

Paid Parental Leave Ordinance

Bianca Polovina Compliance Officer



Reminder – Airport / Government Employers

 This law does not apply to employees working at San Francisco International Airport

 This law does not apply to any government employer (City and County of San Francisco, school districts, utility districts, University of California, SFSU, federal government, etc)

What is the Paid Parental Leave Ordinance?

 Requires Covered Employers to pay supplemental compensation to Covered Employees who receive California Paid Family Leave for child bonding purposes

 Intended to help Covered Employees take all eight (8) weeks of California Paid Family Leave for child bonding, without worrying about loss of income

Covered Employers

Who is a Covered Employer?

- Global count of twenty (20) or more employees – if number fluctuates, average employees over PPLO Lookback Period
- Government entities are NOT covered employers (State of CA, UCSF, CCSF, School Districts)

What must a Covered Employer do?

- Post / distribute the PPLO
 Poster
- Provide the PPLO Form to any employee expecting to become a parent
- Calculate and pay Supplemental Compensation on time and in full



Covered Employees

Works in San Francisco

Has worked for a covered employer at least 180 days before leave period

Works at least 8 hours per week in San Francisco for a covered employer

Works in San Francisco at least 40% of weekly hours for a covered employer

Applies for and receives California Paid Family Leave (PFL) benefits from the Employment Development Department (EDD)

The employee does not have to be covered by other state or federal leave laws (CFRA, FMLA) to receive the PPLO 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
- How is the Lookback Period used?
 - 1. To determine if an employer is covered when the number of employees fluctuate
 - 1. To determine if an employee is covered when work location(s) changes
 - 3. To determine if an employee is covered when hours fluctuate
 - 4. 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

Employer's To-Do List

- Post the Poster
- 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



EMPLOYER'S Guide to the San Francisco Paid Parental Leave Ordinance

Step 1

Give Notice to Employees

Post OLSE's annual notice

Include information about supplemental pay under the SF Paid Parental Leave Ordinance (SF PPLO) in employee handbook.

Step 2

Give Employee SF Paid Parental Leave Form (SF PPL Form)

The form is available at www.sfgov.org/pplo

Give your employee a copy as soon as they ask about parental leave or notify you that they are expecting a newborn, adopted, or foster child. If the company has vacation or PTO policies, review those with the employee now.

Step 3

Determine Employee's Eligibility

The employee is eligible if they: (1) started work for you at least 180 days before the leave; (2) work for at least 8 hours and 40% of their total week hours in San Francisco; (3) have applied for and are eligible for EDD Paid Family I gave.

Step 4

Calculate & Pay Supplemental Compensation

You will need the employee's Normal Weekly Wages and EDD Weekly Benefit amount. This information will be on the completed SF PPL Form and EDD Notice of Computation, which the employee receives from the EDD.

Calculation instructions are available on the OLSE website

Remember to Maintain Records and that Retaliation is Prohibited Under the Ordinance Please contact the Office of Labor Standards Enforcement at policification or or at (14) 554-4190 with any further questions or noine at www.stopr.org.pdp.

Employee's To-Do List



EMPLOYEE'SGuide to the San Francisco Paid Parental Leave Ordinance

Sten 1

Apply for EDD Paid Family Leave

Apply for PFL through the Employment Development Department (EDD) online at www.californiapaidfamilyleave.com or with a paper application. If you do not have a driver's license or ID, use a paper application.

Check box A22, allowing EDD to disclose your benefit amount to your employer.

Step 2

Complete SF Paid Parental leave Form (SF PPL Form)

Your employer should give you the form. You can also find it online at www.sfgov.org/pplo.

If you have multiple employers, complete a form for each employer

Step 3

Give Employer SF PPL Form and EDD Notice of

The EDD will send you a Notice of Computation that includes your weekly benefit amount. If you were paid State Disability Insurance (SDI) before PFL, use the Notice of Computation the EDD sent you for your SDI claim.

Step 4

Notify Employer When You Receive First PFL Payment

Your employer may ask for your Notice of Payment or Electronic Benefit Payment Notification.

Please contact the Office of Labor Standards Enforcement at <u>poloi@sfgov.org</u> or at (415) 554-4190 with any further questions or online at <u>www.sfgov.org/ppl</u>

- 1. Apply for California Paid Family Leave, online 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
- **Eight 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 70 to 90% 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



