

# ATTACHMENT 1

## ORDINANCE NO. 2021-\_\_\_\_\_

### **AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON AMENDING THE AMERICAN CANYON MUNICIPAL CODE BY ADDING CHAPTER 5.70, RELATING TO HAZARD PAY FOR GROCERY WORKERS IN AMERICAN CANYON TO TAKE EFFECT IMMEDIATELY.**

**WHEREAS**, since the beginning of the COVID-19 pandemic, grocery workers in the City of American Canyon (“City”) have continued to report to work and serve City patrons and others, despite the ongoing hazards and danger of being exposed to the novel coronavirus, the pandemic is far from over and the health threats that grocery workers face are just as real now as they were when this crisis began; and

**WHEREAS**, due to the work of essential grocery workers, families throughout the City have had access to the food they need during this pandemic; and

**WHEREAS**, in light of the needs of most residents to purchase groceries on a regular basis, public health orders throughout the COVID-19 pandemic have permitted grocery stores to operate at higher capacities than other essential businesses, resulting in greater numbers of people who may transmit the novel coronavirus entering grocery stores at any given time; and

**WHEREAS**, given the nature of grocery worker jobs, grocery workers must be present to help countless customers who, because of the pandemic, are stressed and fearful for their wellbeing, moreover, they remain inside with large crowds daily with ventilation systems that could be spreading the novel coronavirus; and

**WHEREAS**, these essential grocery workers cannot choose to work from home-- they must come to work to do their jobs, which involve substantial interaction with customers, workers are wearing masks, social distancing, and constantly wiping down cash registers, food conveyor belts and shopping carts to protect the health of the public, moreover, these workers are continuously working to restock items that households desperately need including toilet paper, cleaning supplies and other essentials; and

**WHEREAS**, United Food and Commercial Workers Locals in Northern California, which represent grocery workers, report that over 700 grocery workers in their ranks have tested positive with COVID- 19, and members of their union have been hospitalized or have died from the coronavirus; and

**WHEREAS**, a growing list of cities and counties across California, including City of San Mateo, County of San Mateo, South San Francisco, City Daly City , Berkeley, Los Angeles, Long Beach, San Jose, and San Leandro began announcing and adopting legislation for hazard pay for grocery workers during the period where counties are in the Purple, Red, or Orange level of Community Transmission for COVID-19 under State Health orders; and

**WHEREAS**, the City recognizes that these workers should be justly compensated for the increased hazards of doing their jobs during the pandemic by requiring their employers to provide hazard pay at all times that the City is at a coronavirus risk level of moderate, substantial, or widespread under the State Health orders; and

**WHEREAS**, the California Constitution, Article XI, Section 7, vests cities and counties with the authority to enact ordinances to protect the health, safety, and general welfare, of their citizens; and,

**WHEREAS**, Labor Code section 1205 vests cities and counties with the authority to set labor standards regarding the payment of wages that are more stringent than state standards.

**NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1.** The City Council finds the foregoing recitals to be true and correct and hereby incorporates those recitals into this Ordinance.

**SECTION 2:** The American Canyon Municipal Code is amended by adding Chapter 5.70 to read as follows:

## **CHAPTER 5.70**

### **HAZARD PAY FOR GROCERY WORKERS**

**5.70 PURPOSE.** This Chapter aims to protect and promote the public health, safety, and welfare during the novel coronavirus disease of 2019 (COVID-19) emergency by requiring grocery stores to provide hazard pay for grocery workers performing work in the City of American Canyon. Some grocery stores have voluntarily provided additional compensation, but others have not. Requiring competing grocery stores to provide hazard pay will ensure that grocery workers are compensated for the risks of working during a pandemic. Grocery workers face increased risk of catching or spreading COVID-19 because the nature of their work involves close contact with the public and co-workers, including individuals who are not showing symptoms of COVID-19 but who can spread the disease. Hazard pay also ensures the retention of these essential grocery store workers who are on the frontlines of this pandemic providing essential services and who are needed throughout the duration of the COVID-19 emergency.

**5.70 SHORT TITLE.** This Chapter shall constitute the “Hazard Pay for Grocery Workers Ordinance” and may be cited as such.

**5.70 Definitions.** The following terms shall have the following meanings:

A. “Adverse action” means reducing the compensation to a grocery worker, garnishing gratuities, temporarily or permanently denying or limiting access to work, incentives, or bonuses, offering less desirable work, demoting, terminating, deactivating, putting a grocery worker on hold status, failing to rehire after a seasonal interruption of work, threatening, penalizing, retaliating, or otherwise discriminating against a Covered Employee. “Adverse action” also encompasses any action by the Covered Employer or a person acting on the Covered Employer’s behalf that would dissuade a Covered Employee from exercising any right afforded by this Ordinance.

