Council Meeting Date: October 2, 2006 Agenda Item: 6(a)

## CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Add Domestic Partner Health Benefits and Revise the Personnel

Policies Regarding Definitions of Immediate Family and Domestic

Partner

**DEPARTMENT:** Human Resources

PRESENTED BY: Marci Wright, Human Resources Director

ISSUE STATEMENT: Currently the City of Shoreline does not offer dependent health care coverage for domestic partners. The Association of Washington Cities (AWC) Trust, in which the City participates to receive health care coverage, now allows cities to provide coverage for domestic partners. During the past year, we have received requests from some City employees to add dependent coverage for domestic partners. Staff believes adding this benefit could aid our recruitment efforts, staff retention, and increase staff morale. It would also provide for equitable treatment for all employees. Adding this benefit requires City Council approval. If the Council were to decide to add domestic partner coverage, we also recommend amending our sick leave and bereavement leave policy to include domestic partners.

### **ANALYSIS:**

Background: When the City of Shoreline began purchasing health care coverage from the AWC Trust, the Trust did not offer the option of dependent coverage for domestic partners. In order to qualify for coverage, the dependent needed to be either a legal dependent or spouse. The Trust now allows employers to choose to include non-married partners as dependents—adding this coverage is an option for each city to determine on its own. Cities choosing to add this option must decide whether to offer this benefit to same sex partners, opposite sex partners or both. During this past year we have received requests from individual employees to add this benefit.

<u>Criteria for Domestic Partner</u>: The AWC Trust has established criteria for domestic partner:

- Must share the same regular and permanent residence; and
- Must have a close, personal and exclusive relationship; and
- Be jointly responsible for "basic living expenses"; and
- Are not married to anyone; and
- Are each 18 years of age or older; and
- Are not related by blood closer than would bar marriage in the State of Washington; and

- Were mentally competent to consent to contract when the domestic partnership began; and
- Are each other's sole domestic partner and are responsible for each other's common welfare

In order to qualify, the employee must complete an affidavit attesting to the domestic partnership. In completing the affidavit, the employee also agrees to notify the City if there is any material change of circumstances within 30 days of the change. If an employee terminates a domestic partnership, the employee is not eligible to file a new Affidavit of Domestic Partnership until 90 days after the termination of the former partnership.

What Other Employers are Doing: In our defined labor market, two of our standard comparable jurisdictions (Kirkland and King County) offer domestic partner coverage; the other eight do not. In addition, one of the two jurisdictions that we substitute for top level management comparables offers domestic partner coverage. (That jurisdiction is Olympia). One of our adjacent cities, Seattle, offers domestic partner benefits. All of these jurisdictions consider both same sex and opposite sex couples as domestic partners.

Recruitment/Retention/Staff Morale Impact: Staff believes the provision of an additional benefit, especially one not offered by many of our comparable jurisdictions could give us a competitive edge in recruiting for new employees. Offering this benefit could also assist us in retaining staff and maintaining employee morale for those employees requesting this benefit. The domestic partner benefit promotes the City's policy of equal treatment of employees regardless of marital status or sexual orientation.

Since a majority of our comparable jurisdictions do not offer this benefit, declining to offer domestic partner coverage will not put us at a competitive disadvantage with most of our public sector competition. If we choose not to add the coverage, it will be disappointing to employees who have requested it.

Other Factors: Staff recognizes this issue may be controversial within the community and that some individuals may have strong views that impact their opinion on this subject. Staff is addressing this issue solely as a recruitment/retention/benefit issue and as an issue of equal treatment.

<u>Policy Implementation:</u> If Council chooses to add this benefit, we recommend adding domestic partner coverage for both same sex and opposite sex couples. We also recommend amending our definition of "immediate family" in our personnel policies to add "domestic partner". The primary impact of this change in "immediate family" would be to allow employees to use sick leave and bereavement leave for their domestic partners. Current policy allows this leave usage by specific permission of the City Manager; the definition change would allow it automatically.

Staff has attached draft Resolution 250, which would be used to implement the recommended policy changes.

FINANCIAL IMPACT: Because of the City's method for paying for health related benefits, the fiscal impact of adding domestic partner coverage is minor. The City currently pays each full time regular employee \$764 a month to spend on benefit coverage. If an employee selects family health care coverage that costs more than \$764, the City pays for some additional cost (up to a maximum of \$1,073 and not more than the actual cost of premiums).

For an employee with no other dependents, the 2006 cost for adding a domestic partner to medical coverage may be less than \$764 (and thus, no fiscal impact to the City). If an employee chose to also add dental coverage for a domestic partner, the City's additional cost is likely to be approximately \$75 a month.

## **RECOMMENDATION**

Staff recommends that Council adopt Resolution No. 250 Revising personnel policies regarding definitions of immediate family and domestic partner and adding domestic partner benefits

## **ATTACHMENTS**

Attachment A – Resolution 250

Approved By: City Manager City Attorne

### **RESOLUTION NO. 250**

OF RESOLUTION **OF** CITY SHORELINE, THE WASHINGTON, ADOPTING REVISIONS TO PERSONNEL REGARDING **DEFINITIONS OF IMMEDIATE** POLICIES FAMILY AND DOMESTIC PARTNER AND ADDING DOMESTIC PARTNER BENEFITS

WHEREAS, the City of Shoreline has been operating under Personnel Policies last revised on May 8, 2006 by Resolution No. 243; and

WHEREAS, the City Council wishes to revise its Personnel Policies to add domestic partner to its definition of immediate family and to add domestic partner medical benefits; now therefore

# BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON:

- **Section 1.** Revision. The City Manager is authorized to implement a revised *Personnel Policies*, filed with the City Clerk under receiving number 3942, which shall include an amended section 3.06 as set forth in Exhibit A attached hereto.
- Section 2. Health Benefits Extended to Domestic Partners. Health related benefits are authorized for domestic partners as defined in new section 3.06.
- **Section 3. Effective Date.** The domestic partner coverage and the revised *Personnel Policies* shall take effect January 1, 2007.

ADOPTED BY THE CITY COUNCIL ON OCTOBER 9, 2006.

	Mayor Robert L. Ransom
ATTEST:	
Scott Passey	
City Clerk	

### 3.06 Immediate Family

Unless defined otherwise in these policies, the employee's grandparent, parent, parent-in-law, foster parent, spouse, <u>domestic partner</u>, child, step child, foster child, grandchild, sister, sister-in-law, brother or brother-in-law. <u>Domestic Partner is an individual named in a current, valid Affidavit of Marriage/Domestic Partnership on file with the City's Human Resources Department and the Partnership shall satisfy the following criteria:</u>

- Partners may be of the same or opposite sex;
- Partners shall be unmarried, mentally competent, 18 years of age or older and not related by blood closer than permitted for marriage under RCW 26.04.020;
- Share a regular and permanent residence and living expense; and
- Partners shall not be a part of another Domestic Partnership.

In appropriate circumstances, an employee may believe that another individual should be considered a member of the immediate family for the purpose of applying these policies. The employee shall make a written request explaining to Human Resources why the employee believes that this individual should be considered a member of the immediate family. If Human Resources concurs, they shall forward a recommendation to the City Manager for approval. The City Manager shall decide to approve or deny the request. (If tThe definition of immediate family may be is different in certain approved benefit plans or policies; in those cases, the provisions of those plans or policies will govern.)