

San Mateo County Living Wage Ordinance

Frequently Asked Questions

This document provides general guidance only. Please refer to the Living Wage Ordinance itself for more details, link here: [link]

1. What is San Mateo County’s Living Wage Ordinance and When Does it Take Effect?

The Living Wage Ordinance sets a minimum wage contractors are required to pay employees providing services under County contracts. The living wage is a pilot program, beginning January 1, 2017, and ending on June 30, 2022.

- Beginning January 1, 2017, all **AMENDMENTS TO EXISTING CONTRACTS** must comply with the Ordinance.
- Beginning April 1, 2017, all **NEW CONTRACTS** must comply with the Ordinance.
- **EXISTING CONTRACTS** are not affected until or unless they are amended.
- Between January 1, 2017, and April 1, 2017, certain nonprofit contractors may voluntarily comply with the Ordinance and receive a monetary incentive (an “Enhancement”) from the County.

EFFECTIVE DATE	COUNTY LWO WAGE	ANNUAL INCREASE OVER EXISTING WAGE RATE
January 1 / April 1, 2017	\$14.00	\$3.50
July 1, 2017	\$15.00	\$1.00
July 1, 2018	\$16.00	\$1.00
July 1, 2019	\$17.00	\$1.00
July 1, 2020	+ CPI-U*	+ CPI-U
July 1, 2021	+ CPI-U	+ CPI-U

* The CPI-U is the “Consumer Price Index - Urban,” which measures the average change over time in prices paid by urban consumers for goods and services. The CPI-U for the San Francisco-Oakland-San Jose metro area will be used to adjust the living wage increase from year to year.

** The California Minimum Wage served as a benchmark for the Ordinance’s wage escalation.

2. What types of contracts must comply with the Living Wage Ordinance?

The Living Wage Ordinance applies to contracts for **SERVICES**.

The Ordinance does **NOT** apply to contracts for:

- Goods
- Leases, concessions, franchises, easement agreements, and public works contracts that are subject to the payment of a Prevailing Wage
- Information technology programs and systems
- “Public works” as defined under California Labor Code § 1720.

3. I am a contractor – Do I have to comply with the Living Wage Ordinance?

All contractors and subcontractors providing SERVICES under a County contract must comply with the Ordinance, EXCEPT:

- Government entities, such as cities, counties, school districts, and state agencies.

All NONPROFIT contractors providing SERVICES under a County contract are required to comply with the Ordinance, EXCEPT:

- Nonprofit contractors whose total contract price is funded 50% or less by the County are NOT required to comply.

	Contract existing before 1/1/17	New contract between 1/1/17 and 4/1/17	Amendment between 1/1/17 and 4/1/17	New contract on or after 4/1/17	Amendment on or after 4/1/17
MUST PAY LIVING WAGE			X	X	X
NOT REQUIRED TO PAY LIVING WAGE	X	X <i>But nonprofits may choose to, and they will receive an Enhancement</i>			

4. I'm a contractor – Can I request a waiver for the Living Wage Ordinance?

Yes. The County may waive the Ordinance requirements on a case-by-case basis.

5. I'm a contractor – What happens if I violate the Living Wage Ordinance?

In each new County contract or amendment, contractors must **CERTIFY** they are complying with the Ordinance. Contractors are required to maintain documentation demonstrating compliance, such as payroll records, and the County reserves the right to audit that documentation to ensure the Ordinance is being enforced.

The County will investigate complaints from employees and may audit contractors and subcontractors. If a contractor is found to be in violation of the Ordinance, the County may:

- **Terminate the contract immediately.**
- **Debar the contractor for a period of up to five years**
- **Sue the contractor for breach of contract**

6. I am an employee working on a County contract – Should I be paid the Living Wage?

Employees providing SERVICES under a County contract must be paid the Living Wage, including employees who are **full-time, part-time, permanent, and temporary.**

However, the Ordinance does **NOT** apply to:

- Volunteers
- Students earning academic credit
- Individuals working toward a license/professional accreditation
- Elections workers
- In-Home Supportive Services (IHSS) workers

7. What can I do if I’m not being paid the Living Wage but think I should be?

Contractors and subcontractors are prohibited from retaliating against whistleblowers.

- **Submit a complaint to the County.** Complaint forms are available in English and Spanish from the County’s Human Resources Department, or online at [link]. Complaints and any supporting documentation must be submitted to the Purchasing and Procurement Division of the County Human Resources Department. The County will investigate complaints, and if it appears an employer is violating the Ordinance, the County will notify the contractor of its findings and may take action against the contractor to enforce the Ordinance. In many cases, this may resolve your issue as well. The County cannot to award damages (e.g., back wages) to employees, or take action on behalf of employees against their employers.
- **Seek the advice of an attorney.** Employees can bring a civil lawsuit against their employer to recover wages. Employees may also contact the CA Department of Labor.

8. How does this Ordinance interact with the Federal Minimum Wage, the California State Minimum Wage, the Prevailing Wage, and other city minimum wages in the region? Which one must be followed?

In all of these instances, the highest wage rate applies.

9. Can Nonprofits benefit by complying with the Ordinance before April 1, 2017?

Yes. Nonprofits that amend existing contracts to comply with the Ordinance before April 1, 2017, will receive a funding “Enhancement,” which is a standard contract percentage increase. Nonprofit organizations that choose not to comply early are expected to include the costs of compliance in their responses to County RFPs and new contracts.

YEAR	COUNTY LWO WAGE	ENHANCEMENT % CONTRACT INCREASE
2017	\$14.00	0.5%
2018	\$15.00	0.5%
2019	\$16.00	1.00%
2020	\$17.00	1.25%