

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 22, 2026

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Council File No. 23-0932

Council District: All

To: The City Council

From: 
Matthew W. Szabo, City Administrative Officer

Reference: Chief Legislative Analyst Report dated July 24, 2025

Subject: **OFFICE OF WAGE STANDARDS WORKFORCE RETENTION**

RECOMMENDATION

That the City Council instruct the Office of the City Administrative Officer to report to the Executive Employee Relation Committee with options to address retention challenges in the Department of Public Works, Bureau of Contract Administration, Office of Wage Standards.

SUMMARY

On March 13, 2026, the Personnel and Hiring Committee (PHC) considered a report from the Chief Legislative Analyst (CLA), in consultation with the Department of Public Works, Bureau of Contract Administration (Bureau) Office of Wage Standards (OWS) and City Attorney, relative to increasing enforcement of workplace violations across the City (C.F. 23-0932). The CLA report recommendations include new positions in the OWS; however, the Bureau reports challenges with hiring and retaining staff in the OWS. The PHC continued the CLA report and requested that this Office report on potential bonus or incentive structures to support staff recruitment and retention in the OWS prior to the approval of additional positions. This report provides an overview of the OWS retention challenges and recommends that the City Council approve further evaluation of incentives to address retention challenges. The information provided in this report is based on a collaborative effort with the staff from the Bureau.

DISCUSSION

In accordance with Article 8, Los Angeles Office of Wage Standards Ordinance, Section 188.01 of the Los Angeles Municipal Code (LAMC), the OWS is authorized to investigate and enforce compliance with the City's Minimum Wage Ordinance, Fair Work Week Ordinance, and Citywide Hotel Worker Minimum Wage Ordinance. The investigative and enforcement work the OWS performs includes but is not limited to the following duties;

- Perform investigations to determine compliance with applicable Ordinances; including interviewing employees and employers, performing site visits, and surveilling to observe

- business operations;
- Prepare narrative reports summarizing investigative findings and recommendations;
- Perform settlement negotiations with employers to resolve violations; and,
- Represent the City in investigative appeal hearings and court proceedings.

Historically, the OWS has used Senior Management Analysts (MA) and MAs to perform the investigation work described above and currently has three Senior MA and 13 MA authorities for investigation work. Due to challenges with hiring staff in the Senior MA and MA classifications to perform specialized investigative work, the Bureau annually requests in-lieu authorities for Special Investigator classifications.

Despite approval of in-lieu authorities for Special Investigators, the Bureau reports that the OWS Investigation Section currently has a 22 percent vacancy rate and has lost an average of 40 percent of staff every year over the past five years. Without proper staffing, not only is the investigative work performed by the Bureau negatively impacted and delayed, but it is very difficult to assess operational needs, including the number of staff required. This Office recommends that the OWS workforce retention issues be resolved prior to the evaluation of additional positions in order to properly assess the operational needs of the section.

The Office of the City Administrative Officer, Employee Relations Division is already working on evaluating potential solutions to resolve the OWS staff retention issues. It is most appropriate for this Office to report first to EERC on those potential solutions, prior to providing a more detailed report to the PHC on options to address these retention issues.

FISCAL IMPACT STATEMENT

There is no fiscal impact resulting from the recommendation in this report.

FINANCIAL POLICIES STATEMENT

The recommendation in this report complies with City Financial Policies, in that the recommendation has no fiscal impact.