



Legislation Text

File #: 22-1359, **Version:** 1

Recommendation to receive and file the Letter of Completion from the Los Angeles Registrar-Recorder/County Clerk for the Long Beach Minimum Wage for Healthcare Workers Referendum, and approve one of the following alternative actions, as required by the California Elections Code Section 9241 and the Long Beach City Charter Section 2000:

- 1) Request City Attorney to prepare an ordinance repealing Ordinance No. ORD-22-0022 in its entirety; or
- 2) Request City Attorney to prepare a resolution calling for a special election to consider the adoption of Ordinance No. ORD-22-0022; or
- 3) Request City Attorney to prepare a resolution placing the question of the adoption of Ordinance No. ORD-22-0022 on the ballot at the next Statewide election on March 5, 2024.

The City of Long Beach is in receipt of the Long Beach Minimum Wage for Healthcare Workers Referendum (Referendum) that was filed with the Office of the City Clerk on September 21, 2022, against the City Council adopted Healthcare Worker Minimum Wage Ordinance (ORD-22-0022).

The City's Healthcare Worker Minimum Wage Ordinance was set to take effect on September 26, 2022, at 12:01 a.m., which would have required certain healthcare facilities and physician groups identified in Section 5.96.020 of the Ordinance to increase the wages of covered workers to a \$25 per hour minimum. The recommendation to increase the local healthcare worker minimum wage was initially proposed by a voter-initiated petition. In June 2022, the City Council requested an economic impact study be conducted and, after review of the study, unanimously voted to adopt it as a City Ordinance during the August 16, 2022 meeting.

As a result of the Referendum filing, ORD-22-0022, which was adopted by the Long Beach City Council on August 16, 2022, was suspended. The Office of the City Clerk reviewed the referendum petition to ensure it met all legal requirements, including determining if it contained the required minimum number of voter signatures of 26,862. Pursuant to City Election Code Section 9237, the number of signatures reflects 10 percent of total registered voters residing in the City of Long Beach. The City Clerk determined that the number of signatures for the Referendum was sufficient and sent it to the Los Angeles County Registrar Recorder/County Clerk (LARRCC) to conduct a full count and verification of the signatures. On Thursday, November 3, 2022, LARRCC notified the City Clerk that sufficiency was met

and provided a Certificate of Completion.

Pursuant to California Elections Code Section 9241 and the Long Beach City Charter Section 2000, the City Council may repeal ORD-22-0022 in its entirety or submit the ordinance to the voters, either at the next regular municipal election on March 5, 2024 or at a special election called to consider the ordinance so long as it is at least 88 days after the order for a special election is made.

On November 15, as required by California Elections Code Section 9241, the legislative body shall execute one of the following as mentioned: Repeal Ordinance No. ORD-22-0022 in its entirety; or submit it for voter consideration during the next Statewide election on March 5, 2024, or at a special election ordered by the City Council.

This letter was reviewed by City Attorney Charlie Parkin on October 26, 2022 and by Budget Operations and Development Officer, Rhutu Amin Gharib, on November 3, 2022.

There are various fiscal impacts depending on the action taken by the City Council and are outlined as follows: If

Option 1, Repealing the Ordinance in its entirety is chosen, then the \$900,000 in appropriation added in the Adopted FY 23 Budget would no longer be necessary to implement wage enforcement for the program and will remain unspent in the current fiscal year; if

Option 2, Calling for a Special Election in March 2023 is chosen, it would cost the City an estimated \$8,674,000 and is currently unbudgeted. This significant unbudgeted cost includes five 11-day vote centers, four 1-day vote centers, 19 Vote-by-Mail drop boxes, 16 pages for a sample ballot booklet, and 270,952 registered voters receiving VBM ballots. If the Council were to choose this option, it would force the City Council to reduce General Fund reserves and/or find General Fund savings potentially through service-level reductions.

If Option 3, Placing this on the next Statewide election in March 2024 is chosen, it would cost the City an estimated \$150,000 in FY 24. Funding for this ballot measure will be reviewed and factored in as part of the Proposed FY 24 budget development process.

This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities.

Approve recommendation.

MONIQUE DE LA GARZA
CITY CLERK