

RESOLUTION 2026-###

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO ADOPTING AN ADMINISTRATIVE POLICY ESTABLISHING AFFORDABLE CARE ACT (ACA) LOOK BACK MEASUREMENT METHOD AND AFFORDABILITY SAFE HARBORS FOR CERTAIN UNREPRESENTED EMPLOYEES

WHEREAS, the Affordable Care Act (“ACA”) and related provisions of the Internal Revenue Code require applicable large employers, including the City of San Pablo (“City”), to offer affordable health coverage providing minimum value to substantially all full-time employees and their dependents;

WHEREAS, Sections 4980H and 6056 of the Internal Revenue Code impose employer shared responsibility and reporting requirements on applicable large employers;

WHEREAS, federal regulations permit employers to utilize a “Look Back Measurement Method Safe Harbor” to determine full-time employee status for ACA compliance and reporting purposes;

WHEREAS, federal regulations further permit employers to utilize affordability safe harbors, including the Rate of Pay Safe Harbor, Form W-2 Safe Harbor, and Federal Poverty Line Safe Harbor, to determine compliance with ACA affordability requirements;

WHEREAS, the proposed Administrative Policy formalizes the City’s procedures for ACA compliance, establishes administrative consistency in determining employee eligibility for health coverage, supports required IRS reporting obligations, and reduces potential exposure to ACA-related penalties;

WHEREAS, the proposed Policy applies to certain unrepresented employees not covered by employment agreements and does not alter employee classifications, compensation, retirement benefits, bargaining rights, or any other employment status outside of ACA compliance purposes; and

WHEREAS, this proposed action is not a project subject to the California Environmental Quality Act (“CEQA”).

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of San Pablo as follows:

1. The City Council hereby adopts the Administrative Policy entitled "Affordable Care Act Look Back Measurement Method Safe Harbor and Affordability Safe Harbors," attached hereto as Exhibit "A" and incorporated herein by this reference.
2. The City Manager, or designee, is authorized to implement and administer the Policy and to make non-substantive administrative revisions as necessary to maintain compliance with applicable federal law and regulations.

BE IT FURTHER RESOLVED that the foregoing recitations are true and correct and are included herein by reference as findings.

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ADOPTED this 1st day of June, 2026, by the following votes:

AYES: COUNCILMEMBERS:
 NOES: COUNCILMEMBERS:
 ABSENT: COUNCILMEMBERS:
 ABSTAIN: COUNCILMEMBERS:

ATTEST:

APPROVED:

Dorothy Gantt, City Clerk

Elizabeth Pabon-Alvarado, Mayor