

AGN. NO. \_\_\_\_\_

MOTION BY MAYOR MICHAEL D. ANTONOVICH

SEPTEMBER 15, 2015

**RELATES TO AGENDA ITEM #58 – MINIMUM WAGE ORDINANCE**

While the stated goal of increasing the minimum wage is to bring people out of poverty, there are unintended consequences of the Los Angeles County Minimum Wage Ordinance. First, it negatively impacts small non-profit organizations by increasing their overhead when they have no way of recouping the increased cost of operations without receiving more donations. In order to accommodate the increased cost, non-profits may be forced to shrink the services they currently provide, reduce staffing, cutback hours of service, or in the worst case, they may have to close their doors permanently. Many non-profits help people who are in poverty, developmentally disabled or otherwise in need of services, and if these programs are discontinued there could be fewer services for the very population that the minimum wage organization is intended to help.

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**MOTION**

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Secondly, not all minimum wage earners are in poverty. Employees of businesses that work on a seasonal basis are often teens and young adults still living at home. Generally, seasonal employees are hired to work on a part-time basis by companies that need extra help during a particular season such as summer, winter and holiday. Often these seasonal jobs come with non-salary perks, such as free ski lift rides for times that employees are not working. Increasing the salaries of such employees would not lift them out of poverty, but would create a competitive disadvantage for businesses in unincorporated areas. Moreover, it could result in fewer employees even being hired, reduced hours or an increase in price that would make it difficult for families to afford.

Additionally, businesses which employ workers on a seasonal basis, may also have to cut operation times, reduce employment, increase their prices or close all together.

**I, THEREFORE, MOVE** that the Board of Supervisors adopt the following amendments to Section 8.100.100 of the proposed Countywide Minimum Wage Implementing Ordinance by adding the following exemptions for certain non-profit organizations and seasonal employees:

- Non-Profit organizations with an average of twenty-five (25) or fewer employees during the previous calendar year. "Non-Profit organizations" means organizations duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and, if a foreign

corporation, in good standing under the laws of the State of California, which corporation has established and maintains valid non-profit status under Section 501(c)(3) of the United States Internal Revenue Code of 1986, as amended, and all rules and regulations promulgated thereunder; and

- Employees, when performing work within the unincorporated areas of the County for an employer on a seasonal basis. "Seasonal basis" means employment where, ordinarily, the employment pertains to, or is of the kind exclusively performed at certain seasons or periods of the year.

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