

ECONOMIC DEVELOPMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to the establishment of a Citywide minimum wage.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. PRESENT and ADOPT the accompanying ORDINANCE adding Article 7 to Chapter XVIII of the Los Angeles Municipal Code requiring a minimum wage for employees and amending the title of Chapter XVIII of the Los Angeles Municipal Code.
2. REQUEST the City Attorney to prepare and present ordinances amending the Hotel Minimum Wage Ordinance and the Living Wage Ordinance to make it clear that they remain in full force and effect, and are not superseded by the Citywide Minimum Wage Ordinance.
3. INSTRUCT the Chief Legislative Analyst (CLA) and the City Administrative Officer (CAO), with the assistance of the City Attorney, to report on:
 - a. A collective bargaining agreement exemption to the Citywide Minimum Wage Ordinance (and other City wage ordinances).
 - b. The application of the Citywide Minimum Wage Ordinance's definition of an Employee in various circumstances (such as employees based in other cities that work part of their time in Los Angeles and vice versa), the various challenges with enforcement and the risk of a preemption argument, the basis for the definition of an Employer, and options for definitions of both Employer and Employee other cities have adopted that are present in similar ordinances that would fulfil the best interests of employees and business in the City.
 - c. Conflicts between the Citywide Minimum Wage Ordinance and the Hotel Minimum Wage and Living Wage Ordinances (i.e. detail on what are those conflicts) and recommendations for reconciling the ordinances.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: Yes.

For: Downtown Los Angeles Neighborhood Council
Historic Highland Park Neighborhood Council
MacArthur Park Neighborhood Council
Central San Pedro Neighborhood Council
Pacoima Neighborhood Council
Harbor Gateway North Neighborhood Council
Elysian Valley Riverside Neighborhood Council
North Hollywood Northeast Neighborhood Council
Winnetka Neighborhood Council
North Hills East Neighborhood Council

Greater Cypress Park Neighborhood Council
Mid-Town North Hollywood Neighborhood Council
South Los Angeles Alliance of Neighborhood Councils

SUMMARY

At a special meeting held on May 29, 2015, the Economic Development Committee considered a City Attorney report and Ordinance dated May 22, 2015 relative to the establishment of a minimum wage in the City of Los Angeles.

Representatives of the City Attorney appeared before the Committee to present the Ordinance and responded to related questions. The Committee also considered extensive public comment on this matter and was addressed by members of organized labor, clergy, non-profit organizations, workers, business groups and chambers of commerce, as well as by representatives and members of a transitional employment program organization who spoke in favor of exempting transitional job programs (Council file No. 14-1371-S5).

During further discussion of the matter, members of the Committee raised various concerns such as: potential conflict between the Citywide Minimum Wage Ordinance and the Hotel Minimum Wage and Living Wage Ordinances, the application of the definition of an employee (i.e. working 2 or more hours weekly within the City of Los Angeles) and how situations will be handled in which employees based in another cities works part of their time in the Los Angeles and vice versa, and definitions of employee and employer used by other cities in similar minimum wage ordinances.

The Committee approved the draft Citywide Minimum Wage Ordinance; requested the City Attorney to report with ordinances clarifying that the Hotel Minimum Wage and Living Wage Ordinances supersedes the proposed Citywide Minimum Wage Ordinance; and instructed the CLA and CAO, with the assistance of the City Attorney, to report on the issues above as well as an exemption for wages covered by collective bargaining agreements. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMNT COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
KREKORIAN:	YES
HUIZAR:	YES
CEDILLO:	YES
MARTINEZ:	YES
WESSON:	YES
KORETZ:	YES

6/1/15
FILE NO. 14-1371

-NOT OFFICIAL UNTIL COUNCIL ACTS-