



COUNCIL CHAMBER
CITY HALL, ROOM 300
121 NORTH LA SALLE STREET
CHICAGO, ILLINOIS 60602
TELEPHONE: (312) 744-3325

MICHAEL D. RODRÍGUEZ

ALDERPERSON - 22ND WARD

PUBLIC SERVICE OFFICE

2500 SOUTH ST. LOUIS AVENUE
CHICAGO, ILLINOIS 60623
TELEPHONE: (773) 762-1771
FAX: (773) 762-1825
WARD22@CITYOFCHICAGO.ORG

**CITY COUNCIL
COMMITTEE MEMBERSHIPS**

WORKFORCE DEVELOPMENT (CHAIR)
AVIATION
BUDGET AND GOVERNMENT OPERATIONS
COMMITTEES AND RULES
FINANCE
IMMIGRATION AND REFUGEE RIGHTS
SPECIAL EVENTS, CULTURAL AFFAIRS AND RECREATION
TRANSPORTATION AND PUBLIC WAY

COMMITTEE ON WORKFORCE DEVELOPMENT MONTHLY RULE 45 REPORT October 30th 2023

Pursuant to Rule 45 of the City Council Rules of Order, the Committee on Workforce Development submits the following Monthly Rule 45 Report for October 30th 2023.

Date, Time & Location of Meeting: On October 30th, 2023 at 11:30am the Committee met in the City Council Chambers.

Attendance: The following members were present: Chairperson Rodriguez (22), Vice Chairperson Gutierrez (14), Alderman Yancy (5), Alderman Hall (6), Alderman Beale (9), Alderman Chico (10), Alderwoman Ramirez (12), Alderman Quinn (13), Alderman Coleman (16), Alderman Curtis (18), Alderman Taliaferro (29), Alderman Ramirez-Rosa (35), Alderman Sposato (38), Alderperson Vasquez (40), Alderwoman Clay (46)

Non-Members: Alderman Dowell (3), Alderman Harris (8), Lee (11), Alderman Lopez (15), Alderman Moore (17), Alderman O'Shea (19), Alderman Sigcho-Lopez (25), Fuentes (26), Alderman Ervin (28), Alderwoman Cruz (30), Alderman Cardona (31), Alderwoman Rodriguez-Sanchez (33), Alderman Conway (34), Alderman Villegas (36), Alderman Sposato (38), Alderman Reilly (42), Alderman Lawson (44), Alderman Gardiner (45), Alderwoman Manaa-Hoppenworth (48)

Chairperson Rodriguez called the meeting to order at 11:38am. There were two items on the Agenda.

- 1) Approval of the September 20th Rule 45 Report.
- 2) O2023-0002980, an ordinance amending the City of Chicago municipal code concerning the mandatory sick time and paid leave for employees within the City of Chicago.

Chairperson Rodriguez conducted a roll call to establish a quorum.

After determining a quorum existed of present members, the Chair acknowledged non-members present at the meeting.

A quorum having been established, the meeting moved on to public comment. Chairperson Rodriguez then noted that there were many people signed up for public comment and that we would use the first thirty minutes to allow those members to speak.

The Chairmen noted that there had been many comments submitted to the Committee in advance of the meeting and that copies of the comments were emailed to members of the Committee and printed and available.

The following written comments were received by the Committee:

- Caring Across Generations submitted a letter in support of expanding paid leave
- National Immigration Law Center submitted a letter in support of expanding paid leave
- Equal Rights Advocates submitted a letter in support of expanding paid leave
- Family Values Work submitted a letter in support of expanding paid leave
- Garcia Insurance submitted a letter in support of expanding paid leave
- Alexandra Sundet submitted a letter in support of expanding paid leave
- Amy's Candy Bar submitted a letter in opposition to expanding paid leave
- National Domestic Workers Alliance submitted a letter in support of expanding paid leave
- Ashlynn Cross submitted a letter in support of expanding paid leave
- Biliah Mandela Castleberry submitted a letter in support of expanding paid leave
- Carmelita Clinton submitted a letter in support of expanding paid leave

