



**MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM**

No. AM 96-2023

Meeting Date: February 21, 2023

1 **From:** Assembly Member Quinn-Davidson, Assembly Member Zaletel,
2 and Chair LaFrance

3
4 **Subject:** AO 2023-xx: **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL**
5 **ASSEMBLY AMENDING ANCHORAGE MUNICIPAL CODE**
6 **CHAPTER 3.30 PERSONNEL RULES TO ENACT A PARENTAL**
7 **LEAVE BENEFIT.**

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9 This ordinance is being proposed to create a Paid Parental Leave program for
10 regular, executive and non-represented municipal employees in the Anchorage
11 Municipal Code.

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13 This ordinance would provide a continuous 160 hours (four weeks) of paid leave to
14 municipal employees who are new parents so they can attend to medical needs,
15 bond with their new child, and manage household chores and tasks without sacrifice
16 to their finances or commitment to their jobs. Employers nationally are struggling to
17 find and maintain a strong workforce, and this is particularly so at the Municipality
18 under this current administration. This benefit would improve quality of life for
19 municipal employees, thereby leading to less turnover, which is costly to the
20 Municipality.

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22 If passed, the program would become effective immediately for executive and non-
23 represented employees. While it would not apply immediately to union represented
24 employees, since only a new collective bargaining agreement or amendment can
25 effectuate that change, the Assembly sponsors intend to include language in the
26 general labor relations policy and direction for contract negotiations, required under
27 AMC 3.70090D., to encourage the Administration to expand paid parental leave
28 policies to represented municipal employees.

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30 Eligible employees who work less than full time will be eligible for a pro rata amount
31 of leave based on their normal hours worked.

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33 This paid parental leave policy would apply to employees who have been approved
34 for leave under the federal Family and Medical Leave Act (FMLA), which determines
35 qualifying events as the birth of a child and the placement with the employee of a
36 child for adoption or foster care. This ordinance also encourages the Administration
37 to investigate the possibility implementing paid parental leave for employees who
38 qualify for and are taking family leave under the Alaska Family Leave Act (AFLA),
39 but who are not eligible to take leave under the federal Family Medical Leave Act
40 (FMLA) because they have not yet worked for the municipality for a qualifying 12-
41 month period.

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43 **Intended Effects of Ordinance**

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1 This ordinance seeks to boost recruitment and retention of municipal employees
2 and provide a benefit to municipal employees to strengthen and support Anchorage
3 families. Paid parental leave has been shown to be beneficial for the health of
4 infants¹ and parents² and employers, as it is associated with increased employee
5 retention, productivity and morale, as well as increased labor-force participation.³

6
7 The addition of paid parental leave to municipal employee benefits will increase the
8 competitiveness of municipal jobs to an increasingly small labor pool, which is
9 actively shrinking due to outmigration. In 2022, the Anchorage Economic
10 Development Corporation presented the 2022 3-Year Economic Outlook Report,
11 reporting that Anchorage saw a sixth consecutive year of population loss in 2022.
12 From 2015 to 2022, Anchorage's working-age population fell by nearly 15,000
13 people.⁴ The proposed program will address the staffing shortages of the
14 Municipality by expanding the benefits of municipal employment in an increasingly
15 competitive labor economy.

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17 The program also aims to increase the quality of life for Anchorage families with a
18 policy that puts families first. The growing body of research⁵ on paid parental leave
19 in the United States shows that increased paid leave taken by parents following the
20 arrival of a child reduces rates of pre-term births, low-weight births, infant
21 hospitalizations, infant mortality, and postpartum depression.^{6,7,8} Beyond infancy,
22 paid parental leave offers long-term investments in the health of children; children
23 whose parents had access to paid parental leave had reduced incidences of
24 physical health conditions and ADHD, with increased effects for economically
25 disadvantaged children.⁹

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27 In addition to the positive economic impacts and effects on children's health, paid
28 parental leave positively affects the mental health of parents. Fathers with access
29 to paid parental leave tend to participate in more caregiving activities, and those
30 with more than two weeks of leave have been shown to be more engaged with their
31 children after the leave concludes compared to their counterparts who did not have
32 more than two weeks of leave.¹⁰ A study showed that paid leave reduced symptoms
33 of depression among mothers with infants by 30% compared to rates before
34 implementation.¹¹

35
36 The United States is unique among wealthy countries in its lack of a national paid
37 parental leave program. In Alaska, if women participated in the labor force at the
38 same rate as women in countries with paid parental leave, there would be an
39 estimated 8,000 additional workers in the state and \$313,870,000 more wages
40 earned statewide.¹² This program is a step towards closing the labor gap by offering
41 a valuable benefit and bringing the Municipality closer in line with international
42 standards for supporting families in the workplace.