B. “Baseline Compensation” means the hourly compensation paid to Covered Employees as of the effective date of this Chapter after subtracting any premium compensation used to compensate Covered Employees for working during the pandemic. Baseline Compensation does not include Hazard Pay owed under this Ordinance, but does include premium compensation unrelated to the pandemic, such as holiday premiums paid for performing work during a holiday.

- C. "City" means the City of American Canyon.
- D. "Covered Employee" means a Grocery Worker who is entitled to Hazard Pay pursuant to this Chapter.
- E. "Covered Employer" means any entity that employs over three hundred (300) Grocery Workers nationwide, regardless of whether the entity owns or operates Grocery Stores.
- F. "Grocery Worker" means a worker employed to work at a grocery store. Grocery worker does not include managers, supervisors, or independent contractors.
- G. "Grocery Store" means an establishment primarily engaged in selling a range of foods including fresh, frozen or canned meats, fish and poultry, fruits and vegetables, bread and/or grain products and dairy products, including, but not limited to, grocery stores, markets, or supermarkets; or produce stores, cheese, uncooked meat/butcher shops and fish markets.
- H. "Hazard Pay" means additional compensation owed to a grocery worker that is separate from Baseline Compensation and does not include tips earned from customers.

**5.70.020 Applicability.**

- A. For purposes of this Chapter, Covered Employers are limited to those who employ two hundred (200) or more Grocery Workers in the state of California.
- B. For purposes of this Chapter, the number of Grocery Workers employed by an employer is the total number of Grocery Workers who worked for compensation during the two-week period immediately preceding the effective date of this Chapter.
- C. Covered Employers shall provide the Hazard Pay required by this Chapter to any Covered Employee in the City of American Canyon until one-hundred and twenty (120) days from the effective date of this Chapter.
- D. Unless extended by the City Council, the Hazard Pay requirement set forth in this Chapter shall only remain in effect for a limited period of one-hundred and twenty (120) days from the effective date of this Chapter.

**5.70.050 Hazard Pay Requirement.**

- A. A Covered Employer shall provide Grocery Workers with Hazard Pay consisting of an additional Five Dollars (\$5.00) per hour above Baseline Compensation for each hour worked within the City of American Canyon.
- B. All compensation above Baseline Compensation shall be credited against the Hazard Pay requirement, as follows:
  - 1. A Covered Employer that is already providing additional compensation above Baseline Compensation equivalent to Hazard Pay, on an ongoing basis prior to the effective date of this Chapter may use the hourly rate of that additional compensation to offset the amount due under

this Chapter (e.g., a Covered Employer who is already paying two dollars (\$2.00) per hour above Baseline Compensation owes an additional three dollars (\$3.00) per hour in Hazard Pay).

2. Health insurance premiums may be considered Hazard Pay only where those premiums were not a part of Baseline Compensation and only where the cost of the premium can be directly attributed to the particular employee whose Hazard Pay is offset.

3. The Covered Employer bears the burden of proof that the additional compensation is Hazard Pay and not Baseline Compensation. No Covered Employer shall be credited prospectively for any past payments. No Covered Employer shall be credited for any hourly premiums already owed to Covered Employees, such as but not limited to, holiday premiums, however there shall be a rebuttable presumption that compensation paid by a Covered Employer at a particular Grocery Store in January 2020 was Baseline Compensation for purposes of calculating Hazard Pay at that particular Grocery Store. Nothing herein shall be interpreted to prohibit any employer from paying more than five dollars (\$5.00) per hour in Hazard Pay.

#### **5.70.060** Notice of rights.

A. A Covered Employer shall provide covered grocery workers with a written notice of rights established by this Chapter. The notice of rights shall provide information on:

1. The right to Hazard Pay guaranteed by this Chapter;
2. The right to be protected from retaliation for exercising or assisting in the exercise of the rights set forth in this Chapter; and
3. The right to bring a civil action for a violation of the requirements of this Chapter, including a Covered Employer's denial of Hazard Pay as required by this Chapter and/or retaliation against a Grocery Worker or other person or entity exercising or assisting in the exercise of the rights set forth in this Chapter.

B. A Covered Employer shall provide the written notice of rights by posting in the same conspicuous location used for other mandatory employment postings such as the State of California Wage Orders and the Federal Family Medical Leave Act and shall also provide the written notice of rights in an electronic format that is readily accessible to all employees. The notice of rights shall be made available in English and Spanish and any other language that the Covered Employer knows or has reason to know is the primary language of the Covered Employees.

