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“Hero Pay” for Frontline-Grocery and Drug Retail Employees in Los Angeles County

At the close of 2019, a new virus, SARS-CoV-2, was first detected and by January 30, 2020, the World Health Organization (WHO) declared that the disease caused by the SARS-CoV-2 virus (COVID-19) was now a Public Health Emergency of International Concern. The outbreak has since spread to 189 countries and regions, with more than 82 million confirmed cases as of December 30, 2020.¹ In Los Angeles County (County) there have been more than 746,000 infections and nearly 10,000 deaths, many of which have taken place in low-income communities of color.

The nature of the virus has caused governments across the globe to implement safer at home orders that have impacted every sector of the economy. While many sectors were able to transition their workforce to working from home, millions of workers in face-to-face service industries were deemed ‘essential’ to ensure that our communities

¹ “COVID-19 Dashboard by the Center for Systems Science and Engineering at Johns Hopkins University.” Johns Hopkins Coronavirus Resource Center.

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continue to operate, and basic needs continue to be provided for. Notably, frontline grocery and drug retail workers are two categories of essential workers who have continued to show up for work despite the potential exposure through interactions with customers and co-workers who may have contracted the virus. Working in an essential industry, grocery and drug retail employees have not had the luxury of working from home to help their children with distance-learning and, as a result, have incurred additional childcare expenses. Because of their work on the frontlines, grocery and drug retail workers have met the frantic pace of demand to keep County residents fed and ensure access to medicine during this pandemic. This has been the case since the beginning of the pandemic, with people across the nation rushing to grocery and drug retail stores to stock up on supplies bracing for the unknown.

As the County experiences a record-breaking wave of COVID-19 cases, grocery retailers have experienced an increase in outbreaks with nearly 500 businesses currently under investigation in the County alone. The inability to practice social distancing consistently at work due to large crowds has not only increased exposure risks but also contributed to the psychological distress workers have felt during the pandemic, with research finding that employees with direct customer exposure were five times more likely to test positive for the virus.²

The pandemic has exposed and deepened social and economic inequalities in the County, with the burden of the crisis affecting the most vulnerable communities, often comprised of low-income workers of color. Meanwhile, some of the largest grocery

² Lan F, Suharlim C, Kales SN, et al. "Association between SARS-CoV-2 infection, exposure risk and mental health among a cohort of essential retail workers in the USA." *Occupational and Environmental Medicine*.

retailers in the nation and County have flourished and expanded their market share. These employers employ a labor workforce that consists of low-wage workers who have been disproportionately impacted by the economic fallout of this pandemic, with nearly half reporting challenges paying their bills and roughly a third having trouble paying their rent or mortgage.³ A study conducted by the Brookings Institution also found that these top, publicly traded retailers have seen a 40% increase in profit averaging \$16.7 billion in extra profit in 2020, while their stock prices increased by an average of 33%.⁴ Although these inequalities have been exposed and are out in the open for us to finally discuss and address, this public health crisis and the economic unraveling have widened the already deep divide between low-wage frontline workers and their employers and shareholders.

The County Department of Public Health issued Protocols for Grocery Stores and Retail Food Markets in the Targeted Temporary Safer at Home Health Officer Order. In Appendix B - 1 retail food markets are defined to include grocery stores, convenience stores, liquor stores and other retail locations that sell food or beverage products and have a health permit issued by the Department of Public Health as a Food Market Retailer. Appendix B-1 may include retail drug stores as well as grocery stores and retail locations selling groceries covered by the CA Retail Food Code.

Such grocery and drug retail workers are among the heroes of this pandemic, putting their lives on the line – often for low wages and minimal benefits - in order to sustain our food system and maintain healthy communities. In March, several grocery store corporations offered \$2 to \$4 hourly raises to employees, at the outset of the

³ Parker, Kim, et al. “Economic Fallout From COVID-19 Continues to Hit Lower-Income Americans the Hardest.” Pew Research Center.

⁴ Kinder, Molly, et al. “Windfall Profits and Deadly Risks.” Brookings.

pandemic. However, this increase, sometimes referred to as “Hero Pay,” lapsed in May, while profits – and COVID-19 cases – have surged. It is imperative for this Board to act with urgency to support just compensation for these workers by requiring their employers to provide for “Hero Pay.”

WE, THEREFORE, MOVE that the Board of Supervisors direct the Acting County Counsel, in consultation and collaboration with and other relevant Departments, to deliver a written report to the Board of Supervisors prior to its January 26, 2021 meeting that:

1. Contains a proposed Urgency Ordinance that, among other things:
 - a. Requires that stores located in the unincorporated areas of the County of Los Angeles, that are covered by Appendix B-1 of the County of Los Angeles Department of Public Health Targeted Temporary Safer at Home Health Officer Order, and are publicly traded or have at least 300 employees nationwide and more than 10 employees per store site pay all of their workers an additional five (5) dollars per hour in wages;
 - b. Sunsets 120 days from the effective date of the ordinance; and
 - c. Includes any other provisions necessary to implement the intent of this motion
2. Advises the Board as to whether such an Urgency Ordinance can apply to incorporated and unincorporated areas of Los Angeles County.

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