HUMAN IMPACT PARTNERS

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May 19, 2015

Honorable City Council
c/o Office of the City Clerk
200 N. Spring St., Room 470
Los Angeles, CA 90012

Attn: Richard Williams, Legislative Assistant

RE: Council File 14-1371, 14-1371-S1, Citywide Minimum Wage Ordinance/Include Language Addressing Wage Theft AND
Council File 14-1371-S2, 09-2642 Citywide Minimum Wage/City Administrative Officer/Chief Legislative Analyst/Economic Workforce Development Department/Procure an Economic Analysis

Honorable Councilmembers:

Human Impact Partners is writing this letter in response to the Report of the Chief Legislative Analyst's recommendation to identify $500,000 in funding for Office of Labor Standards staffing, equipment, expenses, and public outreach for wage theft enforcement. We strongly recommend additional funding be put into place for community contracts to support enforcement efforts. Based on research we have conducted on wage theft, collaborating with community organizations to support enforcement is efficient because of the already existing relationships and trust between such organizations and those most at risk of experiencing wage theft. Partnering with community organizations in this way would reflect a real investment in enforcement efforts.

We are also submitting this letter to continue to encourage the City Council to introduce and pass an ordinance that would increase the minimum wage to $15.25, provide workers with earned sick leave, and strengthen enforcement of regulations preventing wage theft. As a non-partisan public health research organization, our mission is to transform the policies and places people need to live healthy lives by increasing the consideration of health and equity in decision making.

Though people don't typically associate labor policies with health, they actually impact health greatly. We have conducted extensive research over the last several years and our findings indicate that raising the minimum wage, providing sick leave, and curbing wage theft via enforcement would improve health outcomes of low-wage workers, their families, and their communities.

Findings from our analysis of a 2014 state bill that would have raised the minimum wage (SB935; see: http://www.humanimpact.org/downloads/sb935-health-analysis/), included:

- A multitude of studies have established family income as one of the strongest and most far-reaching determinants of health.
- Income affects health not only through one's ability to meet material needs, but through access to health care, the quality of neighborhoods in which people can afford to live, child health and development, chronic stress, and interpersonal relationships
- If the minimum wage were raised:
    - Fewer Angelenos would live in poverty, ensuring that they would get enough to eat. Fewer would be forced to live in the unhealthy environments of substandard housing and poor neighborhoods. More Angelenos would have adequate health care and health insurance.

- Fewer children in lower-income families would be exposed to multiple, cumulative physical and psychosocial risk factors including family turmoil, community violence, early childhood separation, substandard housing, noise, and crowding.

Our research on proposed national and California-specific paid sick days policies (see: http://www.humanimpact.org/projects/hia-case-stories/paid-sick-days-hias/) found that:

- Low-wage workers and mothers are least likely to have paid sick days.
- Access to paid sick days would:
  - Reduce foodborne illnesses, which are often spread through restaurants and institutions like nursing homes as a result of employees working while sick;
  - Reduce the spread of both seasonal flu and the large-scale spread of a new influenza strain;
  - Allow workers and their dependents easier access to preventive and early care, and help avoid thousands of unnecessary hospitalizations;
  - Reduce income loss and the threat of job loss for low-income workers during periods of illness. This would prevent hunger and housing insecurity.

The Los Angeles City-specific research we conducted on the proposed wage theft ordinance (see: http://www.humanimpact.org/downloads/wage-theft-hia/) explored how established laws fail to protect workers from wage theft and the resulting health impacts. As a result of wage theft, many adults find themselves having to work multiple jobs or additional hours to make up for lost wages. If the wage theft ordinance were passed:

- Income for those currently experiencing wage theft would increase and this would result in a reduction in the negative health impacts associated with poverty.
- Children of those currently experiencing wage theft would have better living conditions, food security, and parental involvement in their educational development. This would result in better developmental and physical and mental health outcomes for those children.
- The additional work time required to make up for stolen wages would be reduced and more time would be available for self-care, leisure, and family. Alleviation of *time poverty* would reduce stress and resulting insomnia, anxiety, depression, and other mental and socio-emotional health problems.
- Low-wage workers who experience wage theft would experience lower levels of stress as a result of not feeling threated or retaliated against for reporting wage theft. This will leave workers feeling less helpless and improve mental health.

In summary, our research shows that implementation and enforcement of these proposals would improve the health and wellbeing of workers and their families in the many ways: Angelenos would experience less premature mortality, mental illness, chronic disease, and communicable disease.

By increasing the minimum wage, a paid sick leave policy, and policies requiring stronger enforcement of wage theft, the city of Los Angeles has an opportunity to mitigate many health issues faced by the low-wage workers who are the backbone of the Los Angeles economy and by their children and communities. This is a question of fairness and equity. As an organization focused on improving health and advancing equity, Human Impact Partners urges the Los Angeles City Council to move forward with these policies.

Thank you for taking health and equity into consideration on these labor issues. Please don't hesitate to contact us should you have any questions at 510-452-9442.

Sincerely,



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