- Greater West Town Project submitted a letter in support of expanding paid leave
- National Day Labor Organizing Network submitted a letter in support of expanding paid leave
- Women Employed submitted a letter in support of expanding paid leave
- National Black Worker Center submitted a letter in support of expanding paid leave
- Chris Eagan submitted a letter in support of expanding paid leave
- Chicago Women in Trades submitted a letter in support of expanding paid leave
- ENJOY submitted a letter in opposition to expanding paid leave
- Father Charles Dahm submitted a letter in support of expanding paid leave
- Pastor Fred Kinsey submitted a letter in support of expanding paid leave
- Futures Without Violence submitted a letter in support of expanding paid leave
- General Electric submitted a letter recommending specific changes to the proposed ordinance
- Gethsemane Garden Center submitted a letter in opposition to expanding paid leave
- Dovetail Brewery submitted a letter recommending specific changes to the proposed ordinance and also in support of expanding paid leave
- Health & Medicine Policy Research Group submitted a letter in support of expanding paid leave
- Hospitality Business Association of Chicago submitted a letter in opposition to expanding paid leave
- Joellen McCarthy submitted a letter in support of expanding paid leave
- Senior Helpers of Chicago submitted a letter in opposition to expanding paid leave
- Kate Everson submitted a letter in support of expanding paid leave
- Katherine Anne Confections submitted a letter in opposition to expanding paid leave
- Sister Marilyn Derr submitted a letter in support of expanding paid leave
- Sister Marilyn Kofler submitted a letter in support of expanding paid leave
- National Women's Law Center submitted a letter in support of expanding paid leave

- Partners for Dignity & Rights submitted a letter in support of expanding paid leave
- Chicago Jobs Council submitted a letter in support of expanding paid leave
- Rev. Dr. Beth Brown submitted a letter in support of expanding paid leave
- Big Jones submitted a letter in opposition to expanding paid leave
- Ann Kienzle submitted a letter in support of expanding paid leave
- Rev. B.J. Birkhahn-Rommelfanger submitted a letter in support of expanding paid leave
- Riven Sire, MSW and BA in Religious and Intercultural Studies submitted a letter in support of expanding paid leave
- Dr. Robert C. Jones Jr., Pastor, submitted a letter in support of expanding paid leave
- Six Corners Ventures submitted a letter in opposition to expanding paid leave
- Snappy Printing and Graphics submitted a letter in opposition to expanding paid leave
- Labor Council for Latin American Advancement submitted a letter in support of expanding paid leave
- Upwardly Global submitted a letter in support of expanding paid leave
- Urban Pooch submitted a letter in opposition to expanding paid leave

Before starting oral public comment, Ald. Beale and Ald. Sposato asked the speaker that all public commenters be allowed to speak regardless of how long that would take and asked for an opinion from the Department of Law. Rey Phillip Santos from the Department of Law noted that under the Council rules the length of time for each speaker can be limited to two or three minutes at the discretion of the Chair. Rey Phillip Santos also noted that the length of public comment should generally be at least 30 minutes and that Council Rule 58 sets out time for public comment.

The Chair then noted that written public comments were accepted in advance of the meeting and that the Committee would follow the 30 minute rule laid out in the Rules of Order and Procedure.

The following members of the public spoke to the ordinance: Corliss King, Bob Reiter, Isabel Santos, Wendy Pollack, Sarah Labadie, Sam Toia, Scott Baskin, Chinh Pham, Michael Jacobson, Jennifer Aguilar, Sam Sanchez, Yadira Enriquez.

Following public comment the Chairmen moved on to the first item on the agenda, approval of the September 20th Rule 45 Report. Co-Chair Gutierrez moved to accept the report and it was approved by a voice vote of the members present.

Chairperson Rodriguez then moved to the second item of the agenda, O2023-0002980, an ordinance amending the City of Chicago municipal code concerning the mandatory sick time and paid leave for employees within the City of Chicago

The Chair noted that as a result of ongoing negotiations there was a substitute ordinance, SO2023-0002980. The substitute was moved by Alderman Carlos Ramirez-Rosa and concurred by a voice vote of the full committee.

The Chairman then noted we had several people on hand to discuss the proposed ordinance. Up first was Militza Pagan from the Committee on Workforce Development who went through an overview of the original and substitute ordinances. The substitute ordinance includes both Sick and Safe Time that can be used by employees for illness or to care for an ill family member. The use of the Sick and Safe Time remains consistent with the current City of Chicago standard for employees within Chicago. The new substitute ordinance adds paid leave that can be used for any reason.

Deputy Mayor for Labor Bridget Early then provided an overview of the benefits of the ordinance for workers within Chicago and the support of the Mayor's Office for the substitute ordinance.

After the Deputy Mayor the Committee heard from Chauncy Rice from the Illinois Retail Merchants Association. Mr. Rice suggested that adopting the ordinance would be damaging to the City's goal of bringing new retailers and grocery stores to the south and west sides.

