## Los Angeles City's Fair Work Week Ordinance Provides Predictable Scheduling for Certain Retail Employees

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Los Angeles City retail workers will join the ranks of employees in other cities who have more predictable work schedules starting April 1, 2023 (Los Angeles Municipal Code §§ 185.00–185.16 and 188.00–188.15).

The Ordinance was enacted, in part, as a response to a study by the UCLA Labor Center and the Los Angeles Alliance for a New Economy, which concluded that many Los Angeles City retail workers have "unpredictable, last-minute, and fluctuating workweeks over which they have no control." It emulates similar fair work week laws adopted by other municipalities including Berkeley, San Francisco, New York City, and Seattle.

Covered employers still have additional time to ensure compliance even after the law takes effect, as the Ordinance includes a 180-day grace period for violations, during which only written warnings may be meted out to employers.

Notably, given its definition of "retail" business, the Ordinance does not cover as many employees as one might expect. Rather, it covers retail business classified in the North American Industry Classification System under <u>categories and subcategories 44 through 45</u>, which includes businesses such as grocery stores, gas stations, and automotive dealers, among others, but not most restaurant workers. Also, the retail business must directly or indirectly exercise control over the wages, hours, or working conditions of employees in these categories, and employ at least 300 employees globally. Employees are counted in this 300-employee count even if they are staffed through a temporary service or staffing agency, are employees of an employer's retail business subsidiary, or are employees of any retail business franchise. An employer meeting the above criteria that has at least one employee performing two or more hours of work within Los Angeles City's geographic boundaries is covered by the Ordinance.

Covered employers will need to provide written notice to an employee of the employee's work schedule and provide the employee's schedule for both current and new employees at least 14 days in advance. Employers also must offer work to current employees before hiring new employees or using temporary workers. The Ordinance also requires "predictability pay," which requires

employers to compensate employees for almost any employer-initiated work schedule changes.

Predictability pay is not required if:

(1) an employee requests a schedule change and an employee voluntarily accepts a request to cover another employee's absence;

(2) an employee accepts hours the employer is required to offer before the employer hires a new employee or uses temporary employees;

(3) an employee's hours are reduced due to the employee's legal or employee policy violations; or

(4) schedules change because of unforeseeable events such as natural disasters.

Covered employers must keep records for current and former employees for three years. Such records include work schedules, written offers of additional work hours and the employee's response, written correspondence between the employer and employee regarding work schedule changes, and good faith estimates of hours provided to new and current employees. Postings at the worksite also are required.

The Ordinance restricts employers from requiring the employee to find shift coverage if that employee is unable to work for a lawfully protected reason. Employers also may no longer schedule an employee's consecutive shifts within 10 hours of one another. Employees now have the right to request shift changes, which employers may deny only with written documentation of the reason for the denial. Finally, employees have the right to decline any changes to their work schedule or if they consent, the consent must be in writing.

Although the Ordinance has a 180-day grace period, employers may still receive written warnings from the Office of Wage Standards. Covered employers also should be on the lookout for upcoming rules and regulations to be promulgated under the Ordinance.

The Los Angeles Office of Wage Standards' required posting can be found <u>here</u>. The notice will be published each year by the Office of Wage Standards and must be posted in a conspicuous location. Employers are also required to post notices in any language spoken by at least five percent of the employees in the workplace.

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National Law Review, Volume XIII, Number 89

Source URL: <u>https://natlawreview.com/article/los-angeles-city-s-fair-work-week-ordinance-provides-predictable-scheduling-certain</u>