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**Honest Work, Fair Pay: Improving Worker Protection Enforcement at the Office of Labor
Equity**

Los Angeles Los Angeles County (County) plays a critical role in protecting the more than five million workers who call the County home. Alongside federal, state, and city agencies, the County's Office of Labor Equity (OLE) educates workers on their rights and enforces the County's various labor protections. In November 2021, the County Board of Supervisors (Board) established OLE and placed it within the Department of Consumer and Business Affairs (DCBA) to expand and centralize administration and enforcement of County worker protections. OLE implements the various worker protections passed by the Board, such as the County Minimum Wage Ordinance, Public Health Anti-Retaliation Ordinance, Prevention of Human Trafficking Ordinance, and forthcoming ordinances that support Fair Workweek Employment Standards and Fair Chance hiring. Since its inception, OLE has played a critical role in protecting County workers and has found initial success investigating violations and realizing substantive recovery from non-compliant businesses. In 2022, OLE issued \$680,000 in fines to a massage establishment that was in violation of the County Minimum Wage Ordinance. OLE also recently settled with a restaurant group for \$670,000, of which \$480,000 went directly to affected employees as restitution for back wages owed.

The Board has monitored OLE's establishment and growth through a series of interim reports from DCBA on their phased-in strategic enforcement plan. As part of this plan, the Board authorized DCBA to hire a consultant to conduct research on best practices and make recommendations for how OLE can be most effective in protecting County workers. The consultant's final report from May 2, 2023, outlined over 70 recommendations covering OLE's strategic enforcement model, organizational structure, and strategic partnerships. The report also

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made several recommendations that require Board approval related to funding needs and new County labor laws. A number of these recommendations relate to jurisdictional and procedural changes that identify how the Board can build on OLE's initial success by expanding the investigatory tools and enforcement authority available to OLE.

The Board can significantly improve OLE's ability to conduct investigations by delegating subpoena power without requiring prior approval from the Board. County administrative subpoenas are a powerful and efficient tool for OLE to enforce worker protections.

A county may delegate authority to issue subpoenas to enforce "any local law or ordinance," which the Board has previously done for the Director of DCBA to issue subpoenas while enforcing consumer protections during a state of emergency to address price gouging. San Francisco, a leading jurisdiction in effective worker protections, has taken advantage of this delegation power and granted subpoena authority to its Labor Standards Enforcement Officer for all relevant investigations under their jurisdiction. Last fiscal year, in 2022-23 alone, the San Francisco Office of Labor Standards Enforcement collected \$20 million in restitution for workers. By comparison, last fiscal year, the County OLE collected \$851,000 in restitution for workers. The County is the wage theft capital of the United States, with workers across the County losing \$26 million to \$28 million every week and 80% of low-wage workers experiencing wage theft according to the Los Angeles Worker Center Network. This scourge of wage theft necessitates that the County use all available tools to ensure that workers are paid fairly for their hard work. The Board delegated subpoena authority to County Counsel to aid in human trafficking enforcement. The Board should also extend its delegation of subpoena power to investigations conducted by OLE to allow it to gather relevant evidence and reach favorable settlements.

The Board should also expand OLE's enforcement authority to include state labor law violations found during County investigations. In 2020, the California State Legislature removed preemption and specifically delegated authority to local jurisdictions to enforce state labor laws. With this authority, OLE can enhance its enforcement and supplement the work of the California Labor Commissioner by addressing state labor violations uncovered while investigating

County-level violations. Jurisdictions like San Francisco and San Diego have already taken up this mantle and empowered their labor protection enforcement offices to enforce the California Labor Code. OLE currently seeks voluntary compliance for state laws like overtime and paid sick leave, but additional authority would allow OLE to compel compliance and further protect the rights of the County's workers.

The County's OLE is a crucial vehicle for labor protection enforcement and must be empowered to act effectively. The Board can meaningfully improve OLE's efficiency and effectiveness by delegating subpoena power and granting it authority to enforce state laws in its current investigations. These enforcement tools will build on the County's commitment to a thriving workforce and help workers assert their rights.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Delegate subpoena authority, under California Government Code section 53060.4, to the Director of the Department of Consumer and Business Affairs (DCBA) to issue subpoenas relevant to any investigation of labor protection violations for the purposes of examination of any person, or books, papers, records, or other items relevant to investigations under the Office of Labor Equity's jurisdiction.
2. Grant authority to the Director of DCBA through the Office of Labor Equity to enforce the California Labor Code to the extent permitted by State law.
3. Direct County Counsel, in collaboration with DCBA, to return to the Board with an ordinance for adoption to consolidate and codify permanent authority, currently delegated by the Board of Supervisors, to the Director of DCBA to conduct all necessary activities to properly implement and enforce workplace and worker protection ordinances under the purview of the Office of Labor Equity.

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