REGARDING A CAMBRIDGE LIVING WAGE ORDINANCE

WHEREAS, the City of Cambridge provides grants, loans, tax incentives, contracts and other forms of assistance to business that result in the subsidization, creation, or maintenance of a wide variety of employment opportunities; and

WHEREAS, the City of Cambridge has a limited amount of taxpayer resources to expend; and

WHEREAS, the use of taxpayer dollars to promote the sustenance and creation of living wage jobs will increase consumer income, decrease levels of poverty, invigorate neighborhood businesses, and reduce the need for taxpayer-funded social programs in other areas; and

WHEREAS, the City of Cambridge has paid prevailing wage rates for City public works projects and these prevailing wages are of tremendous benefit to the public workforce and their families, Cambridge neighborhoods, and the area economy; and

WHEREAS, union members, community organizations, low and moderate-income church members, and others have organized through the Cambridge Campaign for a Living Wage and proposed this policy; now:

THEREFORE BE IT RESOLED BY THE CITY COUNCIL OF THE CITY OF CAMBRIDGE:

1. That the City Council goes on record supporting in principle the proposed Cambridge Living Wage Ordinance at $10.00 an hour;

2. That the City Council send the proposed Cambridge Living Wage Ordinance to the Ordinance Committee for speedy action and that the Ordinance Committee take all actions necessary to bring it back to the City Council by its first meeting in January 1999.

CAMBRIDGE LIVING WAGE ORDINANCE

WHEREAS, the City of Cambridge provides grants, loans, tax incentives, contracts and other forms of assistance to business that result in the subsidization, creation, or maintenance of a wide variety of employment opportunities; and
WHEREAS, the City of Cambridge has a limited amount of taxpayer resources to expend; and
WHEREAS, the use of taxpayer dollars to promote the sustenance and creation of living wage jobs will increase consumer income, decrease levels of poverty, invigorate neighborhood businesses, and reduce the need for taxpayer-funded social programs in other areas; and
WHEREAS, the City of Cambridge has paid prevailing wage rates for City public works projects and these prevailing wages are of tremendous benefit to the public workforce and their families, Cambridge neighborhoods, and the area economy; and
WHEREAS, union members, community organizations, low and moderate-income church members, and others have organized through the Cambridge Campaign for a Living Wage and proposed this policy; now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMBRIDGE:

That the Municipal Code of Cambridge is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions.
For the purposes of this ordinance, the term:
(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.
(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;
(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(3) Any contractor or subcontractor of a Beneficiary.

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or

regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.

This law shall be effective on the date of February 1, 1999.

The Effects of the Living Wage in Baltimore

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A study prepared for

The Economic Policy Institute
Washington, D.C.

May 1998

Acknowledgements

We are grateful to the Economic Policy Institute and the Discount Foundation for their support of this project, and we especially thank Sue Chinn, Larry Mishel and John Schmitt for their help.

The gathering of data for this research posed extraordinary difficulties. We would have been truly lost without the help of staff from the Baltimore City Comptroller's Office, Council President Bell's office, the Office of Fiscal Affairs, the Bureau of the Budget and Management Research, the Wage Commission, and the Bureau of Finance. We are grateful for their help.

We also received crucial help from BUILD and the Solidarity Sponsoring Committee. We especially thank Alisa Glassman, Jonathan Lange, and Kerri Miciotto.

The twenty-six living wage workers whom we interviewed were especially generous with their time. Approached by complete strangers and asked to talk in great detail about their own lives, they had much to teach us.

David Harvey, Isabel Miles and Joe O'Neill of the Department of Geography and Environmental Engineering at Johns Hopkins provided invaluable support to the project.

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The Effects of the Living Wage in Baltimore

Executive Summary

In 1994, the city of Baltimore passed the first "Living Wage" law in the country. This ordinance requires private contractors performing services for the city to pay their workers on these contracts a stipulated minimum hourly wage beginning at $6.10 per hour in FY 1996 and rising to $7.70 per hour in FY 1999. The aim of the legislation is to ensure that workers paid through publicly-supported funds earn wages above the poverty level.

The Living Wage law was extremely controversial, opposed both by the private sector and by important segments of the city's bureaucracy as threatening the "competitiveness" and economic health of Baltimore. Critics charged that higher wages on city contracts would worsen Baltimore's already precarious fiscal state with negative consequences for tax rates and the provision of urban services, and, by tending to raise the minimum wage more generally in the city, would reduce the city's ability to attract private investment. Proponents argued that raising the wages of the 'working poor' would not only benefit these individuals, but in the long run would reduce the burden of welfare and other social services costs in the city.

There are two principal areas of concern covered in this report: 1) the direct costs of the living wage to the city of Baltimore; and 2) the impact of the living wage on workers.

Impact on Baltimore Finances

1. For twenty-six living wage contracts that could be directly compared before and after the living wage went into effect, the aggregate cost increase to the city amounted to 1.2%, which was lower than the rate of inflation. The real cost to the city of these contracts, then, actually declined slightly despite the increase in wage rates. These twenty-six contracts represent 52% of the contracts covered by the ordinance and roughly two-thirds of the dollar amount of all covered contracts.

2. There was considerable variation in cost changes by contract type, from a nominal increase of 16.6% for janitorial services to a nominal decline of 8.16% for the Summer Food Service Program.

3. Noncompliance with the living wage ordinance continues to be a significant problem which limits the benefits of the ordinance to an unknown degree. The impact of noncompliance on overall costs is also impossible to calculate.

