



Expo

Exposition Metro Line
Construction Authority


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DATE: FEBRUARY 2, 2006

TO: BOARD OF DIRECTORS

FROM: RICHARD D. THORPE 
INTERIM CHIEF EXECUTIVE OFFICER

ACTION: ADOPT A RESOLUTION ON STATE DISABILITY INSURANCE

RECOMMENDATION

Adopt a Resolution regarding state disability insurance and direct the Interim Chief Executive Officer to sign and file the application with the California Employment Development Department.

SUMMARY

The California Unemployment Insurance Code provides that the Exposition Metro Line Construction Authority may elect to become an employer for state disability insurance purposes with respect to all its employees. In order to file this election with the California Employment Development Department, the Exposition Construction Authority Board must pass a Resolution (Attachment A). This benefit is consistent with the benefits offered to Metro and other similar transit agency employees.

DISCUSSION

Under Section 709 of the California Unemployment Insurance Code, the Board can elect to provide state disability insurance to its employees and must provide coverage for at least two complete calendar years. Upon approval of this election, employee contributions to state disability insurance are required and will be paid at the rate established for each year up to the annual taxable wage limit. Employee contributions are used exclusively to finance the State Disability Insurance Program. This action will enable Expo employees to be covered by state disability insurance, including paid family leave.

FINANCIAL IMPACT

None

ATTACHMENT(S)

A. Resolution on State Disability Insurance

Resolution No. 002

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE
EXPOSITION METRO LINE CONSTRUCTION AUTHORITY
ON
STATE DISABILITY INSURANCE

WHEREAS, the Board of Directors of the Exposition Metro Line Construction Authority ("Expo Authority"), a public entity existing under California Public Utilities Code Section 132600 et seq., consented to the actions of the Expo Authority described herein and adopted this resolution during a meeting of the Board of Directors held February 2, 2006.

WHEREAS, Section 709 of the California Unemployment Insurance Code provides that any public entity located in this State specified in Section 135(a)(3) may elect to become an employer for state disability insurance purposes only, with respect to all its employees, and may file its written election with the California Employment Development Department; and

WHEREAS, an election under Section 709 may be made on its own motion by the appropriate governing body of the entity making the election; and

WHEREAS, coverage must be elected for at least two complete calendar years; and

WHEREAS, coverage may be approved for all present and future employees of the public entity; and

WHEREAS, upon approval of an election, employee contributions for state disability insurance are required at the rate established for each year up to the annual taxable wage limit; and

WHEREAS, every employing unit shall post and maintain the printed notice (DE 1375C, Notice To Employees Elective Coverage Application For State Disability Insurance) of such election or application on the premises; and

WHEREAS, the Board of Directors of the Expo Authority believes its employees should be covered by state disability insurance, including paid family leave;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Expo Authority elects to become an employer for state disability insurance purposes only

under Section 709 of the California Unemployment Insurance Code for all its employees; and be it

FURTHER RESOLVED, that the Interim Chief Executive Officer shall sign and file with the California Employment Development Department an application under Section 709 of the California Unemployment Insurance Code to become an employer subject to the Code for at least two complete calendar years.