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February 22, 2016

Date: 2-22-16

Submitted in PWGR Committee

Council File No: 15-0817

Item No: 2

Deputy: Communication from Public

The Hon. Joe Buscaino
Council Member, 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:

The LAX Airline Airport Affairs Committee (AAAC) and the Airline Service Providers Association (ASPA) respectfully request the Public Works & Gang Reduction Committee consider the following two recommendations to the proposed amendments to the Living Wage Ordinance (LWO). Our recommendations are in response to the proposed amendments referenced in the October 15, 2015 letter from the Bureau of Contract Compliance (BCA) to the City Council.

I. Health Care Benefits – Section 10.37.3

The BCA is recommending the removal of language in Section 10.37.3 that states an employee may waive health care benefits if it requires an employee to have an out of pocket expense in obtaining those benefits. We would like that language to remain in the ordinance or recommend the City embrace the Quality Standards Program (QSP) used at the San Francisco International Airport (SFO). The QSP sets a minimum standard for health care policies (similar to the Affordable Healthcare Act) and allows all employees to opt out if they show proof of insurance. This program guarantees each employee receives a

minimum standard of care, it will alleviate the administrative challenges faced by the BCA and Employers (in calculating that the hourly dollar benefit is met), and it will guarantee all employees have the health care policy of their choosing. Many employees have a health care policy from their military service or family member. Forcing an employee to take a second policy (which will result if not allowed to opt out) not only is placing a financial burden on the employee but the policy from an Employer is considered your primary policy and it may be a less desirable policy for the employee. Simply allowing the employee to show proof of insurance is in keeping with the intent of the LWO that all employees have and receive health care.

II. Payment of Minimum Compensation to Employees

Section 10.37.2 (c) (3) (iv) is recommending the following:

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.

The Service Providers have no issues with our employees receiving the 12 Compensated days off or the 10 Uncompensated days off as required by the LWO. We request the language above be deleted because we are concerned the language proposed will allow employees to randomly take days off without following any attendance policies in place to guarantee service levels and standards are achieved that provide the safest and most secure travel experience for passengers at LAX. Service Providers are responsible for cleaning the airplanes to insure the healthiest environment for passengers; they provide wheelchair assistance to those needing assistance boarding and un-boarding planes; and they stand guard at various check points in the terminals to insure those only with proper access are allowed amongst the passengers. Without these services properly staffed to the appropriate levels, passengers will be unnecessarily put at risk. Proper attendance policies are essential to insure the passenger's health, well-being and safety. We respectfully request this paragraph be deleted.

Our organizations have worked diligently to review the proposed amendments since hearing of them in early December of 2015. We respectfully request the committee to adopt our recommendations as you consider the BCA's proposal.

Sincerely,



Len Sloper
Executive Director, ASPA



Steven Holt
Chair, LAX AAAC