After Mr. Rice the Committee heard testimony from Sharmili Majmudar, the Executive Vice President of Policy, Program and Research at Women Employed

who noted that women are more likely to work in positions where paid time off is not provided, particularly women without a college degree.

Up next Brad Tietz, the Vice President of Government Relations and Strategy for the Chicagoland Chamber of Commerce provided testimony that the Chamber of Commerce was opposed to the ordinance.

After Mr. Tietz, Dr. Steve Ashby, professor of labor relations from the University of Illinois provided testimony noting that in most countries three to four weeks of mandatory paid vacation was required to be provided to employees.

Following Dr. Steve Ashby's testimony, Pedro Guerra, Executive Director of the Pilsen Chamber of Commerce provided testimony against the ordinance. Mr. Guerra stated that many members of the Chamber would have a great difficulty in providing additional paid leave.

Finally, Ugo Okere, Policy Director for the Raise the Floor Alliance spoke out in favor of the ordinance and noted that the substitute ordinance was the result of substantial compromise.

Following the testimony of Mr. Okere, the Chair recessed the Committee for 25 minutes. Upon returning from the recess the Chair gaveled in and recessed the meeting until Thursday November 1st at 9:30am.

RECONVENED MEETING NOVEMBER 1st

Date, Time & Location of Meeting: On November 1st, 2023 at 9:30am the Committee met in the City Council Chambers.

Attendance: The following members were present: Chairperson Rodriguez (22), Vice Chairperson Gutierrez (14), Alderman Yancy (5), Alderman Hall (6), Alderman Beale (9), Alderman Chico (10), Alderwoman Ramirez (12), Alderman Quinn (13), Alderman Coleman (16), Alderman Curtis (18), Alderman Taliaferro (29), Alderman Ramirez-Rosa (35), Alderman Sposato (38), Alderperson Vasquez (40), Alderwoman Clay (46)

Non-Members: Alderman Lopez (15), Alderman Moore (17), Alderman O'Shea (19), Alderman Sigcho-Lopez (25), Alderman Cardona (31), Alderwoman Rodriguez-Sanchez (33), Alderman Conway (34), Alderman Villegas (36), Alderman Sposato (38), Alderman Napolitano (41), Alderman Reilly (42), Alderman Lawson (44), Alderman Gardiner (45), Alderwoman Manaa-Hoppenworth (48)

On November 1st the meeting was reconvened in City Council Chambers at 9:42am. The Chair started by conducting a roll call for quorum. After determining a quorum existed of present members, the Chair moved for Rule 59 to allow Alderwoman Ramirez (12), Alderperson Vasquez (40), and Alderwoman Clay (46) to attend virtually. Co-Chair Gutierrez so moved and there were no objections.

The Chair then noted that there was an amended substitute that was emailed to Committee members and provided in paper format for those present. The Chair asked for a motion to accept the amended substitute ordinance. Alderman Hall moved to accept the amended substitute and it was approved by a voice vote of those present with no nay votes.

The Chairman then acknowledge that Militza Pagan, Policy Director for the Committee, would provide a brief overview of the amendment to the substitute ordinance. Following a brief summary of the amendment the Chair then moved to questions from those present for the reconvened panel of experts.

Alderman Taliaferro was the first to ask a question about how front-loaded vacation time would work vs accrual for employees.

Alderman Sposato also asked about front-loaded time and whether employees who left before the year end but used all their days would be required to pay back for vacation. Militza Pagan noted that front-loading time is not "earned" for employers who use the front-loading of paid time off and sick time. Alderman Sposato then asked if there were any attorney's on the panel. There being none Mr. Sposato ceded his time.

Alderman Reilly asked several questions related to front-loading of time vs. accrual of paid time off and whether there was any chance to have a cure opportunity to before employees would be able to file a private right of action or

be fined by the City of Chicago for violating the proposed ordinance. Rey Phillip Santos responded by saying that the Office of Labor Standards would be making rules for the administration of the ordinance and that public comment for proposed rules generally allow for affected businesses and individuals thirty days to weigh in on new rules.

Alderman Reilly also asked whether records on paid leave accrued could be provided on paper rather than the requirement that paid leave be reflected on each employees paycheck. Militza Pagan responded by noting that providing an update on earned leave on each paycheck allows the employees to regularly keep track of time earned and also ensures that employers are regularly tabulating earned leave, however, employers do not need to put earned leave on each paycheck under the ordinance as long as there is a regular system that allows employees at any time to see what leave they have earned.

