



Staff Report Item 17

TO: East Bay Community Energy Board of Directors

FROM: Stephanie Cabrera, Executive Assistant

SUBJECT: Approve EBCE application for voluntary enrollment in State Disability Insurance (Action Item)

DATE: September 26, 2018

Recommendation:

Adopt a resolution to allow East Bay Community Energy (EBCE) to submit an application for voluntarily enrollment in the California State Disability Insurance program to provide EBCE employees access to Paid Family Leave and State Disability Insurance coverage.

Background and Discussion

In July 2017 East Bay Community Energy (EBCE) was erroneously enrolled in the State Disability Insurance program (SDI). As a result, employees were disenrolled from the program in December 2017.

After reviewing third party and self-pay options, staff has concluded that the SDI program offers the necessary coverage and is the most cost-effective option for the agency and employees. SDI is an employee paid benefit. As a new employer, EBCE will be required to pay a tax of 3.4% of the total payroll to establish a new employer fund.

Staff requests that the Board review the application and approve a resolution authorizing EBCE to submit an application for enrollment in the SDI program to provide access to Paid family Leave and State Disability Insurance programs to compensate in part for the wage loss sustained by any employee who is unable to work due to the employee's own sickness or injury, the sickness or injury of a family member, or the birth, adoption, or foster care placement of a new child, and to reduce to a minimum the suffering caused by unemployment resulting therefrom.

Fiscal Impact

EBCE will be required to pay a 3.4% tax on employee payroll for 1 – 2 years to create a new employer reserve fund.

Attachment:

- A. Resolution for EBCE to join the SDI program

RESOLUTION NO. _

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY
DIRECTING THE FILING OF AN APPLICATION FOR SHORT TERM
DISABILITY ELECTIVE COVERAGE**

THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY
DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:

Section 1. The East Bay Community Energy Authority (“EBCE”) was formed on December 1, 2016, under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs in all of the member jurisdictions.

Section 2. EBCE desires to compensate in part for the wage loss sustained by any employee who is unable to work due to the employee’s own sickness or injury, the sickness or injury of a family member, or the birth, adoption, or foster care placement of a new child, and to reduce to a minimum the suffering caused by unemployment resulting therefrom.

Section 3. The Board hereby approves and directs EBCE staff to file an application for elective coverage under Section 710.4, 710.5, 710.6, or 710.9 of the CUIC.

Section 4. Upon approval of the application, the Board hereby directs EBCE staff to comply with section 986 of the CUIC and all other requirements necessary to provide coverage to EBCE employees.

ADOPTED AND APPROVED this _____ day of _____, 2018.

Scott Haggerty, Chair

ATTEST:

Stephanie Cabrera, Clerk of the Board