

# Allegheny County Council

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## Meeting Minutes

Thursday, June 18, 2020

4:00 PM

Conference Room I

## Committee on Health & Human Services

*Cindy Kirk, Chair; Tom Baker, Liv Bennett, Tom Duerr, Bob Macey, Anita Prizio and Paul Zavarella, Members*

## I. Call to Order

*The meeting was called to order at 4:05.*

### Invited Guests:

#### **Pennsylvania Restaurant and Lodging Association (PRLA), Representative TBD Service Employees International Union (SEIU), Representative TBD**

*Mr. Diethorn was present via telephone as a small business owner.*

*Mr. Williamson was present via telephone from SEIU.*

*Ms. Bova was present via telephone from PRLA.*

*Ms. Block was present via telephone from the Women's Law Project.*

*Ms. Stessney was present via telephone from the Restaurant Opportunity Center.*

*Mr. Barker and Mr. Varhola were present from the Office of County Council.*

## II. Roll Call

**Members Present:** 1 - Cindy Kirk

**Members Absent:** 0

**Members Phone:** 7 - Tom Baker, Olivia Bennett, Tom Duerr, Bob Macey, Anita Prizio, Paul Zavarella and Patrick Catena

**Members Non-Members:** 5 - Robert Palmosina, Paul Klein, Nick Futules, Bethany Hallam and Sam DeMarco

## III. Approval of Minutes

[11522-20](#)

Motion to approve the minutes of the May 26, 2020 meeting of the Committee on Health & Human Services.

**A motion was made by Baker, seconded by Bennett, that this matter be Passed.  
The motion carried by a unanimous vote.**

## IV. Agenda Items

### Ordinances

[11481-20](#)

An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, amending and supplementing the Allegheny County Code of Ordinances, Division 5: Health and Sanitation, through the creation of a new Chapter 575, entitled "Paid Sick Days Act," in order to improve the public health by granting paid sick time to employees in the County.

**Sponsors:** Council Member Catena, Council Member Prizio, Council Member Hallam and Council Member Bennett

*At the request of the Chair, the clerk read the title of the bill.*

*The Chair described the procedural rules that she would apply for the session, discussing the duration of the meeting, a time limit of 10 minutes for the speakers prepared remarks, to be followed by question and answer, the need to allow for input from all speakers and Council members, and the overall process that the Committee would pursue, as described at the previous meeting.*

*The Chair and Ms. Hallam discussed the permissibility of moving to amend the bill during the course of the meeting.*

*With the Chair's permission, Mr. Williamson presented his prepared remarks, describing the SEIU's membership and representation priorities. Mr. Williamson recapped the history of the City of Pittsburgh's paid sick leave ordinance, noting that SEIU intervened and became a co-defendant in the litigation that challenged the City's ordinance, and that before the ordinance was passed, there were approximately 50,000 employees in the City that lacked access to paid sick leave. Mr. Williamson noted that the lack of sick leave access had a disproportionate impact upon certain racial and socio-economic groups, and highlighted studies that highlighted positive impacts of providing access. Mr. Williamson noted that the H1N1 pandemic had been found to have involved 5 million additional infections due to a lack of access to paid sick leave, and also highlighted that about 90% of food service employees and 3 in 10 workers nationwide do not have access to paid sick leave. Mr. Williamson suggested that the legislation is particularly timely given the COVID-19 pandemic, and indicated that SEIU strongly supports the amendment to which Ms. Hallam had alluded, particularly provisions that would be added to provide protections for workers who may need to be quarantined for lengthy periods of time in emergency conditions, consistent with what the Congress had done through the CARES Act.*

*In response to a question from Mr. Duerr, Ms. Block indicated that her opinion is that the County, as a home rule municipality, has the same panoply of powers that the City of Pittsburgh had, and that the Pennsylvania Supreme Court has expressly held that Commonwealth law does provide authority for home rule municipalities to enact ordinance in order to further public health.*