4. The impact of the living wage on the composition of the pool of bidders is hard to detect so far

Impact on Workers: Payroll Data

1. An analysis of payroll data for nearly 300 living wage bus-aide workers from September 1996 through June 1997 (the normal school year) revealed a mean income of $3,354. This is 21% of the level required to achieve an annual living wage income sufficient to lift a family of four out of poverty.

2. The income shortfall is due primarily to the fact that the work in this sector is part-time and generally less than half-time, as well as being restricted to nine months of the year. The average worker in this group worked roughly 25% of the hours in a normal working year.

3. Working hours were considerably better at larger firms (560 hours per year on average) than at smaller firms (390 hours per year on average) and mean income was correspondingly higher ($3,696 versus $2,574).

4. Labor turnover at large firms was, by our measure, less than half the level of turnover at smaller firms, suggesting that the ability to offer better hours significantly improves the stability of a company's workforce.

5. Non-compliance with the requirement that contractors provide regular payroll data to the city substantially impairs our ability to assess the broader effects of the living wage.

Impact on Workers: Census and Interview Data

1. An accurate count of the number of workers in the city directly affected by the living wage law is impossible to obtain. We estimate the total number of living wage jobs to be in the vicinity of 1500. Depending upon how many part-time workers 'share' a given living wage job, the number of workers affected could be significantly higher, although the benefits of the living wage would be accordingly attenuated.

2. According to the 1990 Census, African-Americans comprised 72% of the city's private-sector, low-wage service workforce, although they accounted for only 59% of the city's population; 27% of the households of low-wage workers lived below the poverty line.

3. Within the city's low-wage service sector, the distribution by race and gender across occupations is highly uneven according to the 1990 Census. For example, 84% of the low-wage janitors in Baltimore are African-American while women hold roughly 83% of low-wage administrative support and personal services jobs. On the other hand, working hours and total wage income did not vary significantly across these categories.

4. Of twenty-six living wage workers whom we interviewed in depth, the overwhelming majority work part-time but would work full-time if they could. This is particularly true for women.

5. The prevalence of part-time and seasonal work means that nearly half the workers in this group were unable to earn incomes above the poverty line; while they praised the ordinance highly, many were still unable to meet their families' basic needs.

6. An important effect of the living wage may be the greatly enhanced sense of recognition for their work that living-wage recipients feel. This, in turn, may be linked to greater job commitment, reduced turnover and increased productivity.

Conclusions

1. The living wage ordinance has had positive effects on a relatively small number of workers in Baltimore without significant financial cost to the City.

2. Due to the prevalence of part-time and seasonal work, however, living *wages* do not always amount to living *incomes*. Greater consideration must be given to increasing and stabilizing hours worked.

3. The small financial impact on the city suggests the possibility that living wages could be paid more generally in the private and non-profit sectors with a relatively low impact on costs and competitiveness. The precise impacts would be expected to vary by sector and merit further investigation.

4. Evidence suggests that higher wages and hours improve the stability and reliability of the workforce.

5. Non-compliance in terms of paying the living wage and/or providing adequate payroll documentation remains a significant problem, affecting the impact of the living wage ordinance and our ability to analyze that impact.

6. The benefits of the living wage may be threatened by the effects of welfare reform.

The Effects of the Living Wage in Baltimore

Introduction

In 1994, the city of Baltimore passed the first "Living Wage" law in the country. This ordinance requires private contractors performing services for the city to pay their workers on these contracts a stipulated minimum hourly wage beginning at $6.10 per hour in FY 1996 and rising in increments to $7.70 per hour in FY 1999.[1] Thus, the living wage minimum was set at $6.60 per hour in FY 1997 and $7.10 per hour for FY 1998; after FY 1999, the living wage is scheduled to rise at a rate which "exceeds the poverty level."

The ordinance directs the city's Board of Estimates to determine the specific contracts to be covered on the recommendation of the Bureau of Purchases. In December 1995, the Bureau of Purchases stated that the living wage applied to the following categories of contracts with private suppliers: food service; janitorial; stenography; homemaker services; carpet repair; carpet cleaning; maintenance and repair of solid waste transfer stations; health care; equipment cleaning; moving and hauling; charter bus services; and school bus services.[2]

The aim of the legislation is to lift the lowest paid workers in the city out of poverty. Workers performing the sorts of services which are at issue here constitute the core of the 'working poor' – people who have jobs but are unable to earn enough to meet their families' basic needs, even if they work full time. At the present federal minimum wage of $5.15 per hour, someone working forty hours per week for fifty weeks would earn $10,300, which amounts to about two-thirds of the federal poverty line for a family of four. These jobs also typically do not provide benefits such as health insurance or pensions.

In Baltimore and many other similar cities, the majority of workers in these low-wage occupations is African-American. According to 1990 Census data, African-Americans constituted 71% of the city's private sector, low-wage service workforce while accounting for only 59% of the city's total population. The living wage, then, lies at the core of a complex set of social and public policy issues concerning race and class, health care, education, welfare, housing, employment, crime, and the health of cities.

In another era, city dwellers trying to work their way out of poverty might plausibly have looked to government employment to provide the wages and job stability needed to attain an adequate standard of living, even where the work was not highly skilled. This was especially true for those groups who experienced considerable discrimination in the labor market. But in the US since the 1980s, the privatization of urban services has become a

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[1] The law (City Ordinance 442) only requires those employees working on contracts for the city to be paid the living wage; other employees at the same firm or even the same employees working on non-city contracts do not fall under the scope of the legislation.

