

March 14, 2023

Written Testimony – Human Services Workforce Advancement Ordinance ([O2019-9497.pdf](#))

Forefront is Illinois' only statewide association for all nonprofit and philanthropic organizations, which collectively constitute 11% of the state's economy and one of the largest workforces in the state.

Forefront is deeply committed to advancing racial equity and justice through all of our work, including supporting the sector's workforce as a top [public policy priority](#).

All nonprofits are accountable to the federal government agencies, federal and state labor laws, the Illinois Attorney General, State agencies, boards of directors, grant makers, donors, and most importantly, to the people and communities they serve. Together, our sector builds community and individual well-being across all phases of life and in every Illinois community, including the City of Chicago, day and night, and year-round. **Our sector quite literally never stops working.** Forefront's valued and diverse members and stakeholders include union and trade organizations, as well as unionized and non-unionized health and human services employers.

In January, Forefront co-signed the Chicago Alliance for Collaborative Effort (CACE) letter dated 1/23/23 and submitted testimony at the 1/31/23 subject matter hearing related to the Human Services Workforce Advancement Ordinance (attached). Since then, **the vast majority of Forefront's health and human services members and stakeholders in Chicagoland continue to be strongly opposed to ordinance O2019-9497**, even while many of them (and Forefront) share many values with representatives from the labor sector and consider labor groups a valued partner on many other policy priorities.

In Forefront's recent polling of ~100 organizations, **79% opposed** this ordinance while only 3% supported it. The remainder (18%) reported being unsure or neutral.

Forefront strongly recommends that the Committee and full Council are mindful of this pervasive opposition to the ordinance before taking action. Additionally, alderpersons should examine the recommendations contained in the document entitled "Human Service Providers Term Sheet for What Must be Included in the Human Service Workforce Advancement Ordinance" delivered to Council members by CACE in recent days (attached).

In our view, the Human Services Workforce Advancement Ordinance will substantially (negatively) impact city procurement. **The City Council should either soundly reject this ordinance or wholly adopt the terms recommended by CACE.** Failing to do so will likely create liability for the City and cause the City to lose important service providers in short order.

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Human Service Providers Term Sheet for What Must be Included in the Human Service Workforce Advancement Ordinance

We have not been provided the LPA that is specific to the nonprofit, essential services sector, and the ordinance. Until we see what we are being asked to agree to, our comments are limited to the bare bones of the proposed ordinance. The real substance of what being required by this ordinance is the LPA or a CBA. The LPA and a CBA must be incorporated into the ordinance so city officials, human service providers and employees understand what the City is requiring human service providers to agree to as a requirement of a contract with DPH and DFSS and the City understands the associated costs.

The Ordinance must contain provisions addressing the following:

1. **No City Funds Spent Opposing Unionizations.** No City funds shall be used by the Contractor to oppose unionization or to their attorneys, consultants, or other third-party contractors or personnel for such purposes.
2. **Covering the Cost Impact of the Ordinance.** The ordinance shall be subject to appropriation to cover all human service provider (Contractor) costs of negotiating and implementing an LPA or CBA, and all costs associated with ensuring Contractor compliance with the federal National Labor Relations Act (NLRA) and the rules and regulations thereunder (staff training to ensure no violations of federal law, legal and staff expenses related to labor contract negotiations, etc.).
 - a. The City shall be required to increase grant dollars to a Contractor with no decrease in other line items within the contract when an LPA or CBA requires an investment in salaries and benefits that exceeds the amount of the Contractor's City funding.
3. **The Definition of "Labor Peace Agreement":** Strike Section 3(ii) and (iii) – the language is too ambiguous. The ordinance must include the definition of an LPA as an agreement between a Contractor and a Labor Organization representing or Seeking to Represent the Employees of a Contractor and must contain the following terms:
 - a. For an LPA entered into with Labor Organizations with a Contractor that does not have a CBA, the LPA shall be limited solely to preventing work stoppages and resolving such stoppages.
 - b. The LPA shall not include any items that would normally be included in a CBA (e.g., wages, work schedules and locations, etc.).
 - c. The Contractor and the Labor Organization agree not to interfere, coerce, restrain, retaliate or discriminate against any individual exercising rights under section 7 of the National Labor Relations Act which guarantees employees "the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection," as well as the right "to refrain from any or all such activities."
 - d. All Contractor and employee rights and responsibilities pursuant to the NLRA and the rules and regulations promulgated thereunder shall be preserved because it is critical that human service providers and employees be able to communicate openly, honestly, and fairly.
 - e. The Labor Organization agrees not to engage in work stoppages or otherwise interfere with the provision of services; and
 - f. If there is a dispute with respect to these terms will be subject arbitration before the Federal Mediation and Conciliation Service (FMCS).
4. **When there is No CBA and No Labor Organization is Seeking to Represent Contractor Employees.** If a Contractor does not have a CBA with a Labor Organization and no Labor Organization is seeking to represent Contractor employees during the calendar year, no action shall be required by the Contractor (No LPA will be required).

