

MOTION

The City of Los Angeles Minimum Wage Ordinance successfully established an annual increase in the minimum wage starting on July 1, 2016. Last July, the minimum wage reached the last step of the annual wage increase ladder that was laid out in the Ordinance, \$15 per hour. Beginning in 2022, the annual minimum wage increase is to be based on the local Consumer Price Index published by the Bureau of Labor Statistics.

The Los Angeles Municipal Code (LAMC) Section 187.02.D. states that ‘On July 1, 2022, and annually thereafter, the minimum wage will increase based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area (Los Angeles-Riverside-Orange County, CA), which is published by the Bureau of Labor Statistics.’

In 2017, the Bureau of Labor Statistics changed the geographic boundaries defining the Los Angeles price index. Riverside was removed from this index and it now includes only Los Angeles and Orange Counties. The local price index was renamed and is now identified as the Los Angeles-Long-Beach-Anaheim region, thus requiring a technical correction to the Minimum Wage Ordinance.

The first sentence of Section 187.02.D. should be amended to delete the language indicated and read ‘On July 1, 2022, and annually thereafter, the minimum wage will increase based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area, which is published by the Bureau of Labor Statistics.’

The City’s Living Wage Ordinance also references this Section of the Minimum Wage Ordinance as the basis for its annual wage increase. Therefore, the amendment to the Minimum Wage Ordinance is necessary to ensure the Living Wage annual increase can be properly implemented as well.

Los Angeles Municipal Code Section 187.03.B. refers to Section 10.31.1(h) of the Los Angeles Administrative Code for the definition of a Transitional Employer. On August 7, 2021, Section 10.31.1(h) was repealed by Ordinance No. 187121. Section 187.03.B. should be amended by deleting the reference to “10.31.1(h)” and replacing it with “10.25.1(l)”.

I THEREFORE MOVE that the City Council request the City Attorney’s office, with the assistance of the Bureau of Contract Administration, prepare and present a draft ordinance to amend Sections 187.02.D. and 187.03.B. of the Los Angeles Municipal Code. The first sentence of Section 187.02.D. shall be amended to read as follows: “On July 1, 2022, and annually thereafter, the minimum wage will increase based on the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area, which is published by the Bureau of Labor Statistics.” The remaining portion of Section 187.02(D) shall remain the same. Section 187.03.B. shall be amended by deleting the reference to “10.31.1(h)” and replacing it with “10.25.1(l)”.

NOV 23 2021

PRESENTED BY

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SECONDED BY

ORIGINAL