



Racial Equity Analysis for Significant Board Items

Board Item Date	10/15/2024
Board Item Name	Labor Peace Implementation Options
Department/Agency (Lead)	County Administrator's Office <i>If this is an inter-departmental initiative, please identify a lead above.</i>
Person(s) Completing Analysis	Jennifer Larocque

1. Overview: Describe your program or policy and the desired results and outcomes?

- a. What is the program or policy decision under consideration?
- b. What are the desired results (in the **community**) and outcomes (within your own organization)?
- c. What does this proposal have an ability to impact?

<input type="checkbox"/> Children and youth	<input type="checkbox"/> Health
<input type="checkbox"/> Community engagement	<input type="checkbox"/> Housing
<input type="checkbox"/> Contracting equity	<input type="checkbox"/> Human services
<input type="checkbox"/> Criminal justice	<input type="checkbox"/> Jobs
<input type="checkbox"/> Economic development	<input type="checkbox"/> Parks and recreation
<input type="checkbox"/> Education	<input type="checkbox"/> Planning / development
<input type="checkbox"/> Environment	<input type="checkbox"/> Transportation
<input type="checkbox"/> Food access and affordability	<input type="checkbox"/> Utilities
<input type="checkbox"/> Government practices	<input type="checkbox"/> Workforce equity

Other: The proposal recommends alternatives to Labor Peace to strengthen labor protections.

On September 12, 2023, the Sonoma County Board of Supervisors asked staff to explore implementing a Labor Peace policy. A Labor Peace policy or ordinance typically compels select employers (including county contractors, service providers, and lessees) to give unions special rights that make it easier for a union to organize employees. In exchange, unions agree not to disrupt an employer's operations with work stoppages. Labor Peace policies can be so robust as to require contractors to enter into an agreement with any employee organization or require contractors to re-open bargaining agreements and negotiate a clause to prevent work stoppages.

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County staff do not recommend a Labor Peace policy, and instead recommend alternatives to strengthen the County's commitment to fair labor practice among contractors and lessees using the standard County procurement process.

The County may implement a Labor Peace policy to prevent work stoppages that would impact the County's ability to deliver critical services or receive revenue. A Labor Peace policy is one way to ensure that services to vulnerable residents are not disrupted by a contractor's work stoppage.

2. Data: What's the data? What does the data tell us?

- a. Will the proposal have impacts in specific geographic areas (neighborhoods, areas, or regions)? What are the racial demographics of those living in the area?
- b. What does population level data, including quantitative and qualitative data, tell you about existing racial inequities? What does it tell you about root causes or factors influencing racial inequities?
- c. What performance level data do you have available for your proposal? This should include data associated with existing programs or policies.
- d. Are there data gaps? What additional data would be helpful in analyzing the proposal? If so, how can you obtain better data?

Racial equity data could be considered in two ways for this topic:

- a. **Residents receiving services:** The County's primary consideration when implementing a Labor Peace policy is ensuring continuity of critical contractor services or undisrupted revenue. An analysis of who receives County services, and therefor who would benefit from undisrupted services, would be applicable. Data on the racial demographics of residents who receive County services is not collected in a holistic manner that could be applied to this analysis.
- b. **Contractor and lessee's employees:** Data does not exist regarding the impact of Labor Peace policies on racial demographics and inequities. Data also does not exist to show how many Labor Peace agreements lead to employee unionization. However, it can be assumed that a Labor Peace policy and subsequent agreements increase the chances of unionization. There are documented benefits to racial equity in unions:

Black and Hispanic workers get a larger boost from unionization than their white counterparts. Black workers—both men and women—are more likely than white workers to be union members, and the wage boost they get from being covered by collective bargaining is 14.6%, above the 13.5% average wage boost for unionized workers overall.