#### **5.70.070** Recordkeeping.

A. Covered Employer shall retain records that document compliance with this Chapter for Covered Employees for a period of two (2) years after the date of this Chapter.

B. If a Covered Employer fails to retain adequate records, there shall be a presumption, rebuttable by clear and convincing evidence, that the Covered Employer violated this Chapter for each Covered Employee for whom records were not retained.

**5.70.080** Retaliation prohibited.

No Covered Employer shall discharge, reduce compensation, take Adverse Action against or otherwise retaliate against any grocery worker for exercising or assisting in the exercise of rights under this Chapter by any lawful means.

**5.70.090** Remedies.

A. Any person aggrieved by a violation of this Chapter, any entity a member of which is aggrieved by a violation of this Chapter, or any other person or entity acting on behalf of the public as provided for under applicable state law, may bring a civil action in a court of competent jurisdiction against the Employer or other person violating this Chapter and, upon prevailing, shall be awarded reasonable attorneys' fees and costs and shall be entitled to such legal or equitable relief as may be appropriate to remedy the violation including, without limitation:

1. Reinstatement, payment of back wages wrongfully withheld, liquidated damages, civil penalties, penalties payable to aggrieved parties, fines, the payment of an additional sum as a civil penalty in the amount of \$50 to each Covered Employee whose rights under this Chapter were violated for each day or portion thereof that the violation occurred or continued, and fines imposed pursuant to other provisions of this Code or state law.

2. Interest on all due and unpaid wages at the rate of interest specified in subdivision (b) of Section 3289 of the California Civil Code, which shall accrue from the date that the wages were due and payable as provided in Part 1 (commencing with Section 200) of Division 2 of the California Labor Code, to the date the wages are paid in full.

C. A Covered Employer found to have retaliated in violation of this Chapter shall be subject to any additional remedy at law or equity including, but not limited to front pay in lieu of reinstatement with full payment of unpaid compensation plus interest and punitive damages in an additional amount of up to twice the unpaid compensation.

**5.70.100** Waiver Through Collective Bargaining.

To the extent required or permitted by federal or state law, all or any portion of the applicable requirements of this Chapter may be waived in a bona fide collective bargaining agreement, provided that such waiver is explicitly set forth in such agreement in clear and unambiguous terms. Any request to an individual Employee by an Employer to waive their rights under this Chapter shall constitute a violation of this Chapter.

**5.70.110** Encouragement of more generous policies.

A. Nothing in this Chapter shall be construed to discourage or prohibit a Covered Employer from the adoption or retention of premium pay policies more generous than the one required herein.

B. Nothing in this Chapter shall be construed as diminishing the obligation of a Covered Employer to comply with any contract or other agreement providing more generous protections to a Covered Employee than required by this Chapter.

**5.70 Other legal requirements.**

This Chapter provides minimum requirements for Hazard Pay while working for a Covered Employer during the COVID-19 emergency and shall not be construed to preempt, limit, or otherwise affect the applicability of any other law, regulation, requirement, policy, or standard that provides for higher hazard pay, or that extends other protections to grocery workers; and nothing in this Chapter shall be interpreted or applied so as to create any power or duty in conflict with federal or state law. Nothing in this Section shall be construed as restricting a grocery worker’s right to pursue any other remedies at law or equity for violation of their rights.

**5.70 Severability.**

If any section, subsection, sentence, clause, phrase, or word of this Chapter, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of this Chapter. The City Council of the City of American Canyon hereby declares that it would have passed this Chapter and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this Chapter or application thereof would be subsequently declared invalid or unconstitutional.

**SECTION 3. Vote Required, Immediately Effective**

Based on the findings and evidence of this Urgency Ordinance, the Council determines that this Ordinance is necessary for the immediate preservation of the public health, peace and safety in the City of American Canyon and must therefore go into effect immediately. This Ordinance shall go into effect immediately upon a four-fifths vote of the City Council.

**SECTION 4. Custodian of Records.** The documents and materials that constitute the record of proceedings on which this Ordinance is based are located at the City Clerk’s office located at 4831 Broadway, Suite 201, American Canyon, CA 94503. The custodian of these records is the City Clerk.

The foregoing Urgency Ordinance was adopted at a regular meeting of the City Council of the City of American Canyon, State of California, held on the 16<sup>th</sup> day of March, 2021 by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

\_\_\_\_\_  
Leon Garcia, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Cherri Walton, Interim City Clerk

\_\_\_\_\_  
William D. Ross, City Attorney