Alderman Reilly then asked to Militza Pagan about why there wasn't a time for employers to cure any errors. In response it was noted that employers can always fix errors that an employee brings without any legal representation or filing any complaint being necessary.

Alderman Reilly then asked whether the ordinance would apply to employees in town to attend a conference or working here for one week are subject to the ordinance. Rey Phillip Santos responded that under the City's current ordinance for paid sick time, employees here are subject to the ordinance and that the new ordinance would also cover employees working in Chicago for a short duration.

Alderman Reilly then asked whether anyone on the Committee had done an economic impact statement on the effect of the ordinance. Militza Pagan noted that the ordinance calls for a study to be done in the first year of the ordinance. The Chair also noted that there were several studies looking at the effect of paid time off on businesses and he stated that we would get information to the Alderman through the Chair.

Up next with a question was Alderman Ramirez-Rosa who asked who would actually benefit from the ordinance? Sharmili Majmudar answered by noting that the most likely employees to have no sick time or vacation time are women and low-income workers. In addition, workers making minimum wage were the most

likely to need to take unpaid time off of work during the height of the COVID-19 pandemic. Alderman Ramirez-Rosa followed up by asking what would happen if the ordinance is not passed. Militza Pagan responded that if no ordinance is passed, Chicago workers would only have 5 sick days after January 1st, which would be a lower standard than workers in the rest of Illinois.

Alderman Ramirez-Rosa then asked Ugo Ukere when negotiations first started with the business community. Mr. Ukere said that businesses were first approached March 14th of this year after the first paid time off ordinance was introduced. The Alderman then noted that the original version of the ordinance called for fifteen days of paid leave that could be taken for any reason, and the final proposal has five paid days off and five sick days.

Alderman Ramirez-Rosa then asked Militza Pagan about the “right to cure” being proposed by some in the business community, asking if anything prevented employers from fixing problems with paid leave or sick time accrual. Militza Pagan stated that nothing prevents employees and employers from resolving discrepancies in earned leave or pay without having to involve the City of Chicago’s Office of Labor Standards or attorneys.

Co-Chair Gutierrez asked Commissioner Myer about what the plan was to engage businesses and educate them about the upcoming changes in City law. He stated that there would be several online trainings as well as educational materials made available to chambers of commerce and other business interests.

Alderman Conway posed a question about the cost to the City as a result of the ordinance. Managing Budget Director Kevin Murphy stated there would be little impact to the City as the City already provides benefits that exceed the requirements of the ordinance.

Alderman Conway then asked if there had been any studies of job losses that may result as the result of the paid leave ordinance. The Chair asked for one proponent and one opponent to answer the question. Chauncy Rice answered for the opponents saying that estimates are that an additional nine billion dollars would be the cost to businesses that does nothing to stimulate the economy as the result of paid leave. Sharmili Majmudar spoke for the proponents by disputed that paid leave does not stimulate the economy. She noted that when people have paid

leave they have time to take trips to shop, and that having paid time off is an economic benefit to employees and cited some studies. The Chair noted that these would be provided through the Chair to Council Members.

Alderman Conway then asked whether the City might be taking on some legal risk when applying these ordinances to the railroads and airlines which might have federal preemption to any local or state ordinances. Rey Phillip Santos responded by saying that airlines are not covered by the same exemptions as railroads, and that railroads are exempt from the ordinance. Alderman Conway then stated he would be happy to have a conversation separately about this issue with Rey Phillip Santos.

Alderman David Moore asked about how long employers would have to begin complying with the ordinance. Militza Pagan stated that employers would need to start tracking hours earned on January 1st. Alderman David Moore then stated that he would like to vote for the ordinance but he wants to see a delay in implementation for six months and an elimination of the private right of action.

Alderman Vasquez asked about how benefits are tracked for part-time employees of the City who do not get the full City benefits package and how Aldermanic offices handle tracking benefits. Ken Myers responded that Aldermanic offices are responsible for tracking employee time.

Alderman Beale asked to hear from the City of Chicago's Ken Myers on the effect to the City of Chicago because of the ordinance. Ken Myers noted that complaints about the current sick time ordinance was one of the top three complaints to the Office of Labor Standards, and that he was happy that the Office of Labor Standards would have additional staff in the next budget to respond to complaints. Alderman Beale followed up by asking if Business Affairs and Consumer Protection had done an economic impact statement for the greater City of Chicago. Ken Myers responded that the City of Chicago did not do a full analysis of what the cost would be to businesses, but that the ordinance does have a study built into the ordinance to determine the effects of the ordinance.