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44 A Summary of Economic Effects (SEE) was developed from a priceout provided by
45 the MOA Office of Management and Budget (OMB) and Human Resources (HR) on
46 February 6, 2023. The SEE is attached as Exhibit A and the priceout as Exhibit B.
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Local History and National Trends

A paid parental leave program was a recommendation from the Anchorage Women’s Commission in their January 2021 response to a request for ideas for city innovations to advance the status of women and girls, which is included as an AIM for this ordinance. In June 2021, former Acting Mayor Quinn-Davidson signed the first paid parental leave policy in the Municipality of Anchorage. The policy offered municipal employees a continuous 160 hours (four weeks) of paid leave to eligible employees to welcome a new child into their family. In September 2021, Mayor Bronson revoked the policy. Numerous private-sector employers in Anchorage and elsewhere now provide paid parental leave.

Through the Federal Employee Paid Leave Act, the U.S. Government affords twelve weeks of paid leave to federal employees when a child is born, adopted, or placed in a foster care arrangement (see 5 U.S.C. § 6382 (2019)).

Waiving Review by the Personnel Rules Committee

The ordinance has not been reviewed by the Personnel Rules Committee (PRC). Legislative Services contacted the Municipal Human Resources Director on December 19, 2022 to seek a path to get this proposed ordinance in front of the PRC. The Human Resources Director responded on December 21 that he would look into it, but a response was never provided. It appears that the committee has been functionally unable to provide feedback on personnel matters, as the board that approves PRC membership, the Human Resources Advisory Board, has only one member and is unable to achieve a quorum. The ordinance therefore waives that requirement.

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Attachments: Exhibit A, Parental Leave Summary of Economic
Effects (SEE)
Exhibit B, Parental Leave Priceout

¹ Tara O’Neill Hayes, “How Children Benefit from Paid Family Leave Policies,” American Action Forum (June 9, 2020), available at: www.americanactionforum.org/research/how-children-benefit-from-paid-family-leave-policies/

² Zara Abrams, “The Urgent Necessity For Paid Parental Leave,” v.53 Monitor on Psychology, No.3, American Psychological Association (April 1, 2022), available at: www.apa.org/monitor/2022/04/feature-parental-leave

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- ³ Kathleen Romig & Kathleen Bryant, "A National Paid Leave Program Would Help Workers, Families," Center for Budget and Policy Priorities (April 27, 2021), available at: www.cbpp.org/research/economy/a-national-paid-leave-program-would-help-workers-families
- ⁴ McKinley Research Group, LLC "2022 AEDC Three-Year Outlook Report," (March 4, 2022), available at: https://aedcweb.com/wp-content/uploads/2022/08/0304_22_AEDC_3-year_Report_V11.pdf
- ⁵ Rebekah Levine Coley, "Paid Family and Medical Leave Improves Well-Being of Children and Families," Society for Research in Child Development (July 2, 2019), available at: www.srkd.org/research/paid-family-and-medical-leave-improves-well-being-children-and-families
- ⁶ Jenna Stearns, "The effects of paid maternity leave: Evidence from Temporary Disability Insurance," (October 30, 2014), available at: doi.org/10.1016/j.jhealeco.2015.04.005
- ⁷ Joyce Shim, "Family leave policy and child mortality: evidence from 19 OECD countries from 1969 to 2010," (September 16, 2015), available at: doi.org/10.1111/ijsw.12186
- ⁸ Christopher J. Ruhm, "Parental leave and child health," (March 8, 2000), available at: [https://doi.org/10.1016/S0167-6296\(00\)00047-3](https://doi.org/10.1016/S0167-6296(00)00047-3)
- ⁹ Barbara Broadway, et al, "Paid Parental Leave and Child Health in Australia," (January 5, 2017), available at: <https://doi.org/10.1111/1475-4932.12311>
- ¹⁰ Sakiko Tanaka and Jane Waldfogel, "Effects of Parental Leave and Work Hours on Fathers' Involvement with their Babies," (November 7, 2007), available at: <https://doi.org/10.1080/13668800701575069>
- ¹¹ Rui Huang and Muzhe Yang, "Paid maternity leave and breastfeeding practice before and after California's implementation of the nation's first paid family leave program" (2015). *Economics and Human Biology*, 16, 45-59. doi: 10.1016/j.ehb.2013.12.009
- ¹² U.S. Bureau of Labor Statistics. (2022). Local Area Unemployment Statistics, Expanded State Employment Status Demographic Data (2021 Annual Averages). Available at: <https://www.bls.gov/lau/ex14tables.htm>; U.S. Census Bureau. (2022). American Community Survey 1-Year Estimates, 2021 (Table B20017). Available at: data.census.gov. For methodology, see Novello, A. (2021). "The Cost of Inaction: How a Lack of Family Care Policies Burdens the U.S. Economy and Families". Available at: <https://www.nationalpartnership.org/ourwork/resources/economic-justice/other/cost-of-inaction-lack-of-family-care-burdens-families.pdf>