



CITY OF CARSON

Legislation Text

File #: 2021-504, Version: 1

Report to Mayor and City Council

Tuesday, July 06, 2021

Discussion

SUBJECT:

CONSIDER RECOMMENDATION FROM THE HERO PAY AD HOC COMMITTEE TO ADOPT RESOLUTION NO. 21-088 ESTABLISHING HERO PAY FOR ESSENTIAL WORKERS IN THE CITY OF CARSON (CITY COUNCIL)

I. SUMMARY

At the beginning of the pandemic, many retail companies provided extra COVID-19 related compensation to their workers. This bonus, commonly known as “Hero Pay,” was often implemented as a temporary hourly wage increase or a one-off bonus for essential workers. Several cities have passed “Hero Pay” ordinances. Most of these ordinances apply to large grocery or retail stores that employ more than 300 people nationally and have more than 10 employees in the city. Although all of the ordinances apply to grocery store workers, some are broader and apply to pharmacies, agricultural laborers, and other retail workers. The temporary Hero Pay mostly provided for pay during the surge in COVID-19 cases, as most ordinances were applicable from February to July 2021.

The Hero Pay Ad Hoc Committee, consisting of Councilmember Hilton and Councilmember Hicks, recommends the City Council consider adopting the proposed Resolution, included as Exhibit 1, which would establish a Hero Pay program in the City of Carson whereby large grocery stores and other establishments selling groceries and retail pharmacies with more than 300 employees nationally and 10 or more employees at a site in Carson could voluntarily provide for Hero Pay for their essential workers. The Hero Pay would consist of \$4 per hour in addition to an employee’s base pay and be applicable retroactively during the surge of COVID-19 cases in the City of Carson, which occurred between December 1, 2020 and March 1, 2021.

II. RECOMMENDATION

WAIVE further reading and ADOPT Resolution No. 21-088 “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA ESTABLISHING HERO PAY FOR ESSENTIAL WORKERS IN THE CITY OF CARSON”

III. ALTERNATIVES

TAKE another action deemed appropriate by the City Council and consistent with applicable laws.

IV. BACKGROUND

On March 4, 2020, California Governor Gavin Newsom proclaimed a state of emergency in response to new cases of COVID-19, directing state agencies to use all resources necessary to prepare for and respond to the outbreak. The City of Carson also declared a local state of emergency related to the COVID-19 pandemic on March 17, 2020.

On March 19, 2020, California Governor Gavin Newsom issued a “Stay Home - Stay Healthy” proclamation closing all non-essential workplaces, requiring people to stay home except to participate in essential activities or to provide essential business services, and banning all gatherings for social, spiritual, and recreational purposes. In addition to healthcare, public health and emergency services, the “Stay Home - Stay Healthy” proclamation identified grocery stores as essential business sectors critical to protecting the health and well-being of all Californians and designated their workers as essential critical infrastructure workers.

Essential workers working during the COVID-19 emergency merit additional compensation because they perform hazardous duties due to the significant risk of exposure to the COVID-19 virus. Essential workers have been working under these hazardous conditions for months, particularly during the surge in COVID-19 cases at the end of 2020 and beginning of 2021. The availability of grocery stores and drug stores is fundamental to the health of the community and is made possible during the COVID-19 emergency because grocery and drug store workers are on the frontlines of this devastating pandemic supporting public health, safety, and welfare by working in hazardous situations.

Approximately 20 cities in California have adopted hero pay ordinances requiring certain large retail establishments to provide hero pay to their non-management essential employees. Such hero pay has ranged between \$3 to \$5 per hour in addition to an employee’s base pay and has been applicable for a limited time ranging from February through July 2021.

Accordingly, as provided in the resolution, the City is considering the establishment of the Hero Pay Program that allows large retail establishments, such as grocery stores, retail stores that devote at least 10% of their floor area to groceries, and retail pharmacies, to

voluntarily provide Hero Pay to their non-management essential workers. Large retail establishments include those employers who employ more 300 or more employees nationally and who have 10 or more employees at a site in the City of Carson. The Hero Pay Program would provide for an additional \$4 per hour of pay, in addition to the employee's base pay, for those essential workers that worked during the surge in the City of Carson, which occurred during the period between December 1, 2020 and March 1, 2021.

V. FISCAL IMPACT

None.

VI. EXHIBITS

1. Resolution No. 21-088 (Pgs. 4-9)

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