The result of this union wage premium (how much more union workers earn than comparable nonunion workers), combined with the higher probability of unionization for Black workers and spillover effects of unions that compress overall wages, all means that collective bargaining lifts wages of Black workers

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closer to those of their white counterparts. Hispanic workers have slightly lower union coverage than white workers but have a much higher union wage advantage (a 17.6% boost in pay). Thus, wage gaps between Hispanic workers and their white counterparts are also smaller because of collective bargaining.¹

3. Community Engagement: How have communities been engaged? Are there opportunities to expand engagement?

- a. Who are the most affected community members who are concerned with or have experience related to this proposal? How have you involved these community members in the development of this proposal?
- b. What has your engagement process told you about the burdens or benefits for different groups?
- c. What has your engagement process told you about the factors that produce or perpetuate racial inequity related to this proposal?

North Bay Labor Council (NBLC) met with staff early in the development of the staff recommendation, and provided two draft Labor Peace ordinances to the County. One ordinance addressed airline service providers (companies providing services including aircraft-cleaning, baggage handling, and wheelchair support) and concessionaires at the Sonoma County Charles M. Schulz Airport. The second ordinance included any lease or other contract for mental health and addiction rehabilitation services, janitorial services, building security services, or garbage refuse landfill services in which the County has a proprietary interest. In general, NBLC's proposal is attempting to cover as many workers as possible for large county contractors, lessees, concessionaires, and franchisees with labor peace ordinances.

Staff did not directly engage residents, contractors or lessees in the development of the proposal.

4. Analysis and Strategies: What are your strategies for advancing racial equity?

- a. Given what you have learned from research and stakeholder involvement, how will the proposal increase or decrease racial equity? Who would benefit from or be burdened by your proposal?
- b. What are potential unintended consequences? What are the ways in which your proposal could be modified to enhance positive impacts or reduce negative impacts?
- c. Are there complementary strategies that you can implement? What are ways in which existing partnerships could be strengthened to maximize impact in the community? How will you partner with stakeholders for long-term positive change?
- d. Are the impacts aligned with your community outcomes defined in Step #1?

The staff recommendation will result in no material change to racial equity outcomes. Staff recommends evaluating options to enhance fair labor practices through the standard procurement process and contract language instead of pursuing a Labor Peace policy.

¹ Josh Bivens, Celine McNicholas, Kyle K. Moore, Margaret Poydock. "Unions promote racial equity." Economic Policy Institute, July 31, 2023

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5. Implementation: What is your plan for implementation?

Describe your plan for implementation:			
<p>Staff do not recommend implementing a Labor Peace policy, and instead recommend an evaluation of opportunities to strengthen the County's commitment to fair labor practice through the County's standard procurement process and contract language.</p> <p>If the Board directs staff to pursue a Labor Peace policy staff will seek legal council from a specialist in the field due to the risk of litigation. Staff will perform an analysis of contracts that could be included in the policy, and, depending on the scope of the program, return to the Board for direction as needed and with a request for staffing to support the program.</p>			
Is this implementation plan:	Yes	No	I'm Not Sure
Realistic?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequately funded?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequately resourced with personnel?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequately resources with mechanisms to ensure successful implementation and enforcement?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Adequately resourced to ensure on-going data collection, public reporting, and community engagement?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>The staff recommendation is adequately resourced. If the Board pursues a Labor Peace policy staff may need additional resources depending on the scope of the policy. Additional data collection on County contracts and procurement would benefit changes to the procurement.</p>			

6. Accountability and Communication: How will you ensure accountability, communicate, and evaluate results?

- a. How will impacts be documented and evaluated? Are you achieving the anticipated outcomes? Are you having impact in the community?
- b. What are your messages and communication strategies that will help advance racial equity?
- c. How will you continue to partner and deepen relationships with communities to make sure your work to advance racial equity is working and sustainable for the long-haul?

<p>The County does not utilize centralized procurement databases, which would be a useful tool to track procurement timelines and data on contracts. Data on the outcomes of any policy modification will be tracked and analyzed on an ad hoc basis.</p>
