

**United Service
Workers West**



Southern California
Headquarters
828 W. Washington Blvd.
Los Angeles, CA 90015
(213) 284-7705
(213) 284-7725 fax

Orange County office
1936 W. Chapman Ave.
Orange, CA 92868
(657) 888-6647
(714) 704-9102 fax

San Diego office
4001 El Cajon Blvd.
Suite 211
San Diego, CA 92105
(619) 641-3050
(619) 641-3055 fax

Northern California
Headquarters
3411 East 12th Street
Suite 200
Oakland, CA 94601
(800) 772-3326
(510) 261-2039 fax

San Jose office
1010 Ruff Drive
San Jose, CA 95110
(408) 280-7770
(408) 280-7804 fax

Sacramento office
1401 21st Street
Suite 310
Sacramento, CA 95811
(916) 498-9505
(916) 497-0806 fax

March 1, 2016

The Hon. Joe Buscaino
Councilmember, Chair of the Public Works & Gang Reduction Committee
City Hall
200 North Spring Street, Rm 410
Los Angeles, CA 90012

Re: Council File 15-0817—Administrative Code Amendments

Dear Councilman Buscaino:

It has come to our attention that the LAX Airport Affairs Committee (AAAC) and the Airline Service Providers Association (ASPA) have requested the Public Works & Gang Reduction Committee reject two proposed amendments to the Living Wage Ordinance (LWO) made by the Bureau of Contract Compliance (BCA). They object to BCA's recommendations on grounds of employer convenience only. The proposed amendments are firmly rooted in strong public policy and support the Legislative Findings in Section 10.37, namely "minimal compensation tends to inhibit the quantity and quality of services...underpaying employees in this way fosters high turnover, absenteeism and lackluster performance...adequate compensation promotes amelioration of these undesirable conditions."

I. Healthcare Benefits—Section 10.37.2

The BCA recommends removing language in Section 10.37.3 that states an employee may waive healthcare benefits if it requires an employee to have an out of pocket expense in obtaining those benefits. The main reason to remove the language is to ensure that workers have healthcare. Under the current situation with contracted service workers at LAX not all employees are receiving healthcare benefits. Even though the AAAC and ASPA argue, "Many employees have a healthcare policy from their military service or family member," we have found the opposite to be true. Even if workers had such healthcare at one time, situations change and employers do not keep track of which employees have outside healthcare coverage and, thus, there is no monitoring of when employees lose benefits. Employees have also reported to us that not all contractors are even offering health insurance to all classifications of employees. Contractors have exploited and undermined the language and intent of the LWO in the name of profit and it is time to put an end to it.

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We firmly believe that the public policy reasons for mandatory employer-provided healthcare benefits outweigh the administrative inconveniences to the employers outlined in the letter from the AAAC and ASPA.

II. Payment of Minimum Compensation to Employees
The AAAC and ASPA also object to the following language in Section 10.37.2 (c)(3)(iv):

An Employer may not implement any employment policy to count uncompensated time off taken under this article as an absence that may result in discipline, discharge, suspension or any other adverse action.

They argue that this language allows employees to to randomly take days off without following attendance policies. This section in no way discourages employers from implementing practical attendance policies that require employees to give reasonable notice when taking time off. The language prevents employees from being unfairly disciplined for accessing an LWO-granted benefit. It concerns us that the AAAC and ASPA seem to be advocating for the right to intentionally discourage LAX employees from using an LWO granted benefit. In short, a worker should not be disciplined for using their LWO benefits.

SEIU-USWW has long been working on behalf of ALL airport employees to ensure that LAX is a world-class airport when it comes to worker standards. The BCA's recommended amendments to the LWO are thoughtful, well reasoned, and will improve the quality of life for thousands of airport employees. We are in strong support of the recommended amendments.

Respectfully,

A handwritten signature in black ink, appearing to read "David Huerta".

David Huerta
President, SEIU-USWW