

Communication from Public

Name: Los Angeles Restaurant Assoc + California Restaurant Assoc
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Council File No: 19-0229-S2
Comments for Public Posting: Please see the letter attached detailing the Los Angeles Restaurant Association and California Restaurant Association's opposition to Council File: 19-0229-S2: Costly Restaurant Ordinance.



September 3, 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 Los Angeles Restaurant Association, one of the most robust chapters of the California Restaurant Association (CRA), is the definitive voice of the restaurant community, representing nearly 22,000 eating establishment locations. The Los Angeles Restaurant Association remains a very active group of restaurants representing a wide variety of restaurant concept types, cuisines, and cultures throughout our local region.

In this letter, we would like to elaborate on our strong 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 3rd party interest groups that are not neutral, 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. Now is certainly the time to do no harm.

The most recent development, which would require an in-person, six-hour, biennial training for employees of fast-food restaurants to be held off-site, is wholly inappropriate – and ridiculously employee-unfriendly.

Additionally, it raises several questions. Who would be responsible if an employee is injured at this off-site training, given that it would be inappropriate to hold an employer responsible? How would the employees get to and from this training? Who would ensure that the cost of such a training is both reasonable and just? These are just a few of the many issues and outstanding questions with the proposed framework that have yet to be addressed.

The proposed private right-of-action enforcement mechanism also leaves employers open to legal costs in a way that could add to the already hostile restaurant operating environment in the City of Los Angeles. In fact, private right-of-action enforcement mechanisms most often benefit *attorneys*, not employees. DCBA already has the

capacity to enforce any violations, without massive legal costs for *either* party involved. Therefore, including a private enforcement mechanism could cause immense harm to an already struggling employer community, without benefiting the intended party.

The City should be assisting neighborhood restaurants in Los Angeles, rather than continuing to layer on additional and suffocating legislative and regulatory frameworks that make Los Angeles one of the most hostile places in the country to run a restaurant.

II. Restrictive Scheduling- Unintended Impacts for Restaurants

The rigid scheduling requirements of the proposed ordinance would also be a major issue for restaurant 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 replacement coverage. With call-outs being a common occurrence- and setting off a ripple of effects throughout the staffing structure, the Costly Restaurant Ordinance's requirements would result in huge costs for operators.

If restaurants are under such a restrictive staff scheduling regime imposed by the City that triggers legal traps and financial penalties for actually offering someone work hours – then a likely result is that operators will staff at minimum levels to limit their exposure to the city-imposed risk.

While such a result would certainly negatively impact service to guests, it would also likely result in fewer available work hours for individual employees. That is due to the fact that restaurant operators will have no choice but to treat scheduling as a legal and financial liability. To minimize this risk, neighborhood restaurants will be forced to pivot to lean staffing structures, which systematically reduces available work hours and degrades service.

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 employer community that is already struggling mightily to simply tread water in the City of Los Angeles.

With this in mind, the private right of action enforcement mechanism that is also being proposed for restrictive scheduling is also unnecessary and would once again impose massive harm on the already struggling restaurant community in Los Angeles, for no tangible gain.

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 local media reports and studies, and this ordinance would only make Los Angeles an even more inhospitable location to choose to run a restaurant.

It's essential to consider that regulation and costs do not occur in a vacuum – and their cumulative effects negatively impact both restaurant team members and employers.

For these and other reasons, the Los Angeles Restaurant Association strongly urges you to reject these proposals- and pivot to a focus on alleviating the other city-imposed policies that directly undermine the local restaurant communities' ability to employ Angelenos and generate critically needed local sales tax dollars.

If ever there was a time to do no harm, that time is now.

Sincerely,



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

Cc:

Mayor - Karen Bass
Councilmember District 1 - Eunisses Hernandez
Councilmember District 2 - Adrin Nazarian
Councilmember District 3 - Bob Blumenfield, President pro Tempore
Councilmember District 4 - Nithya Raman, Assistant President pro Tempore
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Councilmember District 10 - Heather Hutt
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