

ORDINANCE NO. _____

.An ordinance amending Sections 10.37.2 and 10.37.3 of Article 11, Division 10 of the Los Angeles Administrative Code and Sections 186.02 and 186.04 of Article 6 of Chapter XVIII of the Los Angeles Municipal Code to revise wage and health benefit provisions for airport employees and hotel workers in the City of Los Angeles.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Paragraph (i) of Section 10.37.2(a)(2) of Article 11, Division 10 of the Los Angeles Administrative Code is amended to read as follows:

(i) If an Employer servicing the Airport provides an Employee with health benefits as provided in Section 10.37.3 of this article, the Employee shall be paid the following:

a. Beginning on July 1, 2025, the wage rate for an Employee shall be no less than \$22.50 per hour.

b. Beginning on July 1, 2026, the wage rate for an Employee shall be no less than \$24.50 per hour.

c. Beginning on July 1, 2027, the wage rate for an Employee shall be no less than \$25.50 per hour.

d. Beginning on July 1, 2028, the wage rate for an Employee shall be no less than \$27.50 per hour.

e. Beginning on July 1, 2029, the wage rate for an Employee shall be no less than \$28.50 per hour.

f. Beginning on July 1, 2030, the wage rate for an Employee shall be no less than \$30.00 per hour.

g. Beginning on July 1, 2031, and annually thereafter on July 1, the hourly wage rate for an Employee of an Employer servicing the Airport shall be adjusted higher by a percentage equal to the percentage increase, if any, in the Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area, as measured from January to December of the preceding year. The DAA shall announce the adjusted rates on February 1st, or within two weeks of the release of the prior year's CPI-W, whichever is later, and publish a bulletin announcing the adjusted hourly wage rates, which shall take effect on July 1st of each year.

Sec. 2. Subparagraph c. of Section 10.37.2(a)(2)(ii) of Article 11, Division 10 of the Los Angeles Administrative Code is amended to read as follows:

c. Beginning on July 1, 2027, an Employer servicing the Airport shall pay an Employee an additional wage rate per hour equal to the health benefit payment in effect for an Employee pursuant to Section 10.37.3(a).

Sec. 3. Subsection (a) of Section 10.37.3 of Article 11, Division 10 of the Los Angeles Administrative Code is amended in its entirety to read as follows:

(a) Health Benefits. The health benefits required by this article shall consist of the payment by an Employer of at least \$1.25 per hour to an Employee towards the provision of health care benefits for an Employee and dependents. Beginning on July 1, 2025, the payment amount for health benefits provided to an Employee working for an Employer servicing the Airport shall be at least \$7.65 an hour.

Beginning on July 1, 2027, and annually thereafter each July 1, the payment amount for health benefits provided to an Employee working for an Employer servicing the Airport shall be adjusted by a percentage equal to the percentage increase, if any, in the California Department of Managed Healthcare's Large Group Aggregate Rates (LGAR) report, as measured from January to December of the preceding year. The DAA shall announce the adjusted rates on April 1st, or within two weeks of the release of the prior year's LGAR report, whichever is later, and publish a bulletin announcing the adjusted rates, which shall take effect on July 1st of each year.

(1) Proof of the provision of such benefits must be submitted to the Awarding Authority to qualify for the wage rate in Section 10.37.2(a) for an Employee with health benefits.

(2) Health benefits include health coverage, dental, vision, mental health, and disability income. For purposes of this article, retirement benefits, accidental death and dismemberment insurance, life insurance and other benefits that do not provide medical or health related coverage will not be credited toward the cost of providing an Employee with health benefits.

(3) If the Employer's hourly health benefit payment is less than that required under this article, the difference shall be paid to the Employee as an additional hourly wage.

(4) Health benefits are not required to be paid on overtime hours.

