

**MOTION BY SUPERVISORS HOLLY J. MITCHELL
AND HILDA L. SOLIS**

February 6, 2024

Increasing Fair Chance Hiring Throughout Los Angeles County

On February 28, 2023, the Los Angeles County (County) Board of Supervisors (Board) voted unanimously to pass the motion titled, "Establishing a Fair Chance Ordinance (Ordinance) in the County," recognizing the importance of ensuring that individuals with criminal records have fair and equitable access to opportunities for gainful employment. The motion directed County Counsel and relevant departments to report back with a draft ordinance and with additional analysis on the feasibility of making all provisions of the draft ordinance apply to County entities. It also asked for recommendations on how potential conflict of interest issues could be addressed. The ordinance complements the State of California's Fair Chance Act (Government Code § 12952) enacted on January 1, 2018, and includes increased protections and enforcement mechanisms to ensure meaningful implementation of fair chance policies in the County.

The public benefits of ensuring a robust ordinance are clear. Fair chance hiring can be a major asset to companies. According to a 2021 study by the Society for Human Resource Management, 85% of human resources leaders say that workers who have been incarcerated perform as well or better than other employees. If the County is to build a truly inclusive economy that works for everyone, individuals must be considered on their merits, not for their past involvement with the criminal justice system. According to a [2022](#)

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[study by Rand Corp.](#), more than half of unemployed men in their 30s had been arrested at least once. A 2018 report by the Prison Policy Initiative found that more than a quarter of all formerly incarcerated people are unemployed, including 44% of Black women and 35% of Black men. For many, the challenges with finding employment after systems involvement can contribute to a cycle of recidivism. While the County offers financial incentives to encourage companies to hire formerly incarcerated people, and partners with several community-based services to help prepare formerly incarcerated people for the job market, including the legal services provider Root and Rebound, this alone has not made a substantial enough impact.

In line with the Board's direction in its February 2023 motion, County Counsel prepared a draft ordinance that was informed by robust stakeholder engagement with the business community, justice advocates, the workforce system, and learnings from the County's two Fair Chance Hiring Campaigns. On November 16, 2023, the Director of the Department of Consumer and Businesses Affairs submitted its plan for enforcement of the ordinance through its Office of Labor Equity.

Adoption of the Fair Chance Ordinance for Employers, which would apply to any private employer that employs five (5) or more persons performing at least two (2) hours of work on average each week within the unincorporated areas of the County, confirms the County's commitment to overcoming the stigma and unfair biases associated with persons with criminal records when employers are making hiring and employment decisions and seeks to remove barriers to employment that undermine the County's efforts to realize the Care First vision.

The Board recognizes that in order to ensure success of fair chance hiring in the County and compliance with the ordinance, the affected employers must first be provided with adequate outreach, education and training on the ordinance, with careful consideration to any cultural, geographic and/or linguistic barriers. This outreach, education and training phase must be completed with employers, including small businesses, prior to the commencement of any administrative enforcement measures by the County.

Further, it is imperative that as the largest employer in the County, we lead by

example in implementing the protections, rights and obligations that will be required of private employers. The County must adapt the ordinance into a robust internal Fair Chance policy that will provide protections and rights to applicants and employees of the County who have prior criminal history, while also holding County departments, entities and hiring managers accountable with regard to Fair Chance policies.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Approve the attached ordinance entitled the Fair Chance Ordinance for Employers, which amends Title 8 – Consumer Protection, Business and Wage Regulations, by adding Division 6 (Worker Protections) and Chapter 8.300 (Fair Chance Ordinance for Employers), and includes an operative date for administrative enforcement of September 3, 2024.
2. Instruct the Director of Personnel, in addition to the directives addressed to the Department of Human Resources in the February 28, 2023, ordinance motion, to do the following within sixty (60) days of the Board's adoption of the Fair Chance Ordinance for Employers:
 - a. Submit a draft Fair Chance County Board Policy to the Audit Committee for approval. The draft should contain the key protections and rights for applicants and employees of the County who have prior criminal history, and employer obligations consistent with the Fair Chance Ordinance for Employers.
 - b. Prepare a revised Policy, Procedure, and Guideline ("PPG") 514, Designation of Sensitive Position and Conviction History Assessments, to conform to the key protections, rights and employer obligations as contained in the Fair Chance Ordinance for Employers. The PPG must contain provisions for enforcement and accountability by County Departments, entities and hiring managers, and include engagement with labor partners regarding the revised PPG 514 with a target date for implementation by September 3, 2024.
3. Direct the Executive Director of the County Equity Oversight Panel in collaboration with the Director of Personnel and the Executive Director of

Racial Equity, to do the following within sixty (60) days of the Board's adoption of the Fair Chance Ordinance for Employers:

- a. Include "persons with criminal history" as a protected category within the County Policy of Equity.
 - b. Report back to the Board in writing with an implementation plan for enforcement and accountability of the County's internal administrative Fair Chance policies and procedures, including the process for complaint intake, investigation, disposition and options for resolution of Fair Chance complaints received from County applicants and employees.
4. Instruct the Director of the Department of Economic Opportunity (DEO) in collaboration with the Director of the Department of Consumer and Business Affairs (DCBA), and other internal and external partners, including philanthropic organizations, to report back to the Board in writing within sixty (60) days with an implementation plan for outreach and education for employers with a target launch date of April 29, 2024, to be completed before the operative date of the ordinance on September 3, 2024. The report must also include a staffing and funding plan.
 5. Delegate authority to the Directors of DEO and DCBA to select a consultant(s) for outreach and education on the ordinance, negotiate with the selected consultant, and execute an agreement that has been approved as to form by County Counsel. The total contract sum of the agreement shall not exceed \$500,000 and shall have a term of no more than 1 year and will be funded within DEO's current budget with no additional funding needed. Further authorize the Director of DEO to execute any amendments to the agreement as necessary once they have been approved as to form by County Counsel.

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