



MEMORANDUM

TO: Water Resources Committee and Alternates

FROM: Scott Petersen, Water Policy Director

DATE: May 11, 2020

RE: Recommend Position on Federal Legislation: H.R. 6643 (Schneider), Supporting State and Local Leaders Act

Subject

Recommend positions for the Board of Directors to adopt on the following pieces of federal legislation:

- H.R. 6643 (Schneider), Supporting State and Local Leaders Act

Recommendation

Recommend to the Board of Directors to adopt the following positions on federal legislation:

- Adopt a position of "Support" on H.R. 6643 (Schneider)

Summary

H.R. 6643 (Schneider) – Supporting State and Local Leaders Act

RECOMMENDATION: SUPPORT

OBJECTIVE: Improve Water Infrastructure Affecting Authority Member Agencies

Summary

This bill would amend the Families First Coronavirus Response Act to allow tax credits to Federal, State, and local governments for required paid sick leave and required paid family and medical leave.

Status

H.R. 6643 was introduced in the House of Representatives on April 28, 2020 and has been referred to the House Ways and Means Committee. It is cosponsored by 96 Democrats and 12 Republicans. The following Members of the Water Authority's Congressional delegation are cosponsors: Representatives Harder (CA-10), Swalwell (CA-15), Costa (CA-16), Khanna (CA-17), Eshoo (CA-18), Panetta (CA-20) and Cox (CA-21).

Importance to the Authority

This bill would make local and state agencies required to provide additional paid leave required by the Families First Coronavirus Response Act (CARES 1.0) eligible for the payroll tax credit that was provided to private industry under CARES 1.0. This could defray some workforce costs for the Water Authority and its members associated with the legislative response to the impacts of the COVID-19 pandemic.

Pros:

- The bill would make local and state agencies, including Water Authority member agencies, eligible for a payroll tax credit provided to private employers to offset payroll costs associated with additional employee sick leave and Family Medical Leave Act benefits mandated by Congress in CARES 1.0.

Cons:

- None identified at this time.

Policy

By Agenda Item 9, dated December 12, 2019, the Board adopted the Fiscal Year 2021 Objectives.

Committee Options

Option 1

Recommend that the Board authorize the Executive Director and delegated staff to express support to H.R. 6643, Supporting State and Local Leaders Act.

Fiscal Impact: Unknown. Reduce costs associated with additional benefits mandated by Congress resulting from COVID-19 pandemic response, thereby providing reduced costs for Authority member agencies related to Board approved objectives and projects.

Business Analysis: Reduce payroll tax costs associated with employee benefits mandated by Congress in response to COVID-19 pandemic.

Option 2

Take no action.

Fiscal Impact: Unknown. SLDMWA may be subject to additional payroll costs associated with COVID-19 pandemic response.

Business Analysis: SLDMWA and its member agencies could be subject to additional costs resulting from Congressionally mandated benefits for COVID-19 response.

Guidelines for Taking Positions on Legislation

A number of controversial bills are introduced each year in the Congress and in the California Legislature. It is important to understand how the Authority takes positions on legislation.

Water Authority's Positions on Legislation

The Water Authority takes positions on legislation that, if enacted, would impact Water Authority members, consistent with Water Authority Board adopted Goals and Objectives. The Water Authority may take the following positions on legislation: Oppose, Support, Oppose Unless Amended, Support if

Amended, Not Favor, Favor, Not Favor Unless Amended, Favor if Amended, and Watch (neutral). The Water Authority's staff testifies and advocates with legislators and staff through meetings and member agency contacts on all positions except Watch, Favor and Not Favor. For Favor and Not Favor positions, written communication of the Water Authority's position is provided to the legislator. Nothing in this section should be read to preclude the Executive Director or his or her delegee from taking an informal support or informal oppose position on behalf of the Water Authority that is consistent with adopted legislative or policy objectives, or to preclude the Executive Director from communicating a position on emergency legislation after obtaining the concurrence of the Chair, or the Chair's designee, provided that the Executive Director informs the Board regarding such positions on emergency legislation no later than the next regularly scheduled Board meeting.

Amendment Development Process

If the Water Authority takes an Oppose Unless Amended or Support if Amended position, the Water Authority will typically discuss the concepts for the amendments at the meeting. Then Water Authority staff, in consultation with Committee and/or Board Members as needed, will develop the amendments after the meeting.

Information Sharing

To provide adequate information to the entire Water Authority membership, the Water Authority provides legislative updates, posts positions and other information on our website, and sends out advisories and alerts on key legislation.

The Water Authority's legislative department is available to provide specific information on bills on request and Board Members are encouraged to communicate Water Authority positions on priority legislation in meetings with legislative staff, consistent with Water Authority policy. The Water Authority's Water Policy Director appreciates being informed by Water Authority members of positions taken by Water Authority members on legislation.