

Communication from Public

Name: California Restaurant Association

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Council File No: 19-0229-S2

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August 13, 2026

Los Angeles City Council
200 North Spring Street
Los Angeles, CA 90012

RE: OPPOSE – Council File: 19-0229-S2: Costly Restaurant Ordinance

Honorable Chair and Councilmembers,

The California Restaurant Association (CRA) is the definitive voice of the state's restaurant community, representing nearly 22,000 eating establishment locations. The Los Angeles Chapter of the CRA is a robust and very active group of restaurants representing a wide variety of restaurant concept types, cuisines, and cultures throughout our local region. In this letter, the CRA and its Los Angeles chapter would like to share its opposition to **CF: 19-0229-S2: The Costly Restaurant Ordinance**.

I. Duplicative & Costly Burden

California already has some of the most extensive workplace rights notices and training on topics such as workplace violence, sexual harassment, health and safety, food safety, and other workplace rights. By mandating employee rights training by groups that are not neutral third parties, CF: 19-0229-S2 would not only duplicate existing law but also force neighborhood restaurants to pay thousands of dollars so groups with ulterior motives can hold team members as a captive audience. This is especially inappropriate considering that it would raise operating expenses dramatically, and since the \$20 fast food minimum wage took effect, more than 1,150 restaurants have shut down in the City of Los Angeles.

II. Rigid Scheduling Consequences

The rigid scheduling requirements of the ordinance would also be a major issue for team members and operators. The fact is, restaurants' operational and staffing needs change quickly – and operators need to be able to adapt based on last-minute developments such as gatherings, sudden repairs, callouts, and other developments. Under this framework, last-minute changes for employees would result in punishment for operators. For example, when team members need to call out, operators would be forced to pay a penalty to obtain coverage. With call-outs being a common occurrence in particular, the Costly Restaurant Ordinance's requirements would result in huge costs for operators.

Operating costs are already at an all-time high. According to a National Restaurant Association (NRA) study, "wholesale food prices remained well above their pre-pandemic levels. As of July 2026, the Producer Price Index for All Foods stood 34% above its February 2020 reading." Similarly, according to the NRA, salaries and wages (including benefits) represented a median 36.5% of sales for full-service restaurants, and

31.7% for quick-service restaurants. With food costs having already risen and wages making up roughly a third of sales in restaurants, this ordinance would only increase cost pressures on an already strained community.

III. Conclusion

The Costly Restaurant Ordinance would be catastrophic for neighborhood restaurants, many of which are operated by franchisees from underserved backgrounds who operate single locations. In fact, the overwhelming majority of LA's 1,600+ quick-service restaurants are independent small businesses locally owned by people of color, women, and immigrants. The restaurant landscape is more fragile than ever, as evidenced by endless media reports and studies, and this ordinance would only make it more difficult for the community. For these reasons, and more, the CRA urges you to oppose CF: 19-0229-S2 – The Costly Restaurant Ordinance, and avoid the harm it would cause neighborhood restaurants – one of the largest private employers in the state and a major source of local tax revenue.

Sincerely,



Matt Sutton
Senior Vice President, Government Affairs & Public Policy
California Restaurant Association

Cc:

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