REVISED MOTION BY SUPERVISOR MARK RIDLEY-THOMAS DECEMBER 1, 2015 Clarifications to the Living Wage Ordinance Amendment

On July 21, 2015, the Los Angeles County (County) Board of Supervisors (Board) directed the Interim Chief Executive Officer to work with the Auditor-Controller, Director of Internal Services, and the Interim County Counsel to amend the Living Wage Ordinance (LWO) to eliminate the two-tier wage structure; establish a living wage rate of \$13.25 per hour effective January 1, 2016 with subsequent increases annually thereafter; develop an Implementation Plan to address adjustments to current contracts and amendments; and draft language to amend the LWO for the Board's consideration.

Since the Board's initial action, County staff has identified two areas that require modification and clarification. The first area is the effective date. Additional time beyond January 1, 2016 is needed in order to implement the new rates with respect to existing County Living Wage contract renewals, optional extensions, and amendments involving scope of work, term or compensation. The other area relates to the exemption for small businesses and nonprofit organizations. Of the total 80 Living Wage contractors there are five small businesses and five nonprofits that are currently exempt from the LWO. To ensure all businesses and nonprofits that contract with the County continue to pay their

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employees a living wage, the current LWO exemption for small business <u>and nonprofits</u> should be eliminated.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

Direct the Chief Executive Officer, in conjunction with the Auditor-Controller, Director of the Internal Services Department, and the Interim County Counsel to present to the Board of Supervisors (Board) on December 1, 2015, for consideration:

- Amendments to Title 2 Administration of the Los Angeles County Code commencing with Section 2.201.010, to implement the Board's directive of July 21, 2015, with the following clarification and modification:
 - A living wage rate of \$13.25 per hour for all full-time and part-time Proposition A contract and cafeteria service workers shall be established effective March 1, 2016, with adjustments to \$14.25 per hour effective January 1, 2017, \$15.00 per hour effective January 1, 2018, \$15.79 per hour effective January 1, 2019, and annually thereafter based on changes in the Consumer Price Index; and
 - b) The proposed ordinance shall <u>delete</u> Section 2.201.090.D, entitled Small Businesses, from the Los Angeles County Code.
 - <u>The proposed ordinance shall delete Section 2.201.090.C, non-profit</u>

 <u>entities, from the Los Angeles County Code.</u>
- The Living Wage Ordinance Implementation Plan as directed on July 21,
 2015 and modified to reflect the direction in item #1 above.

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(DJ/YV)