

**ITEM #31<sup>(2)</sup>**

**ADDITIONAL MATERIAL**

**Regular Meeting**

**FEBRUARY 12, 2019**

**SUBMITTED AT THE REQUEST OF**

**COMMISSIONER BARBARA SHARIEF**



1           b.     *Living wage rate without health care benefits.* If a covered employer  
2           does not offer a covered employee health care benefits, a living wage  
3           of no less than Thirteen Dollars and Twenty-seven Cents (\$13.27)  
4           per hour, plus the health care benefit amount, as defined below in  
5           Section 26-102(d)(1), adjusted as provided below.

6       (3)     *Living Wage Obligation Effective January 1, 2019, for Contracts Entered*  
7           *Into Prior to January 1, 2019, Including Renewals, Amendments, and*  
8           *Extensions Thereof.* Commencing January 1, 2019, each covered  
9           employer with a service contract entered into prior to January 1, 2019, shall  
10          pay each of its covered employees the amount listed in paragraph a. or b.  
11          immediately below, subject to the conditions precedent stated in paragraph  
12          c. immediately below:

13       a.     *Living wage rate with health care benefits.* A living wage of no less  
14       than Thirteen Dollars and Twenty-seven Cents (\$13.27) per hour,  
15       adjusted as provided below, in addition to health care benefits as  
16       described in Section 26-102(d) below.

17       b.     *Living wage rate without health care benefits.* If a covered employer  
18       does not offer a covered employee health care benefits, a living wage  
19       of no less than Thirteen Dollars and Twenty-seven Cents (\$13.27)  
20       per hour, plus the health care benefit amount, as defined below in  
21       Section 26-102(d)(1), adjusted as provided below.

22       c.     *Conditions Precedent.* Notwithstanding anything to the contrary  
23       stated in Section 26-102, each covered employer shall continue to  
24       pay the living wage rate with health care benefits or the living wage

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                  underscored type are additions.

1 rate without health care benefits, as applicable, that would otherwise  
2 be in effect prior to the adoption of this amendment to the Living  
3 Wage Ordinance, adjusted as provided in Section 26-102(e), unless  
4 and until the condition established in either paragraph 1 or  
5 paragraph 2 immediately below occurs:

- 6 1. The County and the covered employer enter into a written  
7 amendment expressly applying to the underlying service  
8 contract the higher living wage ~~and health care benefit amount~~  
9 rate established by this amendment to the Living Wage  
10 Ordinance. The amendment may provide funding by the  
11 County to reasonably mitigate increased costs, if any,  
12 resulting from this amendment to the Living Wage Ordinance  
13 provided (i) the covered employer certifies in writing that any  
14 such funding provided by the County equals or is less than the  
15 amount of such increased costs; (ii) the County's contract  
16 administrator certifies in writing that, after diligent review of  
17 applicable documentation, the contract administrator concurs  
18 with the covered employer's certification; and (iii) the County's  
19 payment of any such mitigation costs is funded through the  
20 same funding source used for payments under the underlying  
21 contract (e.g., general fund dollars may only be used to pay  
22 mitigation costs in connection with those contracts funded  
23 through general fund dollars); or  
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1                   2.     The covered employer provides written consent and express  
2                   waiver of any objection or defense to the application of the  
3                   higher living wage established by this amendment to the  
4                   Living Wage Ordinance, in form and substance approved by  
5                   the Office of the County Attorney.

6                   On or before April 1, 2019, the County Administrator, through  
7                   applicable staff, shall present to the County Commission each  
8                   affected service contract entered into prior to January 1, 2019, as to  
9                   which neither the condition stated in paragraph 1 nor the condition  
10                  stated in paragraph 2 has been met, and shall concurrently  
11                  recommend in writing whether each such contract should be  
12                  terminated for convenience (as permitted under the contract) or  
13                  continued. For each contract as to which staff is recommending a  
14                  continuation, staff's recommendation shall state the operational  
15                  justification for such continuation. The County Commission, after  
16                  considering staff's recommendations, shall determine the  
17                  appropriate action to take regarding each contract.

18                  With regard to service contracts entered into prior to  
19                  January 1, 2019, as to which neither the condition stated in  
20                  paragraph 1 nor the condition stated in paragraph 2 has been met,  
21                  staff may not approve any amendment, renewal, or extension thereof  
22                  unless the amendment, renewal, or extension includes a  
23                  commitment by the covered employer to pay, upon the  
24                  commencement of the amendment, renewal, or extension, the higher

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1 living wage established by this amendment to the Living Wage  
2 Ordinance. Any amendment, renewal, or extension that does not  
3 include this commitment may be approved only by the County  
4 Commission, and any contrary prior delegation of authority to staff is  
5 hereby rescinded.

6 . . .

7 (d) *Health care benefits.*

8 (1) *Health care benefit amount.* The health care benefit amount required by  
9 the Living Wage Ordinance shall, ~~commencing January 1, 2019,~~ consist of  
10 payment by a covered employer, or by the County for its employees, of an  
11 amount ("health care benefit amount") toward the provision of health care  
12 benefits for a covered employee and dependents, as follows:

13 a. Effective January 1, 2019, a health care benefit amount of at least  
14 One Dollar and Sixty-three Cents (\$1.63) per hour, adjusted as  
15 provided below on January 1, 2020.

16 ~~b. Effective January 1, 2021, a health care benefit amount of at least~~  
17 ~~Three Dollars and Forty-four Cents (\$3.44) per hour, adjusted as~~  
18 ~~provided below beginning on January 1, 2022.~~

19 b. Effective January 1, 2021:

20 1. For service contracts entered into, amended, extended, or  
21 renewed after February 26, 2019, a health care benefit  
22 amount of at least Three Dollars and Forty-four Cents (\$3.44)  
23 per hour, adjusted as provided below beginning on  
24 January 1, 2022.

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2. For any other service contracts entered into on or before February 26, 2019, the health care benefit amount stated in subsection (d)(1)a. above, adjusted each January 1 as provided below.

Any prior delegation of authority to staff to renew, amend, or extend a service contract is rescinded unless the renewal, amendment, or extension complies with the amount specified in Section 26-102(d)(1)b.2. Any amendment, renewal, or extension that does not so comply may be approved only by the County Commission.

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