On March 19, 2020 a Safer at Home Order was issued for the City of Los Angeles as COVID-19 cases were dramatically increasing. In order to preserve public health and reduce infection rates, the Order limited public gatherings, closed down businesses and required telecommuting where possible. While workplaces across the city shifted to telecommuting, low-wage workers, who were living paycheck to paycheck prior to the pandemic, continued to go to work. Low-wage workers, some of whom are deemed essential workers, are forced to continue working because they have no other choice or means to support their families.

Los Angeles is home to a large number of low-wage and undocumented workers who were denied access to CARES Act benefits and unemployment insurance assistance. Low-wage workers, such as housekeepers, gardeners, laborers, bus drivers, and gig workers, worked long hours to make ends meet prior to the pandemic and continue to do so as the number of positive cases increase every day. According to analysis done by the LA Times, “…the virus is increasingly ravaging predominantly black and Latino neighborhoods with higher poverty levels, while wealthier, majority-white enclaves that initially reported some of the highest infection rates see much slower growth.” In addition, people in poor areas of Los Angeles are infected and dying at twice the rate of wealthier neighborhoods.

Furthermore, while high paying sectors provide telecommuting, paid sick leave, and health insurance, low-wage workers have limited or no access to these benefits. In April 2020, the City of Los Angeles enacted a paid leave policy that provided additional paid time during the pandemic for recovery, childcare, and other needs. However, even with that expansion, some low-wage workers still do not have the access to paid time off. When a low-wage worker tests positive for COVID-19, they are faced with the possibility of losing their job, housing and ability to provide for their family.

To address this problem, San Francisco created a right-to-recover program to replace wages for people who test positive for COVID-19 and need financial assistance. The City of Los Angeles should explore creating a similar right-to-recover program to provide wage replacement. In addition, the City should explore the feasibility of creating a bigger paycheck assistance program to provide low-income households with supplemental income, particularly those left out of federal assistance.

I THEREFORE MOVE that the City Council instruct the Chief Legislative Analyst, the City Administrative Officer, in consultation with the Economic and Workforce Development Department and other city departments, to report back on the creation of a right-to-recover program and paycheck assistance program.

I FURTHER MOVE that the City Council allocate up to $50 million of the COVID-19 Federal Relief Fund for a paycheck assistance program and right-to-recover program.