



MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

7-12

August 18, 1998

To: Board of Directors (Organization and Personnel Committee--Action)

From: *for* General Manager

Submitted by: Izetta Birch
Director of Human Resources *for*

Subject: Domestic Partner Benefits

RECOMMENDATION(S)

It is recommended that the General Manager be authorized to:

1. Amend Metropolitan's contracts for dental, vision, life, and group accident insurance programs to permit enrollment of domestic partners; and
2. Amend Metropolitan's Administrative Code Sections 6229, Special Leave; and 6248, Bereavement Leave to include domestic partners in the definition of immediate family member as detailed in Exhibit A; and
3. Establish a new Administrative Code Section 6233, Domestic Partners, which defines the criteria outlining a domestic partnership as reflected in Exhibit B.

EXECUTIVE SUMMARY

In the past several years, various employers throughout the United States have extended insurance and benefit programs to domestic partners of their employees. A detailed survey has been completed of employers who provide domestic partner benefits to assess the level of employee participation and the potential costs associated with providing such benefits. In order to maintain a competitive edge in its recruitment and retention of a highly qualified and diverse workforce and in light of the findings revealed in the survey, the General Manager is proposing that Metropolitan amend its existing dental, vision, life, and group accident insurance contracts to allow coverage for domestic partners. It is also proposed that domestic partners be included in the definition of immediate family member for purposes of bereavement leave and special leave, which is paid sick leave used for absences of up to three days to care for specified family members.

DETAILED REPORT

Requests were received from the Gay and Lesbian Employees Association of Metropolitan (GLEAM) and from two of the directors on Metropolitan's Board to address the issue of extending various benefits to domestic partners. Metropolitan's bargaining representatives, AFSCME Local 1902, the Management and Professional Employees Association, Supervisors' Association, and the Association of Confidential Employees have agreed with this issue in concept as long as the existing benefit programs provided by MWD are not diminished if domestic partners are included.

Many U. S. employers offer benefits to domestic partners of their employees. A survey has been conducted of several employers in the State of California which provide domestic partner benefits; many of these are public employers. Survey data included applicable domestic partner benefits, employee participation, and the cost of implementation. A list of California employers that currently extend benefits to domestic partners can be found in Exhibit C.

The Cities of Berkeley and West Hollywood were two of the first employers in the United States to offer benefits to domestic partners. Their programs both began in 1985 and have been programs at which other employers have looked when considering offering domestic partner benefits to their employees. Like most employers surveyed, domestic partner benefits under both cities extend to same sex and opposite sex partners.

Several of the employers surveyed extend domestic partner benefits for medical and dental insurance. Metropolitan contracts with CalPERS for its medical insurance under the Public Employees' Medical and Hospital Care Act (PEMHCA); however, PEMHCA regulations do not currently permit enrollment of domestic partners. Assembly Bill 427 (Knox) was introduced in 1997. This bill would, if passed, allow PEMHCA the option of offering medical insurance to domestic partners. At this time, therefore, medical insurance for domestic partners is not being proposed at Metropolitan.

In addition, many surveyed employers also extend bereavement leave, sick leave, and/or vision care benefits to domestic partners and allow their employees to take family leave under the Family and Medical Leave Act (FMLA) and California Family Rights Act (CFRA) to care for a domestic partner with a serious health condition.

The General Manager is proposing that Metropolitan's existing contracts for dental, dependent vision, life insurance, and group accident insurance be amended to permit enrollment of domestic partners. It is further proposed that the Administrative Code sections authorizing Special Leave and Bereavement Leave be amended to include domestic partners in the definition of immediate family members as reflected in Exhibit A. In addition, it is proposed that a new Administrative Code section be established outlining the criteria for domestic partnership as reflected in Exhibit B. It is recommended that a domestic partnership be defined as one where two adults of the same or opposite sex have chosen to share their lives indefinitely in an exclusive and committed relationship to the same extent as married persons, reside together, and share a mutual obligation of support for the basic necessities of life. Each employee who requests benefit coverage for a domestic partner will be required to complete a declaration form to certify domestic partnership,

and employees will be required to complete a declaration of the termination of such partnership where applicable (Exhibits D and E).

Analysis of survey findings indicates that providing benefits, such as those proposed by the actions currently being recommended, has a minimal, if any, adverse cost impact. Overall, claims experience of those agencies surveyed has not revealed a higher level of utilization by domestic partners than by other family members. In fact, several studies indicate that there is no additional financial risk to employers. These findings were stated by the Cities of Laguna Beach, Los Angeles, San Francisco and West Hollywood, and from studies done by the City University of New York (CUNY), Hewitt Associates, and the Society for Human Resources Management (SHRM).

