

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, AUGUST 27, 2024**

MINUTE ORDER NO. 19

SUBJECT: AN ORDINANCE TO ADD CHAPTER 27 TO DIVISION 1 BUSINESS REGULATIONS, OF TITLE 2 LICENSES, BUSINESS REGULATIONS, AND BUSINESS TAXES OF THE COUNTY CODE OF REGULATORY ORDINANCES RELATING TO PRIVATE EMPLOYERS' USE OF CRIMINAL HISTORY IN EMPLOYMENT DECISIONS (8/27/24 - FIRST READING; 9/10/24- SECOND READING UNLESS ORDINANCE IS MODIFIED ON SECOND READING) (DISTRICTS: ALL)

OVERVIEW

On March 12, 2024 (20), the County of San Diego (County) Board of Supervisors (Board) directed the Chief Administrative Officer (CAO) to explore the feasibility of establishing a local enforcement mechanism for the California Fair Chance Act through the Office of Labor Standards and Enforcement (OLSE) and return to the Board in 120 days with a draft ordinance. The action was included as part of the workplan of an agenda item on the Alternatives to Incarceration (ATI) program, the County's collaborative focus on actions to increase positive outcomes and reduce incarceration for at-risk and justice-involved individuals who do not pose a public safety threat.

The ATI work plan put into action a previous Board action on October 19, 2021 (3), which directed staff to develop data-driven alternatives to incarceration for people who do not pose a public safety threat. In light of data and community input reflecting high needs and barriers among local justice-involved populations in accessing employment, the work plan included an action item enabling the OLSE to launch employer and job-seeker outreach to increase awareness of the Fair Chance Act (FCA).

In collaboration with community groups and organizations representing business groups who support formerly incarcerated people, OLSE identified efforts the County could take to expand support and reduce the barriers to employment obstacles for people in our region.

Today's request is for the Board to approve the introduction of an ordinance adding Chapter 27 to Title 2 of the County Code of Regulatory Ordinances. If approved, the ordinance will be scheduled for adoption on September 10, 2024. If the proposed ordinance is altered on August 27, 2024, then on that date a subsequent meeting date will be selected for the ordinance's adoption.

Additionally, the ordinance would authorize OLSE to reduce barriers to employment by conducting investigations regarding allegations of violations of the San Diego County Fair Chance Ordinance and providing educational outreach services to businesses in the unincorporated area.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

On August 27, 2024:

1. Approve the introduction of the Ordinance (first reading):

AN ORDINANCE TO ADD CHAPTER 27 TO DIVISION 1 BUSINESS REGULATIONS, OF
TITLE 2 LICENSES, BUSINESS REGULATIONS, AND BUSINESS TAXES OF THE
COUNTY CODE OF REGULATORY ORDINANCES RELATING TO PRIVATE
EMPLOYERS' USE OF CRIMINAL HISTORY IN EMPLOYMENT DECISIONS

**If, on August 27, 2024, the Board takes action as recommended on item 1 above, then on
September 10, 2024:**

2. Consider and adopt the Ordinance (second reading):

AN ORDINANCE TO ADD CHAPTER 27 TO DIVISION 1 BUSINESS REGULATIONS, OF
TITLE 2 LICENSES, BUSINESS REGULATIONS, AND BUSINESS TAXES OF THE
COUNTY CODE OF REGULATORY ORDINANCES RELATING TO PRIVATE
EMPLOYERS' USE OF CRIMINAL HISTORY IN EMPLOYMENT DECISIONS

EQUITY IMPACT STATEMENT

Establishing a local Fair Chance Ordinance (Ordinance) is a crucial step toward providing justice-involved individuals with fair employment opportunities. By creating a streamlined process for lodging complaints about discriminatory hiring practices, the County demonstrates its commitment to supporting those seeking to reintegrate into the workforce. Nationally and in San Diego County, arrest and incarceration disproportionately impact people of color and those who are low-income, disabled, experiencing homelessness, or have behavioral health needs. For example, San Diego County jail data indicate that Black individuals composed more than 21% of the average daily jail population in 2023, while only 5.6% of San Diego County's overall population are Black, according to 2020 Census data.

SUSTAINABILITY IMPACT STATEMENT

The proposed action to add Chapter 27 to Title 2 of the County Code of Regulatory Ordinances contributes to many of the County of San Diego's Sustainability Goals: engage the community, provide just and equitable access, and protect health and well-being. In terms of sustainability in equity, economy, and health/well-being, it will impact the communities and socio-economic groups historically burdened by wage theft by providing thousands of dollars to make ends meet and possible job transition or period of unemployment and help keep the local economy strong.

FISCAL IMPACT

Funds for this request are not included in the Fiscal Year (FY) 2024-25 CAO Operational Plan. If approved, this request will result in additional costs and revenue for the implementation of a local Fair Chance Ordinance program. Some funding will include revenue generated from penalties associated with the ordinance. As this program is established, the Office of Labor Standards and Enforcement will use existing resources and staff for the outlay of outreach and education related to the Fair Chance Act and the County's ordinance. As the program develops there may be future fiscal impacts to ensure timely response maintains pace with caseload, which staff would bring back to the Board for consideration and approval.

BUSINESS IMPACT STATEMENT

This Ordinance includes an educational program to provide businesses with the tools needed to adopt fair hiring practices. By participating and engaging with OLSE, businesses will gain valuable insights into the benefits of inclusive hiring practices. Not only does this Ordinance help in reducing recidivism rates by providing opportunities for individuals with criminal records, but it also contributes to fostering workplace diversity, which has been proven to enhance creativity and productivity within companies. By focusing on qualifications and skills rather than past histories, employers can create a more inclusive and equitable work environment that is beneficial to both the employees and the business as a whole.

ACTION:

ON MOTION of Supervisor Anderson, seconded by Supervisor Vargas, the Board of Supervisors took action as recommended, amending the Ordinance as follows: Two revisions to the ordinance were necessary to correct a typographical error. Section 21.2707 subsection c on page 5, line two contains a reference to "section 21.2705" and that should read "section 21.2703." The same revision must be made to the last line of Section 21.2707 subsection c on page 6, the reference to "section 21.2705" should read "section 21.2703." The Board took action to further consider and adopt the amended Ordinance on September 10, 2024.

AYES: Vargas, Anderson, Lawson-Remer, Montgomery Steppe

NOES: Desmond

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed

by Andrew Potter