

M O T I O N

The tourism industry is a major economic engine in Los Angeles, yet many workers at LAX and in hotels are struggling to keep a roof over their heads and support their families.

The tourism industry benefited from massive bailouts during the pandemic, including \$13 billion in PPP loans to the hotel industry and over \$45 billion in total government support to the top five domestic airline carriers through the CARES Act's Payroll Support Program (PSP), along with an additional \$5 billion to contractors & subcontractors.

The tourism industry is now rebounding to pre-pandemic levels. In 2022, the U.S. hotel industry reported average daily rate (ADR) and revenue per available room (RevPAR) that were the highest for any year on record. The City is investing in the industry's future growth as Los Angeles prepares to host the 2026 World Cup and the 2028 Olympics. This investment includes major infrastructure and development projects, with LAX investing \$6 billion in an expansion and LA leading the nation in new hotel rooms.

Meanwhile, the workers that keep the tourism industry functioning, safe, and profitable – including hotel housekeepers, LAX janitors and security guards, airplane cabin cleaners, airline catering workers, airline passenger service workers, LAX restaurant and retail workers, and others – are facing housing insecurity as Los Angeles grapples with an unprecedented housing and homelessness crisis.

While these workers benefit from the Los Angeles Living Wage Ordinance (LWO) and the Los Angeles Hotel Worker Minimum Wage Ordinance (LA HWMO), the wage rates have not kept up with the rising tide of inflation and cost of living in Los Angeles. Raising wages for these workers would positively impact over 36,000 people in Los Angeles and their families.

Also workers under the LWO have not seen their health care benefits keep up with rising costs in healthcare. According to an April 2022 report presented by the City's Chief Administrative Office, the LWO health benefits requirement has not kept up with the rising costs of family health insurance coverage. As a result, many tourism workers and their families, who were among the hardest hit during the pandemic, now lack quality, affordable health insurance.

Additionally, workers in the tourism industry are uniquely positioned to identify or respond to emergencies or threats, yet a lack of appropriate training can place both workers and the public at risk. A trained housekeeping workforce is needed to protect the health and safety of both workers and the public from crimes such as human trafficking, domestic and sexual violence. That is why neighboring cities like Santa Monica and West Hollywood have supported Public Housekeeping Training.

I THEREFORE MOVE that the City Council instruct the Chief Legislative Analyst to report with an analysis, including the economic impacts, of amending the Los Angeles Living Wage Ordinance (LWO) and the Los Angeles Hotel Worker Minimum Wage Ordinance (LA HWMO) to:

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- Raise the hourly wage to \$25 in 2023, and by \$1 every year thereafter, to reach \$30 an hour by 2028;
- Adjust the health care credit to meet the average cost of healthcare coverage, add minimum health benefit requirements including family coverage, and require transparency around health care payments;
- Ensure that workers receive all eligible paid time off and sick days under the LWO, LA HWMO, and the Citywide Minimum Wage;
- Add a Public Housekeeping Training requirement to the LA HWMO, similar to the ordinances in Santa Monica and West Hollywood; and
- Clarify that enforcement of the LWO and LA HWMO ordinances shall be conducted by the City's Office of Wage Standards.

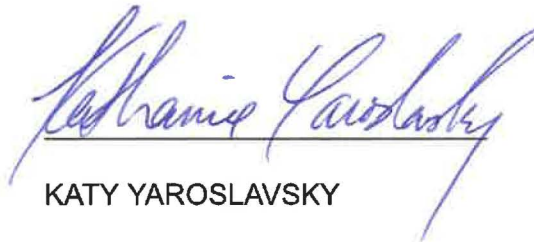
I FURTHER MOVE that the City Council request the City Attorney to draft an ordinance based on the above report.

PRESENTED BY:



CURREN D. PRICE, JR.

Councilmember, 9th District

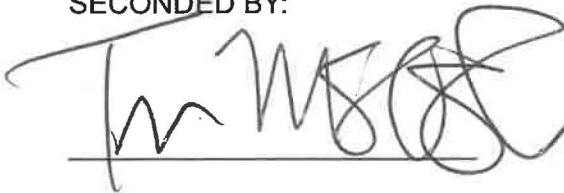


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