

H A S C 515 S. Figueroa St., Ste. 1300 Los Angeles, CA 90071 P: (213) 538-0700 F: (213) 629 4272 www.hasc.org

May 16, 2016

Curren Price, Chair Economic Development Committee Los Angeles City Hall 200 North Spring Street Los Angeles, CA 90015

RE: ITEM NO. 14-1371 (Establishment of Minimum Wage in Los Angeles / Ordinance)

Dear Members of the Economic Development Committee,

The Hospital Association of Southern California (HASC), representing over 40 hospitals located within the City of Los Angeles' jurisdiction, wishes to seek clarity on the approved six (6) sick-day policy that would commence on July 1, 2016. While we appreciate the intent of the ordinance, we have found that implementation could be particularly challenging for hospitals that operate 24/7 with a complex workforce. As a result, we would like to request a meeting to share the challenges and gain insight from the Economic Development Committee on how best to address them.

One area of complexity arises in part because hospitals already offer generous time-off plans. Integrating a paid sick leave obligation has proven to be challenging under California's existing paid sick leave law that contains a grandfather provision. Consequently it is critical that any grandfather provision adopted under the local ordinance is carefully crafted.

Further complexity arises because a large number of hospital employees voluntarily elect to waive paid time off benefit in exchange for higher wages or more flexibility. In recognition of the existing California paid sick leave obligation, many hospitals have created separate paid time-off plans for per diem employees. However, employees frequently move between benefitted and non-benefited positions, and there is no guidance on how to handle those transitions. An additional complexity arises with hospital employees who work alternative work week schedules where employees frequently move between 8, 10 and 12-hour shifts. These questions have also been raised by the California Hospital Association to the California Labor Commissioner – Division of Labor Standards Enforcement and we are still awaiting guidance.

The HASC looks forward to scheduling a meeting to discuss these issues as the City of Los Angeles begins to review the draft ordinance that enables the approved recommendation. I'll contact your office to follow-up on this request. In the meantime, please do not hesitate to call me at (213) 538-0702, should you have any questions.

Thank you for your time and consideration.

Sincerely,

Ameli

Jaime Garcia Regional Vice President – Greater Los Angeles Area Hospital Association of Southern California

Cc:

Economic Development Committee Members Los Angeles City Council