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MOTION PICTURE ASSOCIATION OF AMERICA, INC.

15301 VENTURA BOULEVARD, BUILDING E

SHERMAN OAKS, CA 91403

Main: (818) 995-6600

MELISSA PATAACK

Vice President & Sr. Counsel

State Government Affairs

818.935.5838 – direct

818.292.2784 – cell

Melissa_Pataack@mpaa.org

June 17, 2015

The Honorable Curren Price, Jr.
Chair, Economic Development Committee
Los Angeles City Council
200 N. Spring Street, Room 420
Los Angeles, CA 90012

RE: Paid Sick Leave

Dear Councilmember Price:

On behalf of the Motion Picture Association of America, Inc. and its member companies*, I am writing to oppose potential legislation to require employers to provide additional paid sick leave to employees working in the City of Los Angeles.

As you are no doubt aware, our industry has suffered significant job loss in the Los Angeles area, as production has moved to other states and countries. In July, California's expanded production tax incentive will begin to restore some of that production. At the same time, our productions will begin to absorb the new state requirement to provide three days of paid sick leave to employees.

A citywide requirement to provide additional sick leave would create an additional logistical, financial and administrative burden for our industry. As you know, motion picture productions regularly film on location throughout the County of Los Angeles, crossing local boundaries on a daily basis. Our productions would have to maintain two separate accrual records – one for time spent working in the City, and one for time spent working outside of the City under the state sick leave policy. Moreover, employees regularly work for multiple employers within a single year, making the tracking of accrued leave time an administrative burden for employers and payroll companies engaged to provide payroll services.

* MPAA member companies include: The Walt Disney Studios Motion Pictures; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal Studios LLC; and Warner Bros. Entertainment Inc.

As you know, motion picture, television and digital media production employees and their employers negotiate wages, terms and conditions of employment in a robust, mature collective bargaining process that has spanned more than half a century. Most of these collective bargaining agreements already provide paid time off – for sick leave and vacation. The City’s effort to regulate working conditions, however, applies to all employers and employees without regard to the wages, terms and conditions that exist in any particular sector or at any one company, or how those wages, terms and conditions are established. Thus, the City’s policies penalize and create hardship among those sectors and employers in which the City should be encouraging and supporting job creation and retention.

Finally, requiring additional sick leave for production employees based in the City will disadvantage those studios and soundstages located within the City’s limits. The additional cost of providing more sick time to employees than is required under the state law or under existing collective bargaining agreements will make stage space in neighboring jurisdictions more attractive than similar facilities located within the City.

We respectfully urge you to exempt motion picture, television and digital media employers and employees from any ordinance or policy which requires an employer to provide paid sick leave.

Thank you for your consideration. If you have any questions or wish to discuss this, please contact me at your convenience.

Sincerely,



cc: Members, Economic Development Committee
Sharon Tso, Chief Legislative Analyst
John Ek
Victor Franco, Jr.