

NO on the Costly Restaurant Ordinance

Santa Clara County restaurants are already struggling to survive.

Background

Santa Clara County is home to more than 1,600 quick-service restaurants. The **overwhelming majority of these local restaurants are independent small businesses—locally owned by people of color, immigrants and women.** Local restaurants are already struggling to survive the state’s new **\$20/hour minimum wage for fast food workers—a 25% wage hike**—and other growing operating costs. Now, the **Santa Clara County Board of Supervisors is considering a costly and unnecessary new ordinance that would force restaurants to send employees off-site for duplicative third-party training**—piling new cost burdens on local restaurants at the worst possible time—forcing them to **cut more jobs, further increase food costs for families already struggling or shut down.**

Here’s why Santa Clara County restaurant owners, small businesses, consumers and others *OPPOSE* the Costly Restaurant Ordinance:



The Ordinance would further crush local restaurant owners—jeopardizing their very existence.

- The \$20/hr minimum wage is projected to cost local restaurant owners **\$250,000 per restaurant, per year.** To offset costs, **local restaurants have been forced to increase food prices, lay off employees and cut hours.**
- According to the Bureau of Labor Statistics, California has **lost 22,717 fast food jobs** since AB 1228 passed in September 2023—dealing a devastating blow to workers and family-owned restaurants alike.
- The **Ordinance** would add even greater financial strain—leading to **more layoffs, even higher food prices** and would be the **final straw that forces many Santa Clara County restaurants to shut down for good.**
- Nearly **60%** of California’s restaurants are owned by people of color and **50%** are owned by women. Further, **70%** of franchisees only own **one** restaurant.
- **Singling out these local restaurants and minority-owned small businesses—yet again—is unfair and unjustified.**

In a recent survey of local restaurant owners impacted by the \$20/hr minimum wage:

-  **98%** reported already raising food prices
-  **89%** reported reducing employee hours
-  **74%** reported an increased likelihood of shutting down
-  **70%** reported reducing staff or consolidating positions



The Ordinance would increase food costs for families already struggling.

- Since AB 1228 passed, local restaurants have been forced to **increase food prices by 14.5%**—nearly double the national average.
- The **Ordinance** would drive food prices even higher, making it harder for families—especially low-income households and seniors—to access the affordable, convenient meals they depend on.
- If more restaurants are forced to close, entire neighborhoods—especially those in underserved areas—could lose access to affordable dining options.



I opened my local restaurant in honor of my son, who passed away from an allergic reaction, to create a safe, welcoming place for families like mine. But today, it's harder than ever to keep our doors open. We're already struggling to survive last year's 25% wage hike. Now, the County wants to mandate duplicative, off-site, third-party training—at our expense. Safety is at the heart of what I do—we already provide extensive training to protect our employees and customers. This unnecessary ordinance will only push more small business owners like me to shut down. "

Brian H.
Local Restaurant Owner
San Jose



The Ordinance is unnecessary and duplicative.

- California law already requires local restaurant owners to provide every employee with **extensive notices of their rights** and **training** on topics like violence and sexual harassment, health and workplace safety, and food safety and handling.
 - These notices and trainings are provided both upon hire and on an ongoing basis.
- Further, California just established a **statewide Fast Food Council specifically charged with developing minimum standards for training**, worker protections, health and safety for fast food workers.
- **It makes no sense for Santa Clara County to pass a duplicative and potentially conflicting county ordinance** that would further strain local restaurants before the Fast Food Council even has a chance to function as intended.



Santa Clara County's limited resources are already stretched thin.

- Santa Clara County is facing unprecedented challenges including a **projected \$158 million budget deficit**, rising crime and homelessness and an affordability crisis.
- It makes no sense to divert Santa Clara's limited resources and staff away from the County's most urgent needs to enforce an unnecessary restaurant ordinance.

ProtectSCRestaurants.com