

**REVISED LEGISLATIVE DIGEST**

(July 17, 2014, Amended in Committee)

[Initiative Ordinance - Administrative Code - Minimum Wage]

**Ordinance amending the Administrative Code to increase the minimum wage for employees in San Francisco to \$12.25 per hour on May 1, 2015, with annual increases, reaching \$15.00 per hour in 2018, followed thereafter by annual cost-of-living increases; following 2015, provide only for annual cost-of-living increases in the minimum wage for two narrow categories of employees; and include the City government and In-Home Supportive Services Public Authority as employers subject to the minimum wage ordinance.**

Existing Law

Chapter 12R of the Administrative Code, titled the Minimum Wage Ordinance ("MWO"), establishes the minimum wage for employees working within the geographic boundaries of the City and County of San Francisco. The minimum wage is raised each year on January 1 by an amount corresponding to the prior year's increase, if any, in the Consumer Price Index. The minimum wage is currently \$10.74 per hour.

Amendments to Current Law

The initiative ordinance would amend the MWO as follows:

- Increase the minimum wage to \$12.25/hour on May 1, 2015, to \$13/hour on July 1, 2016, to \$14/hour on July 1, 2017, and to \$15/hour on July 1, 2018, with annual increases thereafter starting on July 1, 2019 based on the Consumer Price Index.
- Create two categories of "Government Supported Employees" who would be subject to a minimum wage of \$12.25/hour starting on May 1, 2015, with annual increases thereafter starting on July 1, 2016 based on the Consumer Price Index.
- Add the City and the San Francisco In-Home Supportive Services Public Authority to the definition of "Employer" in the MWO.
- Exempt City employees from recovering monetary penalties in an administrative or civil enforcement action for violation of the MWO.

The initiative would also amend Chapter 70 of the Administrative Code to provide that employees of the In-Home Supportive Services Public Authority shall be paid no less than the minimum compensation rate established in the Minimum Compensation Ordinance (a discrete ordinance applicable to City contractors) and no less than the minimum wage rate established in the MWO. The initiative ordinance would become operative on May 1, 2015.

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