

**HSN Current Issues Report
June 6, 2008**

Subject	Description / Status	Issues	Next Steps
City budget	Mayor's budget submitted to the Board June 2. Includes \$15.5 million DPH CBO cuts, \$3.5 million in DHS and DAAS cuts, and other cuts to DOSW and Juvenile Probation.	(1) CBO budget cuts. (2) No cost-of-doing-business increase (CODB).	(1) Compiling info on cuts and impacts. (2) Budget and revenue town hall on June 9. (3) Meetings with the Board. (4) Chron editorial board visit. (5) Board hearings, especially Beilenson June 17 and Budget Committee June 19.
DPH budget	Major cuts: 22% general fund for some community-based services, and more severe cuts for some agencies.	Impact on services (esp. in aggregate with lack of CODB and state/fed cuts); longer-term policy and planning issues.	(1) Specific cuts to be determined in contract negotiations. Health Commission will hear regular updates. (2) HSN to submit a policy statement to the Commission about better longterm policy and process.
Revenue measure	Two possible November ballot measures: (1) Increase real estate transfer tax for sales > \$1m (2) Close the partnership loophole	HSN's ability to lead a successful campaign and winnability, vs. need for revenue to reduce cuts and offset impact of housing measure	(1) Board must introduce measures by July. (2) Convene coalition meetings and strategizing for the campaign, fundraising, etc.
Wage parity study	Document size of wage & benefit disparity between nonprofit & City workers in similar positions	(1) Contract w/ICCE, compared job requirements, not responsibilities, so data does not reflect magnitude of disparity. (2) Draft report needs revision.	(1) Set up meeting after the budget for 9 EDs in survey to compare job responsibilities. (2) Analyze new data and report to Steering Comm. (3) Determine next steps w/ICCE report & new data.
Contract reform	Committee meeting monthly; next July 9. Review Appellate Panel meeting quarterly; next August 25.	Working with individual departments to address specific issues.	(1) Follow up with depts on issues identified in focus group report. (2) DPH: After the budget, HSN plans to submit a policy statement and draft resolution to the Health Commission seeking continuing oversight and outcomes.
Health Care Accountability Ordinance	Requires city contractors to provide health insurance to employees working on the contract. City contact for questions: HCAO@sfgov.org , 554-6292.	(1) Minimum standards are outdated. Current office visit copay is \$15 or \$20, exacerbating health insurance costs. (2) OLSE drafting new regulations. (3) OLSE will recommend some minor amendments to improve how HCAO and HCSO work together.	(1) DPH will hold an HCAO stakeholders meeting on June 10 to revise the minimum standards. Will require Health Commission approval. (2) Send comments to OLSE on draft regulations (especially regarding relief workers) and suggested amendments.

If you have questions, please call 668-0444 for Merrill (wage parity study, Caring for Vulnerable San Franciscans, disaster planning) or Debbi (all other issues).

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Health Care Security Ordinance	Requires nonprofits with 50+ employees to pay for health benefits, e.g. health insurance, pay the city, or other options. City contact for questions: HCSO@sfgov.org , 554-7892.	For those choosing the city option, first payments were due 4/30. Some members are looking into other options. GGRA lawsuit appeal went to the 9 th Circuit on 4/17; no decision issued yet.	(1) Member education. (2) HCAO amendments may also include HCSO amendments; send comments to OLSE.
Minimum Compensation Ordinance	Requires city contractors to pay a living wage to employees working on the contract. Amended last year to \$11.03 with an annual automatic escalator but contingent on city paying nonprofit costs. City contact for questions: MCO@sfgov.org , 554-6292.	(1) The FY 08-09 budget does not include funding for an increase. If not funded, the law delays the increase for nonprofits. It also includes a waiver for individual nonprofits without sufficient funding. (2) OLSE has not yet begun to draft regulations on the amended ordinance.	(1) Since the Mayor didn't fund it, the Board must hold a hearing. Also question how departments will be made aware of the waiver process for individual nonprofits. (2) OLSE will not draft regulations until they finish the HCAO. (3) OLSE will not do an educational forum for our members until they draft the regulations.
Paid Sick Leave: SF and CA AB 2716	City contact for PSL questions: PSL@sfgov.org , 554-6271. Fiona Ma has introduced AB 2716 to create a statewide PSL requirement; it passed the Assembly and will go to the Senate.	AB 2716 has potential problems for San Francisco due to preemption issues and conflicts between the two laws. HSN and CAN sent letters to Fiona Ma. Working with her office to amend in the Senate.	(1) Will work with Fiona Ma's office during the summer to seek amendments in the Senate. (2) Keeping OLSE informed; they are consulting with Ma's Office.
Caring for Vulnerable San Franciscans	Develop an independent local entity w/ long-term planning and oversight capabilities for health & human services.	(1) Timing to roll out given budget cuts & Mayor/Board relationship. (2) Implementation through Ordinance or Charter Amendment? Task Force to develop structure of entity?	(1) Meet w/ Ben Rosenfield. (2) Meet w/ Catherine Dodd. (3) Determine how to proceed. (4) Update Peskin & Elsbernd.
Disaster planning	Defining nonprofit role in disaster response and encouraging coordination and capacity building. City is implementing shift of Disaster Registry plan from DPH to HSA, including plan for most vulnerable.	(1) City revising its plan with HUB concept. (2) City expects nonprofits to assume major role without resources to prepare or implement. (3) Nonprofits lack coordination.	(1) Monitor & comment on City HUB planning efforts. (2) Support SFCARD's expanded coordination efforts w/nonprofits.

