



## AMENDMENTS TO 2008 NOTICE San Francisco Health Care Security Ordinance (HCSO)

The Employer Spending Requirement (ESR) of the Health Care Security Ordinance was challenged in a federal lawsuit, resulting in a delay in the effective date of the ESR. The District Court found the HCSO invalid, and the City is appealing this decision. **Pending the appeal, the Ninth Circuit Court of Appeals has granted the City's Emergency Motion for a Stay of the District Court's decision, which allowed the ESR to go into effect on January 9, 2008.**

As a result of the Court decision, two dates on the enclosed 2008 Notice and Annual Reporting Form have been revised:

- (1) the effective date of the ESR is now January 9, 2008, and
- (2) the due date for the Annual Reporting Form has been extended to April 30, 2008.

It is difficult to predict when the Court of Appeals will issue a decision on the appeal; however, updates on the lawsuit will be posted on our website as soon as they are available. *If you would like to be added to the HCSO email list for future updates, please send an email, with "mailing list" in the subject line, to [HCSO@sfgov.org](mailto:HCSO@sfgov.org).*

Complete details regarding the Employer Spending Requirement, as well as the District and the Court of Appeals' decisions, are available at [www.sfgov.org/olse/hcso](http://www.sfgov.org/olse/hcso). A few key points are highlighted below:

#### EFFECTIVE DATE:

- The HCSO went into effect on 1/9/08 for employers with 50 or more employees; this includes both for-profits and non-profits.
- The HCSO goes into effect on 4/1/08 for for-profit employers with 20-49 employees. (Non-profits with fewer than 50 employees, and all employers with fewer than 20 employees, are exempt.)

#### DEADLINES TO MAKE EXPENDITURES:

- Quarterly health care expenditures must be made within 30 days of the end of the preceding quarter; thus, Covered Employers with 50 or more employees must make their first expenditure (based on hours paid to Covered Employees from 1/9/08-3/31/08) no later than April 30, 2008. For-Profit Covered Employers with 20-49 employees must make their first expenditure (based on hours paid to Covered Employees from 4/1/08-6/30/08) no later than July 30, 2008.
- Employers are, however, free to begin making expenditures before that time.

#### CITY OPTION:

- Covered Employers choosing the City Option to satisfy the ESR should visit [www.healthysanfrancisco.org](http://www.healthysanfrancisco.org) for more information.
- Payments to the City should **not** be sent to the Office of Labor Standards Enforcement, but to the address indicated on the Healthy San Francisco website.