Sec. 4. Subdivision 1. of Section 186.02.A. of Article 6, Chapter XVIII of the Los Angeles Municipal Code is amended to read as follows:

1. If a Hotel Employer provides a Hotel Worker with health benefits as provided in Section 186.04 of this article, the Hotel Worker shall be paid the following:

(a) Beginning on July 1, 2025, the wage rate for a Hotel Worker shall be no less than \$22.50 per hour.

(b) Beginning on July 1, 2026, the wage rate for a Hotel Worker shall be no less than \$24.50 per hour.

(c) Beginning on July 1, 2027, the wage rate for a Hotel Worker shall be no less than \$25.50 per hour.

(d) Beginning on July 1, 2028, the wage rate for a Hotel Worker shall be no less than \$27.50 per hour.

(e) Beginning on July 1, 2029, the wage rate for a Hotel Worker shall be no less than \$28.50 per hour.

(f) Beginning on July 1, 2030, the wage rate for a Hotel Worker shall be no less than \$30.00 per hour.

(g) Beginning on July 1, 2031, and annually thereafter on July 1, the hourly wage rate for a Hotel Worker shall be adjusted higher by a percentage equal to the percentage increase, if any, in the Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles metropolitan area, as measured from January to December of the preceding year. The Division shall announce the adjusted rates on February 1st, or within two weeks of the release of the prior year's CPI-W, whichever is later, and publish a bulletin announcing the adjusted hourly wage rates, which shall take effect on July 1st of each year.

Sec. 5. Subdivision 2. of Section 186.02.A. of Article 6, Chapter XVIII of the Los Angeles Municipal Code is amended to read as follows:

2. If a Hotel Employer does not provide a Hotel Worker with health benefits as provided in Section 186.04 of this article, the Hotel Worker shall be paid the applicable wage rate in Section 186.02.A.1, and an additional wage rate as follows:

(a) Beginning on July 1, 2026, a Hotel Worker shall be paid an additional wage rate of \$ _____ per hour.

(b) Beginning on July 1, 2027, a Hotel Worker shall be paid an additional wage rate equal to the health benefit payment in effect pursuant to Section 186.04.

Sec. 6. Section 186.04 of Article 6, Chapter XVIII of the Los Angeles Municipal Code is amended in its entirety to read as follows:

Beginning on July 1, 2026, the health benefits required by this article shall consist of the payment per hour, by a Hotel Employer towards the provision of health care benefits for a Hotel Worker, equal to \$ ____.

Beginning on July 1, 2027, and annually thereafter each July 1, the payment amount for health benefits provided to a Hotel Worker shall be adjusted by a percentage equal to the percentage increase, if any, in the California Department of Managed Healthcare's Large Group Aggregate Rates (LGAR) report, as measured from January to December of the preceding year. The Division shall announce the adjusted rates on April 1st, or within two weeks of the release of the prior year's LGAR report, whichever is later, and publish a bulletin announcing the adjusted rates, which shall take effect on July 1st of each year.

A. To be exempt from having to pay a Hotel Worker with health benefits the wage rate in Section 186.02 A.2., a Hotel Employer shall keep proof of the provision of such health benefits on file at the Hotel, and such proof shall be provided to the Division upon request.

B. Health benefits include health coverage, dental, vision, mental health, and disability income. For purposes of this article, retirement benefits, accidental death and dismemberment insurance, life insurance and other benefits that do not provide medical or health related coverage will not be credited toward the cost of providing a Hotel Worker with health benefits.


C. If the Hotel Employer's hourly health benefit payment is less than that required under this article, the difference shall be paid to the Hotel Worker as an additional hourly wage.

D. Health benefits are not required to be paid on overtime hours.

Sec. 7. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

HYDEE FELDSTEIN SOTO, City Attorney

By 
DANIA MINASSIAN
Deputy City Attorney

Date 5/18/20

File No. _____

[M:\Workers' Rights Division\ORDINANCES AND REPORTS\Final Ordinances\Ordinance to Revise Wage and Benefit Provisions to Hotel and Airport Workers.docx]

The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

Ordinance Passed _____

Approved _____