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Local Business Enterprises and nonprofits	City law allows nonprofits to be certified as LBEs to obtain bidding preferences on city contracts. The Human Rights Commission is proposing amendments to the LBE ordinance, including eliminating nonprofit certification. Might be a moot point because the courts might overrule the Coral decision, allowing the City to go back to MBE/WBE.	(1) HSN's position is the LBE bidding preferences should not be used for health and human service contracts. Sup. Ammiano may be open to this amendment. (2) Ten nonprofits are certified LBEs. HSN has informed them of the threat to nonprofit certification.	(1) Piggyback onto the amendment process to seek the exemption for health and human services. (2) The HRC LBE Committee is meeting monthly to develop proposed amendments. HSN is attending and urging nonprofit LBEs to participate. (3) Contact Sup. Ammiano and other Board members.
Nonprofit executive salaries	Sup. McGoldrick asked the Controller for a report on nonprofit contractor ED salaries. The S.F. Examiner ran an article about excessive salaries at taxpayer expense; HSN sent a response; they printed an excellent letter from Sarah Watanabe.	Reasonableness of executive salaries, and city intrusion into contractor decision-making. The Examiner quoted Monique Zmuda as suggesting that the city could use its contracts as leverage to stipulate salary levels.	(1) Controller's report due out by next week. (2) Letter to Sup. McGoldrick. If we have a budget meeting with him, raise the issue. (3) Turn out if there is a public hearing on the report.
Public Services Advisory Board	Sup. Mirkarimi introduced legislation to create an advisory board that will prepare a report and recommendations on public services performed by private entities.	Focuses on Rec and Park (e.g. golf courses), public transportation, electricity, broadband communication, and advertising displays. But the advisory board would have authority to examine any contracting areas.	(1) First hearing in the Rules Committee on June 5. (2) Determine HSN's response, if any. Discuss it with Mirkarimi if we have a budget meeting with him. (3) Will the eleven-member advisory board include nonprofit representation?
Nonprofit mergers	Sup. Dufty asked the Controller to study the potential for an incentive fund and technical assistance to help HIV/AIDS organizations merge their operations.	Would this be helpful? Should the effort be limited to HIV/AIDS organizations?	Discuss at the HSN Public Policy Committee, then with Sup. Dufty.
Carbon tax ballot measure	Mayor's proposed measure would increase the utility tax to encourage energy savings, but keep it revenue neutral through payroll tax rebates.	(1) Nonprofits would pay higher tax, but would not get rebates. (2) Resources to assist nonprofits to assess and reduce energy use.	(1) Meeting with Wade Crowfoot about exempting nonprofits. (2) Work with Wade and PG&E this fall to educate nonprofits about available resources.
Sunshine Ordinance amendments	The Sunshine Ordinance Task Force is drafting proposed amendments to the Ordinance.	Whether and how the amendments will impact nonprofit contractors.	Monitoring the proposed amendments to determine any impact. Once approved by the SOTF, they would go to the Board then the ballot.

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