



April 1, 2020

The Honorable Eric Garcetti
Mayor, City of Los Angeles
200 N Spring Street, Suite 211
Los Angeles, CA 90012

**SUBJECT: COVID-19 Supplemental Paid Sick Leave Ordinance (Council File: 20-0147-s39) -
Return to City Council**

Dear Mayor Garcetti,

On behalf of the Valley Industry & Commerce Association (VICA), we urge you to return the COVID-19 Supplemental Paid Sick Leave ordinance to the Los Angeles City Council for deliberation. While we commend the work and dedication by you and the Los Angeles City Council to slow the spread of COVID-19, the ordinance as currently written will harm a number of businesses in the San Fernando Valley and throughout Los Angeles during this time of uncertainty for many employers.

We urge the following changes be made to the COVID-19 Supplemental Paid Sick Leave ordinance:

- **Remove Sec. 200.64 Exemption for Collective Bargaining Agreement.** As currently written, the ordinance does not allow for an exemption without a new agreement.
- **Add 'essential services' to Sec. 200.55 Exemptions**, which would be consistent with other City and State COVID-19 rules and orders.
- **Amend Sec. 200.56 Employer Offset.** This ordinance should allow an employer to offset the 80 hours of supplemental paid sick leave with the amount of paid sick leave the employer already provides to its employees in accordance with their existing paid sick leave policy.

Remove Collective Bargaining Agreement Exemption

For employers subject to collective bargaining agreements, such agreements specify procedures for layoffs and recalls. The COVID-19 Supplemental Paid Sick Leave ordinance states that there can only be an exemption if the ordinance is specifically referenced in the agreement. The current COVID-19 crisis makes it impossible for employers and unions to meet in order to affirmatively waive out of the ordinance or would require a new negotiated agreement. As such, the ordinance would put companies that are governed by collective agreements in direct conflict with those agreements, which have been negotiated and agreed upon.

Employers would need to choose whether to follow the collective bargaining agreements and risk violating the provisions of the ordinance or violate the provisions of their collective bargaining agreements and risk the filing of grievances and requests for arbitration. Both options would create significant costs for employers who are struggling to maintain business continuity and resilience during this emergency.



Exemptions for Essential Services

While there are exemptions for first responders and health care providers, this ordinance offers no exemptions for essential services. Essential services have been deemed exempt from several City and State rules and orders, and should be deemed exempt under the COVID-19 Supplemental Paid Sick Leave Ordinance to remain consistent with these rules.

Amid the COVID-19 crisis and the need for essential businesses to remain open in order to provide essential services, employers have made changes to their paid sick leave policies to ensure the safety of their workers and to ensure continuity in their operations. Exempting essential services from this ordinance would further allow these businesses to remain open without the stress of an additional burden that may create financial hardship during this economic crisis.

Employer Offset

In order to attract and retain talent, a number of businesses and non-profit organizations throughout Los Angeles go above and beyond in the benefits they provide their employees, including paid sick leave. While the City of Los Angeles only requires an employer to provide 48 hours or 6 days of paid sick leave, there are employers who provide more than this required amount.

This ordinance should allow an employer to offset the 80 hours of supplemental paid sick leave with the amount of paid sick leave the employer already provides to its employees in accordance with their existing paid sick leave policy. This offset should be permitted if the amount in an employer's existing paid sick leave policy is greater than the 48 hours or 6 days required by the City of Los Angeles. This would provide clarity on whether an employer would need to provide an additional 10 days or 80 hours of paid sick leave on top of what they already provide their employees.

Given the global health crisis we are facing, businesses throughout Los Angeles have been doing their best to continue operating and generate enough revenue to avoid going out of business. We believe the suggested changes will help place businesses in a position to recover from this crisis more quickly and this is why we urge you to return the COVID-19 Supplemental Paid Sick Leave ordinance to the Los Angeles City Council for further deliberation.

Thank you for your consideration on this issue.

Sincerely,

Brad Rosenheim
VICA Chair

Stuart Waldman
VICA President

CC: Los Angeles City Council Members