[2] Some employees on these contracts were already earning above the living wage so the pool of workers directly benefiting from the legislation is smaller than this list might suggest. School bus drivers, for example, had been earning $8.50 per hour. Bus aides, on the other hand, typically worked for the federal minimum wage. The living wage legislation, in effect, puts a floor under wages in these categories.

well-established trend. Driven by the desire to reduce costs, cities have contracted out a wide range of municipal functions including car towing and storage; legal services; street light operation; labor relations; solid waste disposal; and ambulance services. Baltimore, which has been more aggressive than many other cities, has privatized bus services, airports, parking lots, billing, day-care and even building inspections (Valente and Manchester, 1984). As a consequence, many city jobs which once provided steady, full-time work with benefits at adequate pay have been spun off to the private sector where low wages, part-time and seasonal work, and the lack of benefits is increasingly the norm (Carre, 1995).

The initial impetus behind the Living Wage law came from a largely church-based organization known as BUILD – Baltimoreans United in Leadership Development. Many pastors in the poorer sections of the city noticed that more and more *employed* people were frequenting the soup kitchens and other charitable services offered by their churches. It became increasingly clear to them that a large population of working poor in the city was unable to live on the income from these kinds of jobs. In conjunction with union and Industrial Areas Foundation organizers, and with the strong support of the AFSCME, BUILD was able to push through the ordinance (#442) in 1994. The Living Wage campaign focused in the first instance on city contracts on the theory that tax dollars should not be used to support private firms which were paying their workers poverty wages.

The Living Wage law was extremely controversial, opposed both by the private sector and by important segments of the city's bureaucracy as threatening the "competitiveness" and economic health of Baltimore. Critics charged that higher wages on city contracts would worsen Baltimore's already precarious fiscal state with negative consequences for tax rates and the provision of urban services. They argued further that by tending to raise the minimum wage more generally in the city, the living wage would reduce the city's ability to attract private investment. Proponents argued that raising the wages of the 'working poor' would not only benefit these individuals, but in the long run would reduce the burden of welfare and other social services costs in the city.

A year after the ordinance was put into effect, an evaluation by the Preamble Center for Public Policy showed that the costs of city contracts affected by the ordinance had not risen significantly and that private investment in the city had actually increased somewhat (Weisbrot and Sforza-Roderick, 1996). This suggested that the short-run impacts of the legislation were not a problem either in terms of city finances or its economic competitiveness.

The present study is, in part, a follow-up to that evaluation, benefiting from an extra year's experience. However, one of the main lessons of this study is that it is extremely difficult to assess the effects of the Living Wage law for a variety of reasons. The results presented here must be understood as partial and indicative rather than complete and definitive.

This study addresses two main areas of concern: the impact of the living wage law on the city's budget and its impact on workers employed on affected contracts. It utilizes a number of different sources of data to assess these impacts and provide some context for understanding them. These range from the minutes of the city's Board of Estimates for contract prices, through payroll data for school bus aides, to interviews with a group of living-wage workers.

Budgetary Impact

This section assesses the degree to which living wage legislation has significantly increased the cost of services to the city. In Baltimore, as noted, contractors who may have been paying their employees the then-federal minimum wage of $4.25/hour would have been obliged to increase wage rates to $6.10/hour in FY96 and $6.60/hour in FY97.[3] Have these costs been passed through to the city, and have they had an important effect on the city's strained budget?

The potential impact of the legislation is significantly attenuated by a number of factors. Most importantly, the wages stipulated in any contract cannot normally be changed during the contract's term. Some contracts have terms of more than one year, and often the contractor has the option of extending the contract. According to sources in the Comptroller's office, only new contracts bid in a given fiscal year must adhere to that year's living wage. In any case, rather than a neat and simultaneous progression by all contractors through the various increments of the living wage, one finds a range of contractual obligations in force at any given moment.

Second, the living wage applies only to those employees currently paid below that level. This may include all of a contractor's employees on that contract or only some of them. However, a major concern of critics of the living wage law was the possibility of serious 'wage spillovers:' the degree to which raising the minimum wage would tend to raise wages all along the scale to maintain parity, and thus raising costs across the board.

Some argue that rising labor costs would be passed directly onto the city through contract price increases. Others propose that higher wages will be mitigated by increased productivity, lower turnover and, thus, training costs, and the competitiveness of the bidding environment.

Here we compare a selection of city contracts from before and after the living wage ordinance in order to determine:

1. has the overall cost of city service contracts covered by the living wage ordinance increased with the increase in wages; how significant was the increase;

2. did the cost changes vary on the basis of contract type (e.g., bus, janitorial, etc.) and is this variation linked to differences in labor intensity;

3. what are the difficulties involved in trying to assess the direct costs of the living wage on the city's finances.

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[3] FY1996: July 1, 1995-June 30, 1996; wage rate: $6.10
FY1997: July 1, 1996-June 30, 1997: wage rate: $6.60
FY1998: July 1, 1997-June 30, 1998: wage rate: $7.10

Data sources and collection

The data required for this analysis – the record of public contracts – is in theory publicly available but in fact is quite difficult to obtain. Contract information is often filed with other city documents with confidential information and would have to be laboriously separated in order to be made available. There is apparently no central file of contract specifications and costs.

