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October 4, 2019

ERIC GARCETTI MAYOR

Honorable Members of the City Council c/o Office of the City Clerk 200 N. Spring Street, Room 395 Los Angeles, CA 90012

Honorable Members:

BUREAU OF CONTRACT ADMINISTRATION – LOS ANGELES FAIR WORK WEEK STAFF AND RESOURCE RECOMMENDATIONS (COUNCIL FILE 19-0229)

BACKGROUND

As a follow-up to a separate transmittal regarding implementation recommendations for a proposed Fair Work Week policy (C.F. 19-0229), the Office of Wage Standards (OWS) in the Bureau of Contract Administration (BCA) submits for your consideration this report containing recommendations for the staff and resource requirements needed to initiate the proposed Fair Work Week program.

The BCA performed a comparison of existing fair work week programs in various cities across the nation including San Francisco, Seattle, New York City, Philadelphia, San Jose, and Emeryville to gather data regarding various factors necessary to institute a policy that will develop into a successful program. These factors encompass the number of staff at the time of implementation to the present time, the type of staff hired to carry out enforcement, as well as resource and best practice recommendations made by these other cities that already have years of experience implementing a similar program.

STAFF AND RESOURCE REQUIREMENTS FOR IMPLEMENTATION

Feedback provided from the other municipalities emphasized that enforcement of Fair Work Week policies is extremely complex and time consuming. Investigations typically take over a year and attorneys are utilized to perform investigations in some of the cities. The existing staff in the Office of Wage Standards cannot absorb the responsibilities of implementing and enforcing a Fair Work Week law, as Minimum Wage and Paid Sick Leave cases are currently backlogged.

All of the programs evaluated cover different industry sectors, so it is difficult to do an exact comparison. San Francisco's program covers some restaurants in addition to retail, and

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> investigations typically take a year and a half to two years with 5 staff assigned to perform enforcement. Seattle's program also covers some restaurants and investigations typically take a year to a year and a half for their 5 staff to perform. Taking into consideration that the City of Los Angeles' population is roughly 4 times that of San Francisco and 6 times that of Seattle, the BCA estimates that 15 positions represent a conservative request to launch the program in the first year.

> Therefore, the BCA recommends the following staffing for year 1 of the Fair Work Week program:

- 1 Senior Management Analyst
- 2 Compliance Program Investigator II
- 4 Compliance Program Investigator I
- 7 Management Analyst
- 1 Administrative Clerk

The BCA also recommends that the Office of the City Attorney be provided resources for attorneys who can assist with enforcement efforts. When the Minimum Wage Ordinance was implemented, the Office of the City Attorney provided legal advice and guidance on developing procedures, policies, outreach materials, and enforcement procedures.

Furthermore, the BCA also recommends that assistance be provided with identifying appropriate office space in coordination with the Municipal Facilities Committee.

Lastly, the BCA recommends funding of \$150,000 to perform specialized outreach to Employers and Employees. The BCA has an existing Pre-Qualified On-Call List for labor standards outreach that can be utilized to successfully perform this work.

The BCA looks forward to your instruction on the development and implementation of the Los Angeles Fair Work Week policy.

Sincerely,

REAMER JR., Director Bureau of Contract Administration