The majority of employers surveyed indicate that the employee participation rate in domestic partner benefits ranged between 0.5 and 4.0 percent. Based on Metropolitan's current employee population, this could result in from 9 to 76 employees who might elect to cover domestic partners. The approximate cost of providing benefits to domestic partners was derived by estimating the number of employees who might participate and the approximate cost of the benefits provided. Metropolitan's estimated cost to add domestic partner benefits as proposed herein could range from \$6,804 to \$57,456 per year as shown in Exhibit F.

DLW/dlw

Attachments

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6229. Special Leave

(a) Special leave with pay may be taken and charged against sick leave credits, subject to the limitations provided in this section, for illness in the employee's immediate family other than the employee's own illness. Such leave shall be permitted in the case of an operation, birth of the employee's child, or during an illness of a member of the immediate family, but the total such special leave with regard to a single operation, birth, or illness shall not exceed three regular work days. For purposes of this section, "immediate family" means spouse, domestic partner, child, parent, brother or sister.

6248. Bereavement Leave

Upon the death of a member of an employee's immediate family, the employee shall be allowed such bereavement leave with pay as is actually necessary to take care of funeral arrangements or to attend the funeral, but not to exceed 24 working hours with regard to any such death. For the purposes of this section, "immediate family" means spouse, domestic partner, child, parent, parent-in-law, brother, sister, stepparent, stepchild, grandparent and grandchild.

6233. Domestic Partners

(a) A domestic partnership exists when all of the following occur:

- (1) Both persons are involved together in a committed and mutually exclusive relationship with each other;
- (2) Both persons are of the age of legal consent (at least age 18);
- (3) The two persons are not blood relatives;
- (4) Both persons are living together in the same residence;
- (5) The two persons are sharing the common necessities of life and have a joint responsibility for each other's welfare and living expenses;
- (6) Both persons are not currently married to another person nor involved in another domestic partner relationship;
- (7) Both persons have signed and have had notarized a Declaration of Domestic Partnership;
- (8) Both persons have not signed a Declaration of Domestic Partnership with another individual within the past six-month period.

(b) A domestic partnership shall terminate when any of the following occurs:

- (1) One of the domestic partners dies;
- (2) One of the domestic partners marries;
- (3) The domestic partners no longer have a common residence
 - (A) A temporary separation resulting from work, education, or health related requirements shall not constitute the cessation of a common residence.

(c) Upon establishment or termination of the domestic partnership, the employee shall notify the Director of Human Resources by filing a form designated by the Human Resources Division.

(d) A domestic partner shall be included in the definition of a family member for the purposes of Sections 6229, Special Leave; 6231, Family and Medical Leave; and 6248, Bereavement Leave.

CALIFORNIA EMPLOYERS OFFERING DOMESTIC PARTNER BENEFITS
January 1998

PUBLIC

Berkeley Unified School District	County of Marin
City of Berkeley *	County of San Francisco
City of Laguna Beach *	County of San Mateo
City of Los Angeles *	County of Santa Cruz
City of Oakland	East Bay Municipal Utility District *
City of Sacramento	Los Angeles County Metro Transportation Authority *
City of San Diego	Los Angeles Unified School District *
City of San Francisco *	Santa Cruz Metro Transit District
City of Santa Cruz *	San Jose Unified School District
City of Santa Monica *	State Bar of California
City of West Hollywood *	University of California *
County of Alameda	
County of Los Angeles *	

PRIVATE

Actor's Fund of America	Creative Artists Agency
Adobe Systems	Director's Guild-Industry Health Fund
Advanced Micro Devices	Discovery Channel
American President	Dream Works SKG
Apple Computer	E! Entertainment Television
Atlantic Records	Edison International *
Auto Desk	Entertainment Radio Network
BankAmerica Corporation	Frame Technology
Bay Area Air Quality Management	Heller, Ehrman White & McAuliffe
Bay Area Rapid Transit	Hewlett-Packard
Borland International	Informix Software
Cadence Computer Software	Intermedia Partners
California Pacific Medical Center	Jet Propulsion Laboratory *
Charles Schwab & Company	Kaiser Permanente
Chiron	KQED Radio
Consumer's Union	Latham & Watkins

CALIFORNIA EMPLOYERS OFFERING DOMESTIC PARTNER BENEFITS
January 1998

PRIVATE (Continued)

Levi Strauss & Company *	Pillsbury, Madison & Sutro
Los Angeles Philharmonic Assoc.	San Francisco 49er's
Lotus Development *	San Francisco Chronicle
Lucas Films	San Francisco Examiner
MCA	San Francisco Giants
McCutchin, Doyle, Brown & Enersen	Santa Cruz Operations
MICROSOFT Corporation *	Silicon Graphics
Morrison & Foerster	Sony Pictures Entertainment
NeXT Computer	Southern California Gas Company *
Oakland Children's Hospital	Sun Microsystems
Oracle	Sybase
Orrick, Herrington & Sutcliffe	Walt Disney
Pacific Enterprises	Wells Fargo & Company
Pacific Gas and Electric *	William Morris Agency
Para Transit	Working Assets Funding Service
Paramount Pictures	Writers Guild-Industry Health Fund