PFL Updates 2025



- Percentage increase to 70 90% of cap
- Vacation spend down eliminated

PFL Questions: Call 855.342.3645

Calculations: What the Employer Needs

PPL Form

 From the E'er, filled out by E'ee, back to E'er

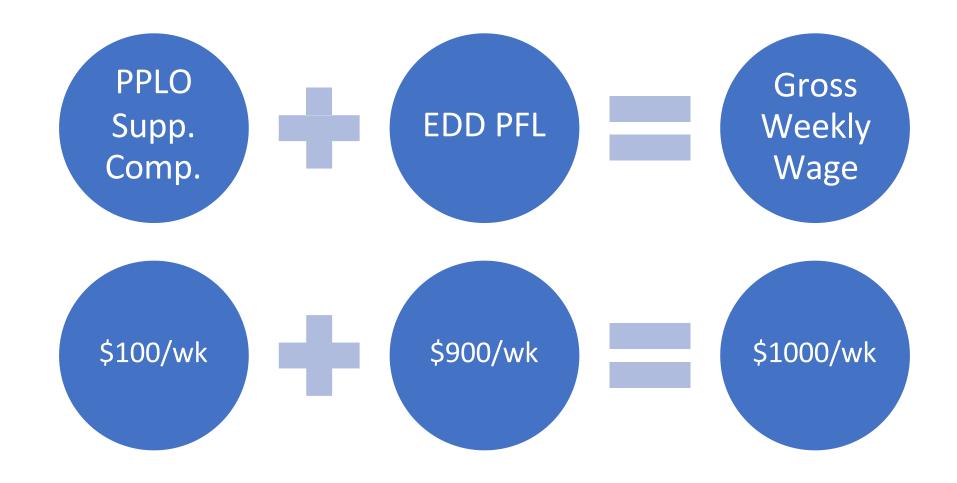
EDD Weekly Rate

- From the EDD
- Easiest if E'ee provides to E'er

Gross Weekly Wage

- From the PPL Form
- Calculator

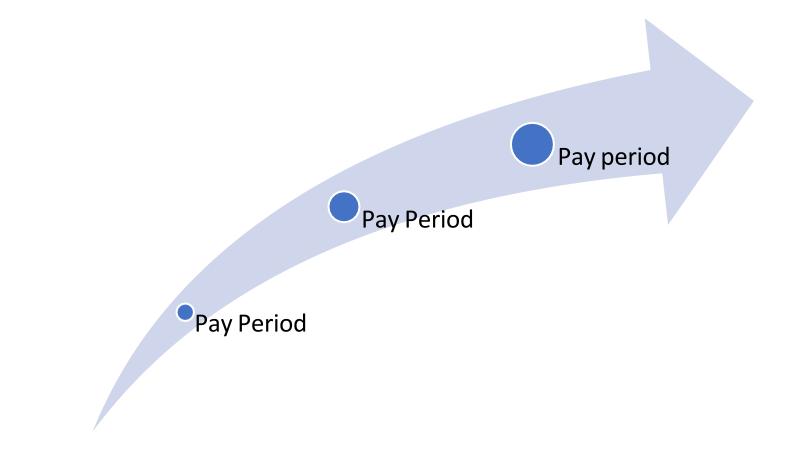
The Math – Median Wage Earner



The Math – Maximum Earner



When To Pay Supplemental Compensation



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 (false)
 - An employee has to take their eight weeks all at once (false)
 - If an employee hasn't worked for 180 days, I don't need to notify them of their rights (false, against plain language of law)

Scenario: Birth / Bonding in Different Years

- Employee took disability for pregnancy and gave birth in 2024.
- Employee now wants to take PFL in 2025.
- Is this permitted?
 - Yes, EE can go on PFL within 1 year.
- What is the appropriate claim date, cap, etc?
 - The original claim date will follow the employee.
 - If the employee applied in 2024, the 2024 dates control.
 - The 2024 cap will apply.

Scenario: Multiple Employers

- Employee A works for Employer X, 16 hours per week in San Francisco, and for Employer Y, 32 hours per week in Oakland.
- Does Employer X have to pay Employee A Supplemental Compensation?
 - Yes Employee A works regularly in San Francisco for Employer X.
- If yes, what wages should Employer X replace?
 - Only wages paid by Employer X.
 - Employer X isn't responsible for Employer Y's wage replacement.
 - Employee A doesn't work in San Francisco for Employer Y. Those wages will not be replaced under the SF PPLO.

Scenario: Internal Leave Policy

- Employer Z has its own parental leave policy.
- Does Employer Z still have to comply with the PPLO?
 - Yes!
 - Employer Z should update its employee handbook.
 - Employer Z should post the Poster and may need to provide the Form.
- Does Employer Z still have to pay Supplemental Compensation to Covered Employees?
 - It depends...
 - Who does Employer Z's policy apply to?
 - How much does Employer Z's policy pay out?

Scenario: High Wage Earners

- Employee earns \$250,000/year.
- Employee is a Covered Employee and works for a Covered Employer.
- How much of Employee's wages will be replaced by Supplemental Compensation?
 - Only up to the cap.
 - In 2025, the weekly cap is \$2,402.
 - \$2,402: \$1,681 state PFL + \$721 PPLO

Scenario: Using Vacation Leave

- Employee has 3 weeks of accrued vacation before going on PFL.
- Can Employer use this vacation for paying Supplemental Compensation?
 - Yes up to 2 weeks' vacation *if Employee agrees*
 - Sick time can never be used

Scenario: New Employee

- Employee's Date of Hire is 9/1/24
- Employee's child born 6/15/25
- When is Employee eligible for protected leave?
 - 1 year / 1250 hrs service (CFRA)
- When can Employee receive Supplemental Compensation?
 - Must apply for / be eligible for PFL
 - Employer can require CFRA/FMLA leave to receive PFL
 - CFRA covers this EE 8/31/25
 - This EE can use PFL until 6/15/26

Paid Parental Leave Ordinance Best Practices



Update your Employee Handbook/Portal about PPLO



Train everyone – supervisors, managers, etc – on PPLO duties



Keep records of the PPLO form: language (English/Spanish/Chinese/other), date provided to employee, date returned by employee.



Communicate with the employee before, during and after leave



Maintain all EDD records and payroll records



Use the Calculation Instructions on the PPLO website



Pay the employee supplemental compensation at regularly scheduled pay periods



Contact OLSE if you have questions



Office of Labor Standards Enforcement

Employer Resources on PPLO Website

- Official Poster for Posting
- Webinar slides and audio presentations
- Downloadable Excel Calculators
- Written Calculation Instructions
- FAQs & Rules
- Employee & Employer documents in multiple languages

www.sf.gov/pplo

Questions?

415.554.4190

pplo@sfgov.org

www.sf.gov/pplo