bay Area Commuter Benefit Program
San Francisco Commuter Benefit Ordinance

LaShawn Martin

Bay Area Commuter Benefits Program

October 29, 2019
Air District Regulation 14 Rule 1

Who: Employers with 50 or more full-time employees in the Bay Area
Where: Throughout the nine-county SF Bay Area
What: Choose a commuter benefit option to offer employees
Why: To reduce air pollution and traffic congestion
How: Pre-tax, subsidy, employer-provided transit, or customized program
When: Six months from date of applicability to comply
Applicability

Employers with 50 or more full-time employees in Bay Area:

• Private business
• Public agency
• Non-profit organization

Employee count is based on all Bay Area worksites combined
• Including branch locations with less than 50 employees
Role of the Employer

- Designate a Commuter Benefits coordinator
- Select a benefit option
- Register the program by visiting 511.org
- Notify employees of the commuter benefit
- Maintain records to document how and when employees were notified
- Complete annual registration update

The Bay Area Commuter Benefits Program does **not:**
- Require an employer to attain any target or standard
- Require any employee to change commute mode
Four Commuter Benefit Options

• Option 1: Employer offers employees a pre-tax payroll deduction for transit or vanpool costs. Up to $265/month per IRS code 132f
• Option 2: Employer directly subsidizes transit or vanpool costs (up to $75/month max)
• Option 3: Employer provides bus, shuttle, or vanpool service for employees
• Option 4: Alternative commuter benefit
Option 1: Pre-tax Benefit

- Up to $265 per month, before taxes
- Funds via voucher, debit card technology, or Clipper Card
- May use this on public transit such as bus, train, light rail, or ferries
- May use for vanpool fare
Self-Administration Options

- Employer elects to self-administer
  - IRS Tax Code 132f
  - May not do a reimbursement program

- Employer will still work with a benefit provider
  - Vouchers
  - Clipper Card

- Employer can set up recurring order or order products as needed

- Employees can change their order and opt in and out of the program as they choose
Option 2: Employer-provided Subsidy

- Transit or vanpool subsidy up to $75 per month
- Out of pocket cost to the employer
- Employers subject to payroll taxes on the subsidy
- Employees do not pay income or payroll taxes on the subsidy
Option 3: Employer-provided Bus, Shuttle, or Vanpool

- Employer provided transit
  - Home community or transit station to worksite

- What is considered “low cost?”
  - Short commute
    - Shuttle from nearby transit station $2.00 max
  - Long commute
    - Cannot exceed $0.20 per mile times one-way trip
    - 30 mile one-way trip would be $6.00
Option 4 (A and B): Alternative Commuter Benefit

- A: select one primary and at least two secondary measures
- B: select at least four secondary measures

<table>
<thead>
<tr>
<th>Primary Measures</th>
<th>Secondary Measures</th>
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<tbody>
<tr>
<td>Carpool Subsidy ($3/day that employee carpools)</td>
<td>Preferred parking for carpools</td>
</tr>
<tr>
<td>Bicycle Subsidy ($20/month)</td>
<td>Provide employer-specific carpool match service</td>
</tr>
<tr>
<td>Telecommute Schedule</td>
<td>Employer-provided membership in a car-sharing program</td>
</tr>
<tr>
<td>Compressed Workweek</td>
<td>Participation in an emergency/guaranteed ride home program</td>
</tr>
<tr>
<td>Parking Cash-Out (for employer’s who are subject to</td>
<td>Secure, on-site bicycle parking</td>
</tr>
<tr>
<td>California’s statewide Parking Cash-Out law or if the</td>
<td>Showers and bicycle lockers for employees</td>
</tr>
<tr>
<td>employer opts to offer Parking Cash-Out even if it</td>
<td>Employer-sponsored Bike Share Program</td>
</tr>
<tr>
<td>is not subject to the law)</td>
<td>Employee commuting awards program (ex: bonus vacation day; free lunch; gift card;</td>
</tr>
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<td></td>
<td>On-site amenity (ATM; café; catered lunch; on-site childcare, dry cleaning, etc.)</td>
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<tr>
<td>Electric Vehicle Implementation (fleet changeover,</td>
<td>Provision of a shared mechanism for viewing real time commuting info (ex: flat</td>
</tr>
<tr>
<td>EV car share, charging stations for employees, etc.)</td>
<td>screen monitor in lobby)</td>
</tr>
<tr>
<td></td>
<td>Lunchtime shuttle</td>
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Option 4C: Alternative Commuter Benefit

The Bay Area Air Quality Management District will review Option 4C submissions based on the following criteria:

- Proposed alternative must be as effective in reducing drive-alone commuter trips as any of the other three options.
- Alternatives should achieve direct reductions in vehicle trips and/or vehicle emissions.
- There should be a mechanism to verify the results or document the effectiveness of the alternative commuter benefit.
San Francisco Commuter Benefits Ordinance

Who and where: 1-49 SF location and 20 or more employees nationwide

What: Choose a commuter benefit option to offer employees

Why: To reduce air pollution and traffic congestion

How: Pre-tax, subsidy, or employer-provided transportation

When: 90 days from date of applicability
Getting Registered

Bay Area Commuter Benefits Registration
• 511.org
• Dial 511 and say ‘Commuter Benefits’
• commuterbenefits@511.org

San Francisco Commuter Benefits Ordinance
• Sfenvironment.org
• (415) 355-3700
• commutesmart@sfgov.org
Thank you!

LaShawn Martin
lashawn.martin@wsp.com
510-273-3610
Bay Area Commuter Benefits Program
Questions?

Fair Chance Ordinance
Family Friendly Workplace
Lactation in the Workplace
Consideration of Salary History
Equal Pay Ordinance
Commuter Benefits
Thank you!

- Resource Packet
- Survey

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