

Comparison of Citywide Minimum Wage and Living Wage Ordinances North Bay Jobs with Justice 2021

Living Wage Ordinances

Living Wage laws only cover employees of a city and county, large for-profit and nonprofit contractors for a city and county, and firms receiving economic development assistance from the city, or firms leasing property (typically less than 1 % of the entire workforce in a city or county are covered). All ordinances specify thresholds for contracts covered and the number of employees a covered contractor must employ. Ordinances also state how many hours a week (or percent of their work time) an employee must work on a contract to receive the living wage rate.

There are 120 cities and counties nationwide and 43 in California that have approved living wage laws. The County Santa Clara County approved the highest (\$23.31 with medical benefits and \$25.31 without) and most comprehensive Living Wage Ordinance in 2014. **Three cities in Sonoma County** have passed living wage laws, including Sebastopol (2003), Sonoma (2004), and Petaluma (2006). In 2015 the Sonoma County Board of Supervisors approved a \$15 an hour living wage covering employees of the county, large county contractors, and firms receiving economic development subsidies. **In 2020 the Petaluma Living Wage rate was \$16.90 with medical benefits and \$18.94 without medical benefits.**

In California, a City Council, Board of Supervisors, or the voters can enact a Living Wage law.

A list of most cities nationwide (before 2011) with Living Wage laws is at the National Employment Law Project website:

<http://www.nelp.org/content/uploads/2015/03/LocalLWLawsCoverageFINAL.pdf?nocdn=1>

A list of all California cities and counties with Living Wage Laws with links to the legislation is here:

<http://laborcenter.berkeley.edu/minimum-wage-living-wage-resources/california-city-and-county-living-wage-ordinances/>

Provisions that can be included in a Living Wage law are:

- 1) Living hourly wage compensation including wages based upon the cost of living;**
- 2) An annual COLA** based upon the Consumer Price Index in a given metropolitan region.
- 3) Medical benefits for all covered workers (and there can be a differential for the hourly cash wage--with and without medical benefits) and earned sick leave;**

4) Equal opportunity for a diverse local workforce through local hire from a city or county; and targeted hiring for disadvantaged communities;

5) Worker retention: when a local jurisdiction does not retain a private contractor, the new contractor will retain qualified employees of the old contractor for sixty days, and those that cannot be retained beyond that time frame will be rehired by seniority;

6) Fair chance hiring: employers will not unnecessarily ask about past criminal history;

7) Fair workweek policies that encourage full-time jobs, predictable schedules, and keeping the same minimal number of days worked;

8) Protections for the right of workers to organize a union such as a 'labor peace.'

a provision that could include 'card check/neutrality:' employer noninterference in an NLRB election, and prohibiting retaliation when workers organize;

9) Enforcement: Living Wage laws also include a grievance and complaint procedure and protections for workers who claim they are not receiving the mandated hourly wages and benefits.

10) Responsible Bidder: Bidders for city or county service contracts over a specific threshold must self-certify when submitting their history as an employer and their record of compliance with federal and state labor, health and safety, and environmental regulations. When awarding a contract, the city or county will consider a firm's history as an employer, along with cost and quality factors.

Note: Most of the above provisions above cannot be included in a citywide minimum except paid sick days.

11) Possible exemptions: small businesses with less than a certain number of employees (5-25), nonprofits, volunteers, student interns, disabled employees, seasonal workers under the age of 19 employed by the city or county agencies and contractors; employees participating in a temporary job-training program; employees covered by a collective bargaining agreement; joint powers agreements and state and federal agencies.

Minimum Wage Ordinances

1) 43 cities and counties nationwide have approved citywide or countywide minimum wage laws, and most are in California, including San Francisco, Los Angeles, Oakland, San Jose, San Diego, Berkeley, San Diego, and Sacramento. Cities can phase-in implementation faster than the State of California. Currently, the

state minimum wage is \$14 an hour for large employers and \$13 an hour for small ones. Four cities in the North Bay have approved citywide minimum wage laws (\$15 an hour by 2020 or 2021 with an annual COLA). These include Petaluma (2019), Novato (2019), Sonoma (2019), and Santa Rosa (2020). Currently, the Santa Rosa citywide minimum wage is \$15.20 an hour.

In California, a City Council, Board of Supervisors, or the voters can enact a Citywide Minimum Wage law.

A complete list with links to each citywide minimum wage law is on the UCB Labor Center website:

<http://laborcenter.berkeley.edu/minimum-wage-living-wage-resources/inventory-of-us-city-and-county-minimum-wage-ordinances/>

Links to all citywide minimum wage laws nationwide is at the National Employment Law Project website:

<http://www.nelp.org/content/uploads/City-Minimum-Wage-Laws-Recent-Trends-Economic-Evidence.pdf>

2) In California, cities and counties can legislate minimum wage laws higher than the state and which phase-in faster than the state. A countywide minimum wage law applies only to the unincorporated areas of the county. San Francisco (which is a city and a county) was the first county to do so in 2004, followed by Los Angeles in 2015. The cities of Los Angeles, Santa Monica, Long Beach, and Pasadena have also approved minimum wage laws and, like the County of Los Angeles, that phased into a \$15-an-hour minimum wage by 2020. San Jose implemented a citywide minimum wage in 2012, followed by Mountain View and Sunnyvale. Nine cities in Santa Clara County all together agreed to implement citywide minimum wage of \$15 an hour phased-in by 2019.

3) Citywide minimum wage laws cover most low-wage workers (including documented and undocumented residents) in a given city unless a small business is explicitly exempted based upon the number of employees. Most citywide minimum wage laws mandate coverage of all workers employed 2 hours a week within city limits. **In San Francisco, 142,000 workers or 23 percent of the total workforce is covered** by the citywide minimum wage enacted in 2004.

4) Possible exemptions (or longer phase-in timeline for designated employers) can include: small businesses with less than a certain number of employees (i.e., 10 – 55); nonprofits, businesses covered by collective bargaining agreements; state and federal agencies; Interns working for academic credit at an accredited school; employees participating in a temporary job-training program; persons working in connection with a court-ordered community service program;

5) Once a citywide minimum wage law is phased-in to reach \$15 an hour, most minimum wage laws include an annual COLA based upon the Consumer Price Index for a particular metropolitan region.

6) Citywide minimum wage can also include a provision that any charge for services provided by workers in the hospitality industry is paid to the employees and not retained by the employer.

7) Citywide minimum wage laws can include paid sick days for all covered workers. In California, the following municipalities have implemented citywide minimum wage laws that include six to nine paid sick days: Los Angeles, San Diego, Emeryville, Oakland, Berkeley, and Santa Monica.

8) Enforcement: minimum wage laws can also include a grievance and complaint procedure and protections for workers who claim they are not receiving the mandated hourly wages and benefits.

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9) Minimum wage laws can also be implemented in California for specific industries in a city. For example, in 2012, Long Beach approved a Minimum Wage Ordinance for large hotels (more than 100 rooms) requiring that covered employees earn \$13 an hour. In 2015 the City of Los Angeles approved a minimum wage law for large hotels (more than 150 rooms) mandating a living wage of \$15.37 an hour. The City of Oakland also approved a minimum wage law for large hotels (more than 50 rooms) that mandates all hotel workers receive \$15 an hour with medical benefits and \$20 an hour without)