5. **“Seeking to Represent”** when referring to a Labor Organization’s efforts to organize the Employees of a Contractor shall mean a Labor Organization has obtained sufficient showing of interest from the Employees of a Contractor to be able to file a petition with the National Labor Relations Board (NLRB). Written notice in section 4 needs to include that notice will be required as soon as is reasonable possible. Notice should also be required when a Labor Organization is “Seeking to Represent Employees of a Contractor has filed a petition for an election with the NLRB.
6. **Contractor Subject to the Ordinance.** The provisions of this ordinance shall be applied contingent on the findings of an equity impact study.
7. **Study of Impact to Services, Clients and Service Delivery.** An independent task force shall be created that includes representation of human service providers to develop a study that examines the cost and equity impact of LPAs on service providers, frontline workers, scope of service delivery, and clients entered into pursuant to this Ordinance prior to implementation and rulemaking.
8. **Applicable Employees.** The term “employees” is defined as only those employees directly performing the Essential Service(s) under the Contract for the City on a full-time basis, including those made available to work for the Contractor through a temporary service, staffing agency, or similar agency. This excludes the following categories of employees: (a) employees who work for the Contractor, but do not provide Essential Services under the Contract, (b) employees who work for the Contractor and perform any services for the Contractor which are not pursuant to, governed by, or funded in whole or in part by a Contract, or (c) management or supervisory or other employees who do not enjoy a right to engage in strikes, work stoppages, or other concerted activities.
9. **A More Reasonable Timeline for Implementation.** An Effective Date of 12 months after becoming law. A process shall be established that allows for meaningful human service provider input in development of the rules and regulations implementing the ordinance. Rules and Regulations implementing the Ordinance shall be promulgated no earlier than 6 months following the Effective Date.
10. **Timing of an LPA** An LPA may be established after a Contract is entered into with the City and in the first year of the Contract period which occurs following the enactment of this ordinance and shall not be required as a condition to apply for a Contract.
11. **Due Process.** If an agreement on an LPA cannot be reached between a Labor Organization and a Contractor, this shall not be grounds to terminate or decline to renew a Contract with a Contractor provided the Contractor offered the terms required by the Ordinance to the Labor Organization. Due process provisions must be established for such circumstances. Due process provisions need to be included to determine who determines when there is a breach, how an investigation is done to determine if a breach of contract has occurred, and a cure period.
12. **Definition of Labor Organization.** The definition should be the same as subdivision (5) of 29 USC 152.

January 30, 2023

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Forefront is Illinois' only statewide association for all nonprofit and philanthropic organizations, which collectively constitute 11% of the state's economy and one of the largest workforces in the state. Forefront is deeply committed to advancing racial equity and justice through all of our work, including our policy and advocacy agenda at the federal, state, and local levels of government. This includes supporting the sector's workforce as a top [public policy priority](#).

Nonprofit businesses in Forefront's network, which include health and human services employers, are accountable to the federal government, the Illinois Attorney General, State agencies, boards of directors, grant makers, donors, and most importantly, to the people we serve. Together, we build community and individual well-being across all phases of life and in every Illinois community, including the City of Chicago.

Forefront's health and human services members and stakeholders in Chicagoland have without exception expressed concern to us about proposed ordinance O2019-9497. Thus, Forefront co-signed the Chicago Alliance for Collaborative Effort (CACE) letter on 1/23/23 (attached) expressing concerns about the Human Services Workforce Ordinance, which is scheduled for a subject matter hearing during [tomorrow's Joint Committee](#) of Health and Human Relations and Workforce Development. Forefront wholeheartedly agrees with the basic premise of this joint letter, which is that **there is no replacement for public investment in our workforce or in the services our workforce delivers to our communities.**

The challenges our employers and workforce face are rooted in systemic underfunding of true cost at all levels of government, the lack of a cohesive funding methodology that is logically tied to true costs and government mandates (i.e., overhead, capital expenses, audits, training, minimum wage/compression, paid leave). As a result, nonprofits must devote enormous resources to covering the wide gap between public contracts and their actual costs - resources that would be much better invested on supporting people, families, and communities. The Human Services Workforce Advancement Ordinance was not developed in partnership with the organizations or people that it will impact; nor will it eliminate these pervasive workforce challenges. For these reasons and others stated by our valued partners in other comment and testimony, **Forefront is lending our full-throated opposition to the Human Services Workforce Advancement Ordinance.**

To move forward, the City should table this ordinance, slow down the process, invite key health and human services employers to tables where they've been absent thus far, and develop meaningful consensus solutions to the root problems, while centering the best interests of workers and the residents of Chicago whom they support every day.

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