
THIRD READING

Bill No: SB 480
Author: Stern (D)
Amended: 3/15/21
Vote: 21

SENATE GOVERNANCE & FIN. COMMITTEE: 5-0, 4/15/21
AYES: McGuire, Nielsen, Durazo, Hertzberg, Wiener

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SUBJECT: Metropolitan Water District of Southern California: rules:
inappropriate conduct

SOURCE: Author

DIGEST: This bill requires the Metropolitan Water District of Southern California to adopt rules relating to inappropriate conduct.

ANALYSIS:

Existing law:

- 1) Prohibits discrimination on the basis of specified personal characteristics such as sex, gender, gender identity, race, color, national origin, religion, and disability under numerous laws, including the Fair Employment and Housing Act (FEHA) and the Unruh Civil Rights Act.
- 2) Requires an employer having 5 or more employees to provide at least two hours of training and education regarding sexual harassment to all “supervisory employees” within six months of becoming a supervisor, and at least one hour of sexual harassment training to all nonsupervisory employees by January 1, 2020, and every two years thereafter.
- 3) Authorizes the creation of metropolitan water districts for the purpose of developing, storing, and distributing water for municipal and domestic purposes under the Metropolitan Water District Act (MWD Act).

- 4) Requires the Metropolitan Water District of Southern California (MWD) to have an Office of Ethics and adopt rules relating to internal disclosure, lobbying, conflicts of interest, contracts, campaign contributions, and ethics that apply to its board members, officers, and employees.
- 5) Requires the Office of Ethics to operate as an independent entity that is not subject to political influence and do all of the following:
 - a) Adopt conflict of interest rules for approval by the board. The rules must address ethical abuses relating to business relationships, campaign contributions, and approval procedures for contracts over \$50,000;
 - b) Educate the board, staff, contractors, and subcontractors concerning those rules;
 - c) Investigate complaints concerning the violation of those rules;
 - d) Adopt procedures for protecting the confidentiality of sources, the job security of “whistle blowers,” and the due process rights of the accused;
 - e) Make public the results of the investigations that it undertakes; and
 - f) Adopt a schedule of penalties for violations of the conflict of interest rules.

This bill:

- 1) Amends the ethics requirements in the MWD Act to require MWD to adopt rules relating to inappropriate conduct by board members, officers, and employees.
- 2) Defines inappropriate conduct to mean any conduct toward others that is physical, verbal, or visual based on or because of sex, gender, gender identity or expression, race, color, ancestry, religious creed, national origin, age for 40 years of age and over, physical or mental disability, sexual orientation, marital status, military or veteran status, medical condition, genetic information, or any other characteristic protected by state or federal employment law when the conduct reasonably would be considered inappropriate for the workplace.

Background

In early 2021, reports emerged of disturbing and widespread allegations of sexual harassment and discrimination at MWD, particularly in its trades apprenticeship program that trains personnel to operate MWD facilities. According to a February 12, 2021, Los Angeles Times investigation, multiple women alleged that MWD

leadership tolerated sexual harassment, bullying, and intimidation after being made aware of the allegations. The investigation noted:

“Only nine of the 218 apprentices hired between 2003 and 2019 were women, according to agency records. Four of them have filed equal employment opportunity complaints with the district, a spokeswoman said.

“Overall, 18 women worked in trades positions for the district between 2005 and 2019, records show. Six of those filed formal EEO complaints.

“The women said they were ignored or dismissed by agency officials as they complained and pleaded for help. Three said they were pressured to continue working around men they accused of abusive behavior or to seek lower-paying positions.

“In one case, a woman was transferred to a facility more than 100 miles from her home, a move that split up her family. Two of her children soon left because there was no high school at the remote desert location.”

Prior to the Los Angeles Times investigation, in November 2020, the MWD board took steps to respond to allegations of systemic harassment by directing the district’s Ethics Officer to retain the Shaw Law Group to conduct a review of the allegations, MWD’s policies, and prior investigations of Equal Employment Opportunity complaints. That review is currently ongoing, and as of March 8, 2021, begun interviews with more than 125 employees (out of MWD’s 1,854 employees) who had requested to speak to the Shaw Law Group.

Since the investigation became public, in February and March of 2021, numerous state and local elected officials, including Senators Durazo, Newman, and Min, along with several labor organizations, called for a state audit by the Joint Legislative Audit Committee (JLAC) of MWD’s personnel policies.

The author wants to amend the MWD Act to require MWD to adopt rules related to inappropriate conduct.

Comments

- 1) *Purpose of the bill.* According to the author, “Recently there have been troubling reports of sexual harassment and other unacceptable and inappropriate

conduct by Metropolitan Water District of Southern California (MWD) employees. We, as public employees and public entities must hold ourselves to the highest standards for interacting with the public, our coworkers, and everyone we come into contact with. No one should ever be subject to the type of behavior that has recently been reported. This bill will require MWD to adopt standards of conduct rules and to enforce those rules. The goal is to ensure the expectations for behavior are clearly delineated and make it clear to those who are subject to inappropriate conduct that they do not have to stand for such behavior. We all must stand together when we see abuse and harassment, and we must do everything in our power to stop it.”

- 2) *More to come.* The allegations of inappropriate conduct at MWD have prompted action both within and outside of MWD, as indicated by the request for the JLAC audit and the Shaw Law Group review. The Shaw Law Group process is currently ongoing, but is likely to be concluded in the next few months. JLAC audit requests are confidential until noticed for a JLAC hearing, but should an audit of MWD’s personnel policies be formally requested and proceed, an audit may be released in late 2021. Of note is the fact that MWD already has policies in place that prohibit discrimination and harassment based on legally protected characteristics. However, the results of these two efforts are likely to provide greater insight into any shortcomings with MWD’s existing harassment and discrimination policies. While SB 480 takes an important step to formally ensuring that this type of behavior is prohibited, additional policy changes may be needed based on those reviews. Going forward, the author may want to incorporate requirements that are tailored to the findings from the Shaw Law Group review and the JLAC audit.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT: (Verified 5/5/21)

American Federation of State, County and Municipal Employees, Local 1902
American Federation of State, County and Municipal Employees, Local 3299
California Labor Federation, AFL-CIO
City of Santa Monica

OPPOSITION: (Verified 5/5/21)

None received

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