EDUCATIONAL

Antioch
California Institute of Technology
California Academy of Science
Occidental College
Pitzer College
Pomona College
Stanford University

* Employers included in Metropolitan's survey of Domestic Partner Benefits



METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

DECLARATION OF DOMESTIC PARTNERSHIP

Employee

Name: Employee #: MetNet #:
Classification: Division: Work Location:

Domestic Partner

Name: Birthdate: Social Security #:
Last First MI

Partner's Dependent Children (If applicable):

Birthdate: Social Security #:
Last Name First Name MI

Birthdate: Social Security #:
Last Name First Name MI

I, (Employee Name), and (Domestic Partner's Name) declare and certify that we are

domestic partners in accordance with the criteria outlined below and that our domestic partnership
commenced on (Date).

DOMESTIC PARTNERSHIP CERTIFICATION CRITERIA

- We are involved in a committed and mutually exclusive relationship with each other;
We are of the age of legal consent (at least age 18);
We are not blood relatives;
We are living together in the same residence;
We share the common necessities of life and have a joint responsibility for each other's welfare and living expenses;
We are not currently married to another person nor involved in another domestic partner relationship;
We have signed this Declaration of Domestic Partnership;
We have not signed a Declaration of Domestic Partnership with another individual within the past six-month period

Employee Acknowledgments

I understand that this Declaration is to certify my domestic partnership only, and if I wish to include my domestic partner in any of the applicable benefit programs available through Metropolitan, I must complete the appropriate enrollment form(s).

I understand that I have an obligation to submit written notification to Metropolitan's Human Resources Division within 30 days of termination of my domestic partnership due to:

- Death; or
- Marriage; or
- No longer having a common residence

I understand that after such termination, a subsequent Declaration of Domestic Partnership may not be filed until six months or more have elapsed from the date the written notification of termination of domestic partnership was received by the Human Resources Division.

Declaration / Notarization

I declare, under penalty of perjury, that the statements in this Declaration are true and correct to the best of my knowledge.

Employee Name (Please Print):	Domestic Partner Name (Please Print):
Current Address (street/apt./city/state/zip):	Current Address (street/apt./city/state/zip):
Employee Signature:	Domestic Partner's Signature:
Date:	Date:

Space Below for use by Notary Public

Space Below for use by Notary Public

RETURN COMPLETED DECLARATION FORMS TO THE HUMAN RESOURCES DIVISION



METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

DECLARATION OF TERMINATION OF DOMESTIC PARTNERSHIP

Employee

Name: _____ Employee #: _____ MetNet #: _____
 Classification: _____ Division: _____ Work Location: _____

Former Domestic Partner

Name: _____ Birthdate: _____ Social Security #: _____

I, _____, declare and certify that _____ is no longer
 (Employee Name) (former Domestic Partner's name)
 my domestic partner in accordance with the criteria outlined below and that our domestic partnership
 ceased on _____. I further understand that I may not sign a subsequent Declaration of
 (Date)

**Domestic Partnership with another individual until six months have elapsed from the date this
 Termination of Domestic Partnership is Completed.**

DOMESTIC PARTNERSHIP CERTIFICATION CRITERIA

- We are involved in a committed and mutually exclusive relationship with each other;
- We are of the age of legal consent (at least age 18);
- We are not blood relatives;
- We are living together in the same residence;
- We share the common necessities of life and have a joint responsibility for each other's welfare and living expenses;
- We are not currently married to another person nor involved in another domestic partner relationship;
- We have signed this Declaration of Domestic Partnership;
- We have not signed a Declaration of Domestic Partnership with another individual within the past six-month period

Declaration

I declare, under penalty of perjury, that the statements in this Declaration are true and correct to the best of my knowledge.

Employee Name (Please Print):	Current Address:
Employee Signature:	Date:

RETURN COMPLETED DECLARATION FORMS TO THE HUMAN RESOURCES DIVISION

DOMESTIC PARTNER BENEFITS - COST SUMMARY

RECOMMENDED BENEFITS	ESTIMATED TOTAL ANNUAL COST FOR MWD	
Dental Insurance	\$ 6,804 (9 employees) to \$57,456 (76 employees)	
Optional Insurance: Dependent Vision Dependent Life AD&D	\$ 0 \$ 0 \$ 0	Premiums Fully Paid By Employee
Special Leave	\$ 0	Charged against employee's Sick Leave balance
Family and Medical Leave	\$ 0	Employee must use accrued leave during FMLA
Bereavement Leave	\$ 0	Anticipate no cost impact due to history of minimal leave usage by existing workforce
ESTIMATED TOTAL ANNUAL COST FOR MWD	\$ 6,804 (9 employees) to \$57,456 (76 employees)	

DATA USED FOR COSTING

Number of Regular Full-time Employees	1,899
Average Salary	\$29.73
Potential Participation Rate	0.5 - 4.0 % (9 - 76 employees)