Alderman Villegas asked if the Office of Labor Standards would commit to come back to the Committee on Workforce Development with the draft rules before they went into effect. Commissioner Myers stated that rules would be posted for

thirty days before going into effect and that Business Affairs and Consumer Protection would come back to the Committee on Workforce Development to explain the rules once they are promulgated.

Alderman Sposato asked for a list of business interests that signed onto the compromise ordinance. The Chair said that the list would be provided of businesses signed on to the compromise. Alderman Sposato followed up by asking if there was progressive discipline when having fines for businesses who make mistakes. Commissioner Ken Myers said that the first goal of the Office of Labor Standards is always to make sure that employees are made whole, and that fines are used for businesses who are not cooperative with the investigation and who have a history of violations or many violations found during the investigation.

Alderman Quinn asked about how scheduling would work with airlines because of the ordinance. Rey Phillip Santos responded that airlines are currently subject to the City's paid sick leave law but that the collective bargaining agreement language preempts airlines from generally needing to comply with the current ordinance and would likely prevent airlines from needing to specifically accommodate the proposed ordinance. Bridget Early stated that as a result of the collective bargaining agreements, airlines are not expected to be affected directly by the ordinance.

Alderman Sigcho-Lopez asked why the private right of action was important to this ordinance. Ugo Okere responded that in many cases, workers who have one labor violation from an employer often have several different violations and being able to access an attorney allows them to bundle their cases and get remedy in one venue. Mr. Okere also stated that many of the workers most likely to suffer a violation are uncomfortable seeking remedy from the government.

Alderman Lawson asked how the ordinance compares with other cities? Ken Myers noted that a few other cities have ten days of sick leave but the current ordinance we have provides for both sick leave and paid time off. Alderman Lawson followed up by asking if Chicago was exempt from the state law. Militza Pagan noted that we would not be subject to the state law since the City already has a paid sick leave law in place. Alderman Lawson then asked for an opponent of the private right of action to speak. Brad Tietz stated that every employment law with private right of action is abused by lawyers.

Alderman Coleman asked Commissioner Myer what counts as a small business in the City of Chicago. Commissioner Myer stated he believed 50 employees or less was the definition used by the federal government. Alderman Coleman stated that the City of Chicago should develop its own definition of small business.

Alderman Curtis asked about the effect of the ordinance on airlines. Commissioner Ken Myers stated that employees covered by collective bargaining agreements are not subject to the ordinance.

Alderman Cardona asked about training for small business owners. Commissioner Ken Myer stated that he was committed to working with all the local Chambers of Commerce to ensure that information on the ordinance would be disseminated as soon as possible.

Alderman Beale asked if we knew how restaurants would be able to handle the burden of the paid leave ordinance when combined with the elimination of the tipped wage credit. Commissioner Myer stated that Business Affairs and Consumer Protection does not currently have data to project how small businesses would be effected and that this is part of why a study is called for in the ordinance.

Alderwoman Manaa-Hoppenworth asked how the ordinance would affect restaurant and tipped workers. Brad Tietz noted that small businesses are exempt from the payout requirement for paid leave, but not exempted from paid leave. Ugo Okere stated that tips are not included in the payment requirement and that currently low income restaurant workers will get paid time off based on the base hourly wage.

At this point the Chairperson noted that there were no more questions and asked for a motion to approve item 2 on the agenda, the Chicago Paid Leave and Paid Sick and Safe Time Ordinance. Co-Chairperson Gutierrez so moved and the Chairperson conducted a roll call vote.

Voting in favor were: Alderman Yancy (5), Alderman Hall (6), Alderman Chico (10), Alderwoman Ramirez (12), Alderman Quinn (13), Alderperson Gutierrez (14), Alderman Coleman (16), Alderman Curtis (18), Chairperson Rodriguez (22),

Alderman Taliaferro (29), Alderman Ramirez-Rosa (35), Alderperson Vasquez (40), and Alderwoman Clay (46)

Voting against the ordinance were: Alderman Beale (9) and Alderman Sposato (38)

Following the roll call vote the Chairperson noted that the Chicago Paid Leave and Paid Sick and Safe Time Ordinance would be reported out at the next City Council meeting.

Chairperson Rodriguez then asked for a motion to end the meeting as there was no further business, which was moved by Alderman Quinn. The meeting was adjourned at noon.