

# Protect Santa Clara County Restaurants

## 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. Family-owned local restaurants are already struggling to survive the state's new **\$20/hour minimum wage for fast food workers—a 25% wage hike** that has forced many to **lay off employees, reduce hours, raise food prices for families or shut down entirely**. Now, the **Santa Clara County Board of Supervisors is considering an unnecessary and unfair proposal that further singles out local restaurants—yet again—by potentially developing a duplicative, off-site third-party training**—at a time when local restaurants and the County can least afford it.

***Here's why Santa Clara County restaurant owners, small businesses, consumers and others **OPPOSE** this unnecessary and unfair proposal:***



**Santa Clara County restaurants are already struggling to survive.**

- 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.
- Further, since AB 1228 passed, local restaurants have been **forced to increase food prices by 14.5%**—nearly double the national average—**making it harder for families, low-income households and seniors to access the affordable, convenient meals they depend on**.
- 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



## Any proposal that specifically targets local restaurants is unnecessary, duplicative and unfair.

- There is no evidence to justify further regulations specifically targeting local restaurants—especially as restaurants are already grappling with new wage and regulatory mandates that only apply to them.
- Furthermore, 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 consider a duplicative and potentially conflicting county training program before the Fast Food Council even has a chance to function as intended.



*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 is proposing a 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 proposal is unnecessary and unfair. //*

**Brian H.**  
Local Restaurant Owner  
San Jose



## Any proposal should evaluate the impact it will have on the viability of local restaurants, jobs and food prices.

- As the County considers creating a duplicative training program, the **Board of Supervisors should carefully evaluate the consequences of further singling out local restaurants—particularly the harm it would cause to struggling small business owners, their workers, and the families they serve.**



## 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 develop an unnecessary restaurant training program.

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