

**REPORT OF THE
CHIEF LEGISLATIVE ANALYST**

DATE: May 9, 2018

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations
Committee

FROM: Sharon M. Tso 
Chief Legislative Analyst Council File No: 18-0002-S51
Assignment No: 18-04-0362

SUBJECT: Resolution (Englander – Rodriguez) to support SB 913 (Hertzberg)

CLA RECOMMENDATION: Adopt Resolution (Englander – Rodriguez) to include in the City’s 2017 - 2018 State Legislative Program SUPPORT for SB 913 (Hertzberg), which would exempt the City of Los Angeles from per diem prevailing wage requirements for graffiti abatement work performed by specified individuals who are employed by a non-profit Community-Based Organization that has a contract with the City, until January 1, 2024.

SUMMARY

The Resolution (Englander – Rodriguez), introduced on April 20, 2018, states that existing law requires the general prevailing per diem wage be paid to workers employed on a public work, including graffiti abatement. The Resolution adds that the per diem prevailing wage is linked to the job classification of “painter” by the California Department of Industrial Relations, but the work performed by those involved in graffiti abatement is significantly different.

The Resolution states that SB 913 would exempt the City from the requirement to pay the prevailing per diem wage for graffiti abatement, provided that the work is performed by a non-profit community based organization, under contract for graffiti abatement to the City, to be completed by specified individuals. Such individuals include volunteers, volunteer coordinators, or individuals enrolled in preapprenticeship programs established through an agreement between the City and the building trades apprenticeship program. The Resolution therefore requests that the City support SB 913.

BACKGROUND

Existing law requires employees on public works projects with a budget greater than \$1,000 be paid the general prevailing rate of per diem wages as determined by the California Department of Industrial Relations. Volunteers and volunteer coordinators are exempted from this requirement. The State Director of Industrial Relations has determined that graffiti abatement projects qualify as public works projects, and must therefore be contracted at the local prevailing wage for painting contractors.

SB 913 would exempt graffiti abatement work from public works requirements if the work is performed pursuant to a contract between the City of Los Angeles and a non-profit community based organization (CBO). The work must be performed by a volunteer, volunteer coordinator, an individual performing community service ordered by a court as a condition of probation, or an individual enrolled in a bona fide preapprenticeship training program. For a program to qualify as

a preapprenticeship training program, it must incorporate the following: an agreement between the City and a building trades apprenticeship program approved by the Division of Apprenticeship Standards; the multicraft core curriculum implemented by the State Department of Education for its pilot project with the California Partnership Academies and by the California Workforce Development Board and local boards; enrollment of preapprentices for no longer than one year; and pathways for continued employment after the preapprenticeship program is completed. SB 913 would sunset on January 1, 2024.

The City, through the Office of Community Beautification (OCB), has contracted with non-profit CBOs to provide graffiti abatement services since 1989. CBOs often utilize the services of volunteers and volunteer coordinators referred to the City by the Los Angeles Volunteers Center via the court system. OCB also supports graffiti abatement work by providing paint and supplies to community groups or individuals. This arrangement allows CBOs to leverage City funds and significantly increase their impact.

According to the bill's author, following the determination of the State Director of Industrial Relations that graffiti removal qualified as a public works project, the City entered negotiations with the building trades. The agreement reached would allow the continuation of the City's graffiti abatement program at existing levels while also creating a preapprenticeship program that will assist individuals to begin working towards career opportunities. Without legislative action, there could be a significant reduction of the current graffiti abatement program.

Opponents of SB 913 accept that CBOs performing graffiti abatement need not comply with prevailing wage requirements, but would like to see an expansion of additional preapprenticeship programs. These programs would offer robust, yet different curricula provided by legitimate groups and organizations.

BILL STATUS

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| 1/22/18 | Introduced. Read first time. |
| 2/01/18 | Referred to Committee on Rules. |
| 3/14/18 | From committee with author's amendments. Read second time and amended. Re-referred to Committee on Rules. |
| 3/21/18 | Re-referred to Committee on Labor and Industrial Relations. |
| 4/25/18 | From committee: Do pass (5-0). |
| 4/26/18 | Read second time. Ordered to third reading. |
| 4/30/18 | Read third time. Passed (32-3). Ordered to the Assembly. |
| 4/30/18 | In Assembly. Read first time. Held at Desk. |



Tim Plummer
Analyst

SMT:tcp

Attachments: 1. Resolution (Englander – Rodriguez)
2. SB 913 (Hertzberg)

RESOLUTION RULES, ELECTIONS & INTERGOVERNMENTAL RELATIONS

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, current law generally requires that not less than the general prevailing wage of per diem wages, as specified, be paid to workers employed on a public work, including graffiti abatement; and

WHEREAS, the City generally enters into contracts with non-profit Community-Based Organizations, who are engaged in job training and youth development, to perform graffiti abatement; and

WHEREAS, the per diem prevailing wage for graffiti abatement is linked to the job classification of 'painter' by the California Department of Industrial Relations; and

WHEREAS, the work performed by those involved in graffiti abatement is significantly different than that performed by painters; and

WHEREAS, SB 913 (Hertzberg) would exempt the City from per diem prevailing wage requirements for graffiti abatement work performed by specified individuals who work for a non-profit that has a contract with the City for graffiti abatement; and

WHEREAS, to be eligible for this exemption, an individual must be enrolled in a bona fide pre-apprenticeship program established through an agreement between the City and the building trades apprenticeship program; and

WHEREAS, SB 913 ensures that graffiti abatement work in the City can still be done through contracts with non-profit organizations engaged in job training and development programs;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2017 - 2018 State Legislative Program SUPPORT for SB 913 (Hertzberg), which would exempt the City of Los Angeles from per diem prevailing wage requirements for graffiti abatement work performed by specified individuals who are employed by a non-profit Community-Based Organization that has a contract with the City, until January 1, 2024.

PRESENTED BY:


MITCHELL ENGLANDER
Councilmember, 12th District

SECONDED BY:



ORIGINAL

MB

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1720.5. *This chapter shall not apply to graffiti abatement work performed pursuant to a contract between the City of Los Angeles and a nonprofit community-based organization if the work is performed by any of the following:*

(a) A volunteer within the meaning of Section 1720.4.

(b) A volunteer coordinator within the meaning of Section 1720.4.

(c) An individual performing community service ordered by a court as a condition of probation.

(d) An individual enrolled in a bona fide preapprenticeship training program, as described in subdivision (e) of Section 14230 of the Unemployment Insurance Code, that meets all of the following criteria:

(1) The program is established pursuant to an agreement between the City of Los Angeles and a building trades apprenticeship program approved by the Division of Apprenticeship Standards.

(2) The program follows the multicraft core curriculum implemented by the State Department of Education for its pilot project with the California Partnership Academies and by the California Workforce Development Board and local boards.

(3) The program enrolls preapprentices for no longer than one year.

(4) The program provides pathways for continued employment after the preapprenticeship program is completed.

(e) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 2. *The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique needs of the City of Los Angeles to conduct graffiti abatement and support the work of nonprofit community-based organizations that support the work of volunteers, individuals on probation, and individuals participating in preapprenticeship programs.*