#6

Susan Coskey/David Bracilano/sb
SDHR Military Pay and Benefits ORD
November 3, 2014
Version #3

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 118285

AN ORDINANCE relating to City employment; adding a new section to Seattle Municipal Code Chapter 4.20 to provide a wage supplement and insurance benefits for employees who are mobilized by the United States Armed Forces for active military service.

WHEREAS, the City has supported its employees called to active military duty in the wake of military action resulting from the terrorists attacks on September 11, 2001 by providing for the extension of employee benefits and by providing for a wage supplement to ensure employees do not experience a loss of pay while they are on active military duty, as authorized by Ordinances 120682, 121058, 121369, 121692, 121885, 122418, 123506 and 124090; and

WHEREAS, Ordinance 124090, which authorizes the extension of employee benefits and the wage supplement expires on December 31, 2014; and

WHEREAS, City of Seattle employees who are members of the United States Military Reserves and the National Guard will continue to be activated for duty beyond December 31, 2014; and

WHEREAS, the Mayor and the City Council resolve to support City employees who are ordered to active military duty by the United States government; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A new Section 4.20.180 is added to the Seattle Municipal Code as follows:

4.20.180 – Active Military Duty – No Loss of Pay or Benefits

A. Effective January 1, 2015, any employee of the City of Seattle who is ordered to active military duty by the United States government and who has exhausted his or her annual paid military leave benefit and is on unpaid military leave of absence shall be eligible to receive the difference between his or her base military wage and the regular base rate of pay he or she would have received for his or her City position, if higher. Employees shall be eligible for the wage supplement provided by this section pursuant to program

guidelines and procedures developed by the Seattle Human Resources Director consistent with Internal Revenue Service regulations.

B. Effective January 1, 2015, any employee of the City of Seattle who is ordered to active military duty by the United States government and who has exhausted his or her annual paid military leave benefit and is on unpaid military leave of absence shall be eligible to retain the medical, dental and vision services coverage and optional insurance coverage for the employee's eligible dependents provided as a benefit of employment with the City of Seattle, at the same level and under the same conditions as though the employee was in the City's employ, pursuant to program guidelines and procedures developed by the Seattle Human Resources Director and pursuant to the City's administrative contracts and insurance policies. Optional insurance includes but is not necessarily limited to Group Term Life (Basic and Supplemental), Long Term Disability, and Accidental Death and Dismemberment. Eligibility for coverage shall be effective for the duration of the employee's active deployment.

Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2014, and signed by me in open session in authentication of its passage this _____ day of _____, 2014.

_____

President _____of the City Council

Approved by me this ____ day of _____, 2014.

_____

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2014.

_____

Monica Martinez Simmons, City Clerk

(Seal)

Form revised: February 26, 2014

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Seattle Department of Human Resources	David Bracilano/684-7874 Sarah Butler/684-7929	Forrest Longman/684-0331

Legislation Title:
AN ORDINANCE relating to City employment; adding a new section to Seattle Municipal Code Chapter 4.20 to provide a wage supplement and insurance benefits for employees who are mobilized by the United States Armed Forces for active military service.

Summary of the Legislation:
This legislation provides authority for the City to continue to provide certain benefits for employees who are called to active military duty and who have exhausted their annual paid military leave. These employees shall receive a wage supplement from the City so that their military income (if lower than their City salary) along with the supplement is equal to their base City salary. Such employees shall also continue to receive insurance coverage for their eligible dependents at the same level and under the same conditions as though the employees were in the City's employ. The authority for this legislation shall begin on January 1, 2015. Unlike previous legislation authorizing benefits for activated military employees, the legislation is not conditioned upon military activity in specific regions and does not expire.

Background:
The City has long supported its employees called to active military duty in the wake of military action resulting from the terrorist attacks on September 11, 2001 by providing for the extension of employee benefits and by providing for a wage supplement to ensure employees do not experience a loss of pay while they are on active military duty (as authorized by Ordinances 120682, 121058, 121369, 121692, 121885, 122418, 123506 and 124090). The most recent legislation, Ordinance 124090, provided for the extension of the wage supplement and insurance benefits through December 31, 2014, or when the United States Armed Forces withdraw from Afghanistan, whichever occurs first.

Employees have been and will continue to be called to active duty to support military action in Afghanistan and elsewhere. This legislation seeks to extend the authority to provide the wage supplement and insurance benefits to employees on an ongoing basis.

Please check one of the following:

____ **This legislation does not have any financial implications.**

__X__ **This legislation has financial implications.**

This legislation has financial implications, but does not request additional appropriation authority. From 2005 to mid-year of 2014, the City paid an average of nearly $182,000 per year in military pay to City employees. While an employee is deployed under the conditions described in this ordinance, departments continue to pay the health care/insurance premiums through the annual health care bill regardless of whether the employee is working on site, or deployed. This cost is billed separately from the annual health care bill, and would result in an additional charge to departments for health care coverage for temporary workers.

Other Implications:

a) **Does the legislation have indirect financial implications, or long-term implications?**
See above.

b) **What is the financial cost of not implementing the legislation?**
None.

c) **Does this legislation affect any departments besides the originating department?**
This legislation affects all departments who have employees mobilized for active duty.

d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
None.

e) **Is a public hearing required for this legislation?**
No.

f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.

g) **Does this legislation affect a piece of property?**
No.

h) **Other Issues:** None

List attachments to the fiscal note below: None.

City of Seattle
Edward B. Murray
Mayor

November 10, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am pleased to transmit the attached proposed Council Bill that provides authority for the City to continue to provide certain benefits for employees who are called to active military duty and who have exhausted their annual paid military leave.

The City has long supported its employees called to active military duty in the wake of military action resulting from the terrorist attacks on September 11, 2001 by providing for the extension of employee insurance benefits and a wage supplement to ensure employees do not experience a loss of pay while they are on active military duty. These employees currently receive a wage supplement from the City so that their military income (if lower than their City salary) along with the supplement is equal to their base City salary. These employees also receive insurance coverage for their eligible dependents at the same level and under the same conditions as though the employees were working in their appointed positions. The most recent legislation, Ordinance 124090, provided for the extension of the wage supplement and insurance benefits through December 31, 2014, or when the United States Armed Forces withdraw from Afghanistan, whichever occurs first. Employees have been and will continue to be called to active duty to support military action in Afghanistan and elsewhere. This legislation is effective January 1, 2015, and unlike previous legislation, is not conditioned upon military activity in specific regions and does not expire.

Thank you for your consideration of this legislation. Should you have questions, please contact Sarah Butler at (206) 684-7929.

Sincerely,

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Office of the Mayor
Seattle City Hall, 7th Floor
600 Fourth Avenue
PO Box 94749
Seattle, Washington 98124-4749

Tel (206) 684-4000
Fax: (206) 684-5360
Hearing Impaired use the Washington Relay Service (7-1-1)
www.seattle.gov/mayor