



# Premium Pay for Grocery and Retail Pharmacy Workers



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Slide 1

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Premium Pay for Grocery and Retail Pharmacy  
Workers

City Manager's Office  
March 2, 2021

# Background



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Slide 2

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# Premium Pay

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- Premium pay, such as a “hazard pay” or “hero pay” is wages paid to an employee in addition to regular wages.
- Premium pay is an established type of compensation for employees performing hazardous duty or work involving physical hardship that can cause extreme physical discomfort and distress.



# Other Jurisdictions with Premium Pay Ordinances

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- County of Los Angeles
- City and County of San Francisco
- Buena Park
- Irvine
- Long Beach
- Los Angeles
- Montebello
- Oakland
- Santa Monica



# Proposed Ordinance



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# Grocery Store and Retail Pharmacy Applicability

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- Applies to certain grocery stores and retail pharmacies which employ over 300 workers nationally and more than 15 employees per grocery store location or retail pharmacy location in Santa Ana



# Premium Pay Wages for Designated Workers

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- The ordinance requires hiring entities to provide each designated worker with premium pay consisting of an additional \$4 cash per hour for each hour worked.
- For the purposes of the ordinance, “designated worker” means a grocery worker or retail pharmacy worker employed by a hiring entity who is entitled to premium pay pursuant to the ordinance.



# Recognition of Premium Pay Already Being Provided

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- If a grocery store or retail pharmacy already provides hourly premium pay, such compensation may be credited toward the additional \$4 per hour of premium pay (and achieving compliance if such pay is in the full amount of \$4).





# Duration of Premium Pay

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- The ordinance requires premium pay for designated workers for 120 days, beginning on the effective date of the ordinance.



# Notice of Rights

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- Grocery stores and retail pharmacies must advise their employees of their rights under the ordinance, including their right to premium pay guaranteed by the ordinance.



# Private Right of Action

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- A designated worker that suffers financial injury as a result of a violation of the ordinance or is the subject of retaliation may bring a civil action in a court of competent jurisdiction against the hiring entity or other person violating the ordinance.



# Options



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1. Adopt an urgency ordinance establishing premium pay for grocery workers and retail pharmacy workers.
  2. Approve first reading of an ordinance establishing premium pay for grocery workers and retail pharmacy workers.





Questions?



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