*In response to a question from Mr. Catena, Mr. Williamson indicated that he believes that it is important to note that multiple jurisdictions have enacted similar legislation, and there is no evidence from any of those jurisdictions that they have adversely impacted small businesses, just as there is no such evidence for increasing minimum wages. Mr. Williamson noted that the ordinance as drafted does not involve granting large amounts of paid sick leave, while there is evidence to support the proposition that employee productivity actually increases when paid sick leave is available. Ms. Block indicated that the ordinance includes a one year grace period in order to allow the affected businesses to adjust to the new structure. Mr. Williamson and Ms. Block also noted that there is evidence that turnover decreases when access to paid sick time is provided, and the cost of replacing an employee is roughly 200% higher than providing sick leave in the fashion envisioned by the ordinance.*

*The Chair requested copies of the studies referenced by Mr. Williamson and Ms. Block.*

*At the request of the Chair, Mr. Diethorn presented his prepared remarks, noting that he has owned a restaurant with 21 employees, 6 of whom are full time, for approximately two and a half years. Mr. Diethorn indicated that his restaurant lost approximately \$5,000 per month during the beginning of the COVID-19 restrictions when he was completely shut*

down, and that operating at 50% occupancy does not allow for significant revenue generation, particularly in the face of increased costs for scarce ingredients. Mr. Diethorn also noted that his business does catering across county lines, which would present recordkeeping complications for a county-specific requirement. Mr. Diethorn noted that he does have a program that allows full time employees to earn a week of paid time off after one year, but indicated that hiring counsel to walk him through the legal requirements imposed by the ordinance would be burdensome, particularly in light of relatively small profit margins in the restaurant industry generally.

In response to a question from Mr. Macey, Mr. Diethorn indicated that he is personally aware of at least six smaller restaurants that have closed in the last two months.

In response to a question from Ms. Prizio, Mr. Diethorn noted that he encourages employees to stay home when they are sick, and often pays them from his own pocket in order to allow them to do so.

Mr. Futules noted that he believes that he may have a conflict of interest regarding the bill, and will be refraining from discussing the bill.

In response to questions from Ms. Hallam, Mr. Diethorn noted that he is in favor of the concept behind the legislation, but is unsure how his business and others similarly situated would be able to afford the provisions of the ordinance if they become mandatory.

At the Chair's invitation, Ms. Bova presented her prepared remarks, indicating that PRLA represents the entirety of the hospitality industry, which has experienced significant deleterious effects from the COVID-19 pandemic. Ms. Bova noted that 91% of the hospitality industry laid off employees since March, and only 42% of the employees who were laid off have been able to return to work, while the industry has experienced in a 71% decrease in sales, and estimates suggest that about 20% of the industry will not be able to re-open after the COVID-19 pandemic subsides. Ms. Bova suggested that the appropriate time to consider paid sick leave would be later in the year when the industry has a more complete picture of what its new normal will be, and that statistics from other jurisdictions regarding the impact of paid sick leave may not be applicable at the moment, because they would not have had the impact of a pandemic at the same time as their local paid sick leave laws came into effect.

In response to a question from Mr. Baker, Ms. Bova indicated that the biggest burdens that the industry is currently bearing generally relate to cashflow, and suggested that grant programs under the CARES Act and drink tax grace periods may be helpful.

In response to a question from Mr. Catena, Ms. Bova indicated that granting all businesses the same grace period in order to come into compliance would be helpful, but that it would be nearly impossible for her to predict in the current environment.

In response to questions from Ms. Hallam, Ms. Bova discussed the industry's response to the federal sick leave reimbursement process under Families First, noting that the program was helpful for much of the industry, and that she expects that the industry would be better equipped to discuss other sick leave measures once the picture of the post-COVID landscape becomes a more clear.

The Chair thanked everyone for their input and time, asked that the Members contemplate any other individuals or entities from whom they would like to receive input.

*The Chair and Ms. Hallam discussed amendment procedures.*

**The Chair expressed her intention to hold the bill for continued discussion, and no Committee member objected.**

**Members Yes:** 1 - Kirk

**Members Absent:** 0

**Members Yes Phone:** 6 - Baker, Bennett, Duerr, Macey, Prizio and Zavarella

**Members** 6 - Palmosina, Catena, Klein, Futules, Hallam and DeMarco  
**Non-Member:**

#### **V. Adjournment**

*The meeting was adjourned at 5:14.*