The primary data presented here – the prices for various contracts – were culled from the Minutes of the Baltimore Board of Estimates (vols. 1993:5-1997:3). Information on terms of service is based upon comparisons of bidding sheets stored in Baltimore's Legislative Reference. Prices for contracts awarded after June 1997 and the definitive list of living wage contracts as of August 25, 1997 was provided by the Bureau of Purchases. Lastly, data on labor intensity of certain contracts and the figures on page x were taken from a report on the costs of the living wage produced by the city at the end of 1995.[4]

Results

Our goal is to produce a picture of how the living wage affects the cost of service contracts. This requires us to control for other variations where possible, especially in the terms of service. By terms of service, we mean the actual work required by the contract at specific locations. Several contracts – most notably grass cutting and school janitorial – were excluded from the study because the terms of service were significantly changed after July 1996, making cost comparisons impossible.

We were able to find twenty-six current living wage contracts which could be directly compared to pre-living wage contracts based on terms of service: that is, the pre- and post-living wage contracts are for essentially the same work. These represent 52% of the total number of city contracts covered by the living wage. The contracts are shown in Table 1.[5]

For the twenty-six comparable contracts, the total price increased from $20,273,909 to $20,510,301 or just 1.2% since the living wage was implemented starting July 1, 1995 (or the beginning of FY1996). If one were to correct for inflation, the total price would actually decline.

This is, on the face of it, a surprising outcome and well below what might be expected from a large rise in the minimum wage taking place within labor-intensive industries. The figure, however, is entirely in line with the results of the Preamble Center study, which found a nominal increase of less than one quarter of a percent from FY 1995 and before to FY1996 or, effectively, the first year of the living wage. Adjusted for inflation, this meant a decline

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[4] Mazza, Joseph D. 1995. "Impact of the Living Wage Ordinance." City of Baltimore, Bureau of Budget Management and Research, Department of Finance (December 8). For further discussion of this study, see below.

[5] For old contracts, we used the price of the latest winning bid or year-long extension before July 1, 1995. For the new contracts, we used the most recent contract or year-long extension. For contracts that have been adjusted during their term due to unexpected costs, we used the adjusted cost basis for comparison.

Table 1: Contract prices before and after the living wage

Contract name	Old contract #	Old price ($)	New contract #	New price ($)	Applicable min. wage ($/hr)	Price % change
Public pupil bus transportation	BP-06000	14,358,259	BP-06000	14,693,000	6.10	2.3
Athletic & cultural bus transportation	BP-13494	1,000,000	BP-12697	1,000,000	6.60	0.0
Camp variety bus transportation	BP-20495	30,960	BP-22096	36,400	6.10	17.6
General charter bus service	BP-24093	750,000	BP-20795	750,000	6.10	0.0
Bus total		**16,139,219**		**16,479,400**		**2.1**
Homemaker services	BP-11695	60,500	BP-10597	56,000	6.60	- 7.4
Homemaker/personal care	BP-13595	316,000	BP-10497	323,000	6.60	2.2
Homemaker services total		**376,500**		**379,000**		**0.7**
Carpet cleaning, various	**BP-12194**	**19,225**	**BP-14996**	**20,540**	**6.10**	**6.8**
Mntnce, planting-Convention Center	BP-13295	23,970	BP-12797	24,894	6.60	3.9
Janitorial, 2330 St. Paul	S-50501	8,600	S-70403	11,400	6.60	32.6
Janitorial EPFL Br. 10&22	BP-15894	7,200	S-70105	7,860	6.60	9.2
Janitorial EPFL Br. 14&25	BP-15794	6,500	S-70106	8,280	6.60	27.4
Janitorial EPFL Br. 19&21	BP-22293	8,000	S-60703	8,700	6.10	8.8
Janitorial EPFL Br. 28&4	BP-22393	5,940	S-60704	8,736	6.10	47.1
Janitorial EPFL Br. 23 &26	BP-22693	8,100	S-60502	8,160	6.60	0.8
Janitorial EPFL Br. 30,36,38	BP-22493	10,068	S-60702	12,000	6.10	19.2
Janitorial EPFL Br. 5&42	BP-15994	5,900	S-70107	9,120	6.60	54.6
Janitorial EPFL Br. 6&18	BP-22593	6,672	S-60701	6,843	6.60	2.7
Janitorial EPFL Br. 7&13	S-40603	6,440	S-60602	7,560	6.60	17.4
Janitorial total		**97,390**		**113,553**		**16.6**
Summer Food Program for Youth	**BP-95111**	**1,506,500**	**BP-96110**	**1,332,000**	**6.10**	**-11.6**
Construction equipment rental svc.	BP-16694	250,000	BP-10198	250,000	7.10	0.0
Hydraulic trailer maintenance	BP-17794	50,000	BP-12296	50,000	6.60	0.0
General moving & hauling	BP-13794	142,965	BP-14596	118,508	6.10	-17.1
Push pit maintenance	BP-20194	85,600	BP-11897	84,650	6.60	- 1.1
Repair, mntnce of terex scrapers	BP-20294	49,275	BP-10697	57,150	6.60	16.0
Sludge disposal - DPW	BP-21294	1,507,235	BP-19996	1,575,500	6.60	4.5
Trailer preventive maintenance	BP-17594	50,000	BP-10396	50,000	6.10	0.0
Miscellaneous total		**2,135,075**		**2,185,808**		**2.4**
Total		**$20,273,909**		**$20,510,301**		**1.2**

Source: See text. Totals may not add due to rounding.

of 2.4%. The average contract price, weighted by its share in the total cost of the sample, declined by 1.92% (Weisbrot and Sforza-Roderick, 1996).

The Preamble Center study suggested that the decline in overall costs might be attributed to the competitive pressures of the bidding market, which inhibited contractors from passing through the wage increase, and to efficiency gains at higher wages. The report also suggested that the institution of the living wage may reduce worker turnover and thus the costs of labor recruitment and training (Weisbrot and Sforza-Roderick, 1996). These seem to us quite plausible suggestions but, unfortunately, they cannot be evaluated from this data (see below for a consideration of employee turnover).

Another possibility is an increase in the *intensity* of work: the same amount of work performed in less time. In this circumstance, contractors would be bidding to perform a given amount of work at the higher, living wage, but counting on completing the work in less time than they used to take before the living wage went into effect[6]. Their expectations in this regard might be based on a certain amount of slack that had existed in the system before, or it might equally be based on the supposition that workers would be more willing or more easily pressured into working harder for a higher wage.

Again, the contract data does not provide any guidance in sorting through these possible explanations and there are no other quantitative data available which can be directly tied in to the cost data. It would be extremely valuable to be able to assess how contractors are altering their work practices in order to restrain cost increases. Our interviews with living wage workers found no obvious trends in employer responses to the living wage. As we report below, most of the workers we interviewed reported no change in employment levels at their workplace although many felt they were working harder since the living wage went into effect.

Variations across sectors

What we can see in this is that there is a tremendous disparity in cost changes across contract types. In Table 1, the contracts have been grouped into rough subcategories. At the high end, janitorial service contracts rose by 16.6% overall, while bus service contracts (by far the largest category in terms of dollar value) rose by only 2.1%. The Summer Food Service Program for Youth declined by 11.6%.

Some part of this disparity may be tied to the proportion of workers on a contract whose hourly pay had been below the living wage level before the ordinance was implemented. The contract for General Charter Bus Service, for example, covers bus drivers who made $8.50 per hour before the living wage went into effect; here, the living wage is not a cost factor and, indeed, this contract was rebid at exactly the same price.

The largest single contract, accounting for some 72% of the total dollar value of the twenty-six contracts combined, is for Public Pupil Bus Transportation. This work includes

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[6] This would, of course, depend on the sector and the work involved. 'Speed-up' is less likely, for example, in the case of bus aides whose work hours are set by the length of the bus route.

relatively well-paid bus drivers, and a large contingent of bus aides whose wages used to be substantially below the living wage. Some $6.5 million dollars, or roughly 45% of the total contract, was earmarked for the bus aide component of the most recent version of contract. Of this, about $3.8 million (or 58%) is paid in wages to the bus aides. To put this another way, roughly 25% of that contract was susceptible to wage increases which may have been on the order of 40%. Yet, the total contract price rose only 2.3%.

Another source of variation might be related to the labor-intensity of the sector. Service contacts pay not only for labor, but also for equipment and other overhead, along with a profit margin. In some sectors with low equipment needs, a much higher proportion of the contract price may go for direct labor costs. Janitorial contracts, for example, pay as much as 86% of the contract price in wages. Health care contracts, by contrast, pay roughly 10% of the contract in wages.[7] In food service contracts, where the biggest drop was recorded, labor costs are just shy of 20% of total costs. Other variables, such as a reduction in demand for the program, have a bigger impact on the overall cost decline.[8] Thus, the impact of the living wage should be felt in the most labor-intensive sectors. In fact, we find the largest percentage increase in janitorial services as expected, but other sectors did not exhibit any consistent relationship of this sort.

Wage spillovers

Some contractors which provide minimum-wage labor also employ other low-wage workers above the federally mandated minimum wage. This second group may include workers with more skills, seniority or responsibility than those at the bottom of the pay ladder. When the federal minimum wage is raised to the living wage, the new wage floor may approach or even exceed the prevailing wage within this second group, putting pressure on employers to increase wages for them. We refer to this phenomenon as wage spillovers. As a result, the living wage may have significant effects outside of the lowest-paid category of workers.

In the case of the Public Pupil Bus Transportation contract, for example, the prevailing wage of a special needs bus aide has begun to put pressure on special needs bus driver wages. Contracts bid after July 1, 1997 must pay aides $7.10/hour and this will rise to $7.70/hour in the following year. The current midrange for bus drivers is roughly $7.85 to $8.50/hour. According to BUILD staff, drivers have begun to demand increases to maintain the traditional wage differential with bus aides, while contractors have complained that the contract prices are too low to accommodate both the living wage for bus aides and higher wages for drivers. This is an emerging issue that will require further research.

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[7] Data on labor-intensiveness were taken from Mazza, 1995. Of the $39 million of contracts currently covered by the Living Wage, $26.8 million worth of contracts were studied in this report.

[8] Our thanks to Michelle Sforza for this point.

The bidding environment

We were not able to perform a quantitative analysis of changes in the bidding environment -- whether that environment is more or less "competitive" and the way these changes might influence price. There are some ambiguous signs of change which can be enumerated, however.[9] As with wage spillovers, this effect is an emerging one and has remained in the background of the debate.

According to the contracts we reviewed, some reorganization has taken place in both the grass cutting and bus sectors. In grass cutting, the withdrawal of some medium-size contractors prompted the subdivision of contracts to favor small-scale management. In bus contracting there has been a slight shift towards larger, national companies and away from smaller, local companies. But we are not able to say if these changes are an effect of the living wage ordinance.

Noncompliance

Lastly, we must raise the thorny issue of noncompliance. Since the ordinance was first implemented, there have been several reports of ongoing violations. There has been some ambiguity concerning when contractors must pay the living wage, especially contractors with long contracts or options for extension. Whatever the cause of noncompliance, the result would be to reduce the upward pressure on costs to the city.

A significant example concerns the bus contracts which make up such a large proportion of the contracts on which we were able to develop comparable data. The majority of bus companies were not in compliance during the first half of FY97 due to a dispute over the nature of bus contract extensions. At this point, wages were scheduled to rise to $6.60/hour, but most companies continued paying at the FY96 rate of $6.10/hour. Other bus companies have been found in noncompliance since January 1997 (i.e., the second half of FY97).

Compliance, in principle, is enforced by the city Wage Commission which must sift through payroll data on ever worker. Because of the voluminous data and the small staff, bus companies are as yet the only contracts which have been continuously monitored. But, as shown below, this has not been able to guarantee compliance.

Summary

In sum, the budgetary impact of the living wage has, to date, been insignificant. If corrected for inflation, the cost of a set of comparable contracts from before and after the institution of the living wage would actually have declined slightly.

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[9] The Preamble Center study noted that the total number of bids had fallen, suggesting a less competitive environment, but not by a statistically significant amount.

The causes for this are impossible to assess given the currently available data. Almost certainly, the lag in implementation due to contract extensions plays a role, but we cannot specify its magnitude. One would also wish to investigate the contribution of efficiency gains, cost reductions related to lower employee turnover; increasing intensity of work, a restructuring in favor of larger, lower-cost service providers, and noncompliance in limiting the cost impact.

Two years into the living wage, then, the widely-voiced fear that its implementation would place intolerable strains on the city's budget have not been realized. While it is necessary to keep in mind that the full effect of the living wage may not yet have been felt, the utter lack of impact so far is striking and indicates that the city's ability to absorb the living wage has not yet even come close to its limits.

Quite plainly, research that could elucidate the reasons behind this non-impact would be tremendously valuable. In other words, we need to understand better how the cost of the living wage is absorbed or compensated for by a) contractors in the form of reduced profits; b) workers who labor more intensively; and c) increased productivity, including through the displacement of smaller firms by larger, more productive firms. The outcome so far is surprising, and merits further study.

A Sketch of Low-Wage Workers in Baltimore

In order to appreciate the effect of the living wage on workers, we need to establish some sense of the working and living conditions of Baltimore's low-wage service workers in general. Below we will examine more closely data concerning living-wage workers in particular. Here we use Census data from 1990 to provide a brief sketch of the population from which these workers are drawn. Because these data are not comparable, and we were not able to construct a statistically representative sample of living wage workers, this sketch provides only a notional basis for comparison. When we talk about our subsets of living wage workers, we cannot say whether or not they are typical of this broader pool of low-wage service workers. Moreover, a considerable amount of time has elapsed since the 1990 Census, so many things may have changed.[10] But we nevertheless feel that this sketch provides an important backdrop to what follows.

We used the Census data to provide information about the employment, family and housing circumstances of Baltimore's low-wage service sector workforce.[11] This required us to select a subset of people who met the following criteria:

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[10] Note that earnings data from the 1990 Census actually refer to earnings in 1989.

[11] More precisely, we used the 1990 Public Use Microdata Sample (PUMS) from the 1990 Census. This data is based on a detailed questionnaire given to a five percent sample of the entire city population. This is the data set from which we drew our smaller, low-wage service worker sample. The standard error for the PUMS data at a 95% confidence interval is plus or minus 7%. The standard error for smaller subsets of this data will be larger. We want to stress that we are using these data to provide a background sketch rather than to draw statistical inferences.

1) they worked for government or private sector for-profit and non-profit employers;

2) they worked in one of a range of occupations chosen for their similarity to occupations covered by the living wage law (e.g., janitors and cleaners; parking lot attendants; bus and taxicab drivers, etc.);

3) they worked in one of a range of sectors similar to those covered by the living wage law (landscaping, construction, food service, transportation, finance/insurance/real estate, business and repair services, entertainment and recreation services, and professional and related services); and

4) they worked for low wages. Low wages were defined as below $6.31 per hour, which was the median estimated hourly wage for the service workers in these categories in 1989. Thus, half of all service workers in low-wage occupational categories earned less than $6.31/hour in 1989 and became part of our sample group.[12]

We have also relied on the Bureau of Labor Statistics for data concerning wage rates of various occupations. A complete explanation of the categories we used and what they mean can be found in the Appendix.

Characteristics of Baltimore's low-wage service labor force

From the census data, we estimate that there were 20,136 workers in our occupational categories whose approximate wage rate was below $6.31 per hour in 1989. Seventy-one percent of these low-wage workers were African-American, although this group represents only 59% of the city's total population. We present a summary of the racial characteristics and occupational categories of Baltimore's low-wage workforce in Table 2.

Janitors constituted the largest occupational category of low-wage workers in the city (28% of the total). The second largest group was employed in administrative support occupations (18%), followed by food service (16%), guards (8.5%) and construction workers (8.5). The unequal distribution of racial groups among these occupations suggests a racially segmented labor market within these occupational categories. To test for the statistical significance of this unequal distribution, we compared these observed counts against the number expected for each occupational category if people of different racial groups were evenly distributed across them. In other words, we would expect the proportion of janitors who are African-American to be roughly equal to their share of the total population of low-wage service workers. By this test, African-Americans are over-represented in the following

[12] As it turns out, this $6.31 figure would have been roughly equivalent to the 1997 mandated living wage of $7.70 after correcting for inflation based on the Consumer Price Index. More precisely, $6.31 in 1990 was equivalent to $7.75 in 1997.

Table 2: Low-wage service workers by occupation and race, 1990

			Race			
			Black	Other	White	Total
Occupation	Admin support	Count	2,173	180	1,178	3,531
		% of Occupation	61.5%	5.1%	33.4%	100.0%
	Construction	Count	1,291		426	1,717
		% of Occupation	75.2%		24.8%	100.0%
	Food service	Count	2,001	48	1,063	3,112
		% of Occupation	64.3%	1.5%	34.2%	100.0%
	Guards	Count	1,236	19	457	1,712
		% of Occupation	72.2%	1.1%	26.7%	100.0%
	Janitors	Count	4,720	31	854	5,605
		% of Occupation	84.2%	.6%	15.2%	100.0%
	Personl srvcs	Count	1,079	25	558	1,662
		% of Occupation	64.9%	1.5%	33.6%	100.0%
	Transport	Count	417		186	603
		% of Occupation	69.2%		30.8%	100.0%
	Laborers	Count	1,469		725	2,194
		% of Occupation	67.0%		33.0%	100.0%
Total		Count	14,386	303	5,447	20,136
		% of Occupation	71.4%	1.5%	27.1%	100.0%

source: 1990 Census

occupational categories: janitors, guards and construction workers. A chi square test indicates that these disparities are statistically significant – i.e., they cannot be attributed to chance.[13]

[13] The chi square statistic is 1078 with 14 degrees of freedom. The confidence interval $p < .001$.

Table 3: Low-wage service workers by occupation and gender, 1990

			Gender		
			Female	Male	Total
occupation	Adminstrative support	Count	2,923	608	3,531
		% of occupation	82.8%	17.2%	100.0%
	Construction	Count	59	1,658	1,717
		% of occupation	3.4%	96.6%	100.0%
	Food service	Count	1,428	1,684	3,112
		% of occupation	45.9%	54.1%	100.0%
	Guards	Count	447	1,265	1,712
		% of occupation	26.1%	73.9%	100.0%
	Janitors	Count	2,697	2,908	5,605
		% of occupation	48.1%	51.9%	100.0%
	Transport	Count	202	401	603
		% of occupation	33.5%	66.5%	100.0%
	Laborers	Count	756	1,438	2,194
		% of occupation	34.5%	65.5%	100.0%
	Personal Services	Count	1,388	274	1,662
		% of occupation	83.5%	16.5%	100.0%
Total		Count	9,900	10,236	20,13
		% of occupation	49.2%	50.8%	100.0%

source: 1990 Census

The gender distribution of low-wage workers is similarly uneven and beyond what would be expected if chance were the only factor in determining the distribution.[14] Women constitute 49% of this population, but, as shown in Table 3, they account for 83% of administrative support workers and 84% of the personal services category: attendants, guides, child care providers, public transportation attendants, etc. Conversely, construction and other 'laborer' categories, security guards and transportation are primarily a male domain.

[14] The chi square statistic is 4,446 with 7 degrees of freedom. The confidence interval $p < .001$.

As our discussion below shows, the gender and racial segregation of work does appear to contribute to unequal working time and unequal wage income for women in our sample population of service workers. At the same time, the disproportionately large share of African-Americans in the low-wage service sector as a whole inevitably contributes to the higher rate of poverty in that population.[15]

It is often supposed that the low-wage service workforce is to a large degree composed of teenagers and recent school-leavers with few, if any, family responsibilities and that their low wages are sufficient for their needs. The mean age of low-wage service workers in Baltimore, however, was 34 years and ranged from 16 to 87 years. Not surprisingly, these individuals had a variety of household responsibilities.

Table 4: Household status by gender in Baltimore, 1990

			Household status					
			Householder	Nonrelative	Other relative	Child	Partner	Total
Gender	Female	Count	4,243	902	465	2,476	1,814	9,900
		% of Household status	61%	47%	34%	35%	64%	49%
		% of Total	21%	4%	2%	12%	9%	49%
	Male	Count	2,722	1,008	906	4,560	1,040	10,236
		% of Household status	39%	53%	66%	65%	36%	51%
		% of Total	14%	5%	4%	23%	5%	51%
Total		Count	6,965	1,910	1,371	7,036	2,854	20,136
		% of Household status	100%	100%	100%	100%	100%	100%
		% of Total	35%	9%	7%	35%	14%	100%

Source: 1990 Census

Those who identified themselves as the householder (the person in whose name the house is rented or owned) were, on average, 43 years old. As Table 4 shows, sixty-one percent of this group were women. Of these women, roughly three-fourths provided 100% of the family's income. The combination of racial and gender segmentation in the labor market is, plainly, an especially severe problem for African-American women in Baltimore. And the presence of children in predominantly women-headed households results in a starting statistic: nine out of ten children of working families in poverty are African-American.

Another effect of low-wage work is that many more people in a low-wage service worker's family are likely to be mobilized into the labor market when compared with all other

[15] For a detailed discussion of the racial and gender segregation of work in Baltimore and elsewhere, see Fernandez-Kelly, 1994; Hanson and Pratt, 1995; Wilson, 1995.

Baltimore families. As Table 5 shows, 29% of low-wage families had 3 or more family members in the labor market compared with 15% for the city as a whole.

Table 5: Number of workers in family

Number of workers in family	Low wage families		All other Baltimore families	
	count	% of total	count	% of total
1 worker	4,190	28%	51,749	41%
2 workers	6,528	43%	56,825	45%
3 or more workers	4,311	29%	19,041	15%
	15,029		127,615	

Source: 1990 census

According to the census, 6% of all low-wage service workers reported receiving some form of social security income, including variously Social Security pensions and survivors benefits and permanent disability insurance payments. Another 6% reported receiving some form of public assistance. These persons received an average $3,073 per year in public assistance, including supplementary security income from Federal or State welfare agencies for people who are aged 65 and over, blind or disabled; aid to families with dependent children; and general assistance. Under 4% of low-wage workers reported receiving some form of retirement or disability income in addition to their wages. This type of income includes retirement pensions or survivor benefits, and disability income from sources such as workers' compensation.

Characteristics of low-wage jobs

The impact of privatization of public services is dramatically revealed in a comparison of government and private-sector wage rates for similar work. According to the Bureau of Labor Statistics (BLS), prevailing wages for service occupations in the private sector are significantly lower than in the government sector.[16] Government workers in the identical service sector occupational categories to our Census sample normally averaged 35.4 hours per week, worked an average 42 weeks per year, and had an average wage income of $14,263 in 1989 (indicating an hourly pay rate on the order of $9.90).

[16] See the Bureau of Labor Statistics' Occupational Compensation Survey. The BLS data only covers private sector establishments with 50 or more employees and excludes part-time, seasonal and temporary workers. Many workers affected by the living wage work part-time or seasonally for very small firms and so the estimated prevailing wage from the BLS may actually be higher than that received by many workers of interest to this study.

For example, in May of 1992, the BLS estimated that there were some 12,000 people employed as janitors in Baltimore, 72% of whom worked in the private sector while the rest were employed in state and local government. The 1992 median wage for janitors in the private sector service industry was $5.19 per hour, and 75% of these janitors were making less than $6.50 per hour. In the government sector, by contrast, the median wage for janitors was $9.19 per hour.

According to federal poverty data for 1992, a worker needed a wage of $6.89/hour for 40 hours a week over 52 weeks to reach the $14,335 poverty threshold for a family of four. At $5.19/hour, a worker would have had to work an average of at least 53 hours per week over 52 weeks to reach the poverty level. By 1995, the median wage for janitors in the service sector had climbed to $5.50, but the poverty threshold had increased faster, so that a worker would have had to work an *additional* 1.3 hours, or at least 54.3 hours per week to reach the poverty line in that year. In the past, the workers presently covered by the living wage law might have been working directly for the city at a living wage. It is when this work is contracted out to the private sector that it becomes impossible to earn an adequate living.

Housing circumstances of low-wage workers

Housing is frequently one of the largest expenses of low-income people. The usual rule of thumb for housing affordability is that total housing costs should not exceed roughly 30% of total income. Sixty-four percent of low-wage families in Baltimore rent their homes, and of these, 45% report paying in excess of 30% of their income on housing. Table 6 shows the proportion of low-wage household who own or rent their homes and compares them with all families in the city.

Low-income families live in more crowded circumstances than others in Baltimore. The average number of people in low-wage households is 3.64, while for the city as a whole, it is 2.26. One measure of the adequacy of a family's housing situation is the number of rooms per person. Government guidelines specify a ratio of one room to a person to define acceptable housing density.[17] In Baltimore, the city-wide average is 2.8 rooms per person, and the average for low-wage households is 1.85.

Table 6: Housing tenure status of low-wage households

	Frequency	Percent	All families in Baltimore (%)
Owned with mortgage	4,204	22.3	27.4
Owned free and clear	2,539	13.5	21.4
Rented for cash	12,020	63.7	50.4
No cash rent	112	0.6	0.8

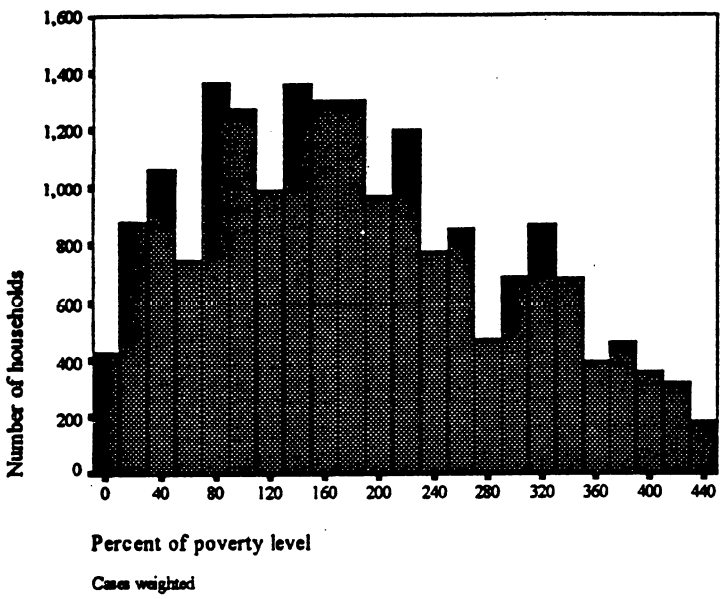
Source: 1990 Census

[17] Rooms, in the Census definition, are whole rooms used for living purposes which excludes bathrooms, kitchenettes, utility rooms, and so forth.

Poverty status of low-wage service workers

The census distribution of all low-wage households with respect to the poverty level is presented in Figure 1. The median family income of all low-wage service workers is

Figure 1: Low-wage service sector household incomes as percent of poverty level, 1989



171% of the poverty line.[18] Twenty-seven percent