

May 23, 2025

The Honorable Karen Bass
City of Los Angeles
Mayor
200 North Spring Street
Los Angeles, California 90012

RE: Living Wage Ordinance (CF: 14-1371-S13) – VETO REQUEST

Dear Mayor Bass,

On behalf of the Los Angeles Area Chamber of Commerce, which represents more than 1,400 organizations and 650,000 employees in the region, we respectfully request you to veto the proposed Tourism Wage Ordinance, Council File 14-1371-S13.

We are at a pivotal moment that calls for responsible financial stewardship to guide Los Angeles through economic uncertainty. While we support the principle of raising wages for Angelenos, this ordinance is not the appropriate mechanism to achieve that goal. This ordinance has been falsely billed as a living wage ordinance that will bring economic benefits to our region; it is in fact an unprincipled wage hike for certain workers over other Angelenos, and it would harm the regional economy by placing the tourism sector at risk at a time when it still has not recovered from the pandemic and this year's fires.

As the City Administrative Officer and CEO of the Los Angeles World Airports (LAWA) have warned, the tourism industry in our region is unstable and will not be able to absorb this new pressure without layoffs and damage to our region's competitiveness. If the ordinance becomes law, occupancy rates would drop below 10-year lows, causing the City to lose more than \$169 million in revenue. We also anticipate as many as 15,000 tourism industry staff layoffs due to increased costs associated with the ordinance. LAWA CEO John Ackerman stated during his April quarterly update that "this is the time to reduce the burdens for the people who can create jobs—not the time to increase burdens... some of the things being considered will actually make it more difficult for workers."

Particularly as the City wrestles with its own budget woes, we must encourage stability and growth rather than introduce new risks. Our City is at a critical moment given the devastation wrought by January's fires, an ongoing housing crisis, unabated homelessness, and a deeply unnerving fiscal crisis. We need leadership to show that we can manage our fiscal and economic affairs, that we understand the real-world impacts of short-sighted policies, and that we will be able to welcome the world to Los Angeles for next year's FIFA World Cup, the 2027 Superbowl, and the 2028 Olympic and Paralympic Games.

The proponents of this ordinance have been very loud, but the policy they advance is not thoughtful. We respectfully ask that you take the opportunity to show what responsible governance looks like by vetoing this unprincipled ordinance. Thank you for your time and consideration.

Sincerely,



Maria S. Salinas
President and CEO

Cc: Carolyn Webb de Macias, Chief of Staff, Office of Mayor Karen Bass
Deputy Mayor Rachel Freeman
Los Angeles City Clerk