

MOTION BY SUPERVISORS HILDA L. SOLIS AND
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Establishing a Fair Chance Ordinance for Businesses that Contract with Los Angeles County or Do Business in Unincorporated Areas

Robust fair-chance employment requirements ensure a fairer decision-making process by requiring employers to consider job-relatedness of a conviction, time passed, and mitigating circumstances or rehabilitation evidence. As the largest employer in the region, Los Angeles County (County) should—and has—set an example for establishing hiring policies and procedures that enable qualified job applicants, including those with a criminal record, to have an opportunity at obtaining employment. We should continue to innovate in this area and lead by example. Yet, the County provides only about 100,000 of the more than 4 million jobs within County boundaries. To achieve the ambitious goals under consideration by the Board, the County should amplify its own policies through its procurement authority and regulatory authority in County unincorporated areas to galvanize a regional effort to give all job seekers a fair chance.

Fair chance policies help to remove job barriers for people with records, thereby helping the economy, promoting public safety, and reducing dependence on public benefits. A 2011 study in Philadelphia found that securing employment for 100 formerly incarcerated people would increase their lifetime earnings by \$55 million, increase their income tax contributions by \$1.9 million, boost sales tax revenue by \$770,000, and save \$2 million a year by keeping them out of the criminal justice system.¹ Another study found that employment was the single most important influence on decreasing recidivism, and that two years after release nearly twice as many employed people with

¹ “Economic Benefits of Employing Formerly Incarcerated Individuals in Philadelphia,” Philadelphia, PA: Economy League of Greater Philadelphia, 2011.

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records had avoided another legal trouble than their unemployed counterparts.² Fair chance policies introduced throughout the nation have proven effective in promoting such outcomes.

The County can amplify the impact of its policies by requiring business that contract with the County or do business in unincorporated County areas to adhere to similar requirements. Each year, the County purchases approximately \$4 billion of goods and services. The County also regulates business activity in the unincorporated areas of the County through Title 8 of the County Code. Except for the City of Los Angeles, home to 4 million residents, the regulatory jurisdiction of the County government covers more residents than any of the 88 incorporated municipalities within County borders. The City of Los Angeles has already acted to require all businesses operating within city limits to abide by fair chance hiring standards.

Accordingly, the County should require employers doing business in the unincorporated areas of Los Angeles County to follow fair chance hiring standards. A consistent regional fair chance policy will not only demonstrate that the Los Angeles regions support second chances, but will also contribute to aligning regional commerce requirements.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

Direct the CEO, with County Counsel, the Office of Diversion & Reentry the Department of Consumer and Business Affairs, the Internal Services Department, WDACS, DHR, and any other relevant department, to engage affected stakeholders, including local chambers of commerce, industry leaders, community based organizations, and major businesses that contract with the County and to prepare a report within 90 days with recommendations for establishing standards applicable to businesses contracting with the County and businesses operating in unincorporated Los Angeles County that promote fair chance employment, including but not limited to:

- a. Delaying the background check or conviction history inquiry until a conditional offer of employment is made;
- b. If a job offer is rescinded, providing the applicant with an explanation of nexus and an opportunity to appeal to the appropriate enforcement agency;
- c. Establishing an effective system and structure for reporting and enforcement, which may include presentation of periodic reports to the Board of Supervisors, notification, required training, and/or a graduated fine scale for corporations or businesses that repeatedly violate fair chance policies;
- d. Exemptions required pursuant to state and federal law;
- e. Preserving a private right of action once all institutional and governmental appeal mechanisms are exhausted.

² Mark T. Berg and Beth M. Huebner, "Reentry and the Ties that Bind: An Examination of Social Ties, Employment, and Recidivism," *Justice Quarterly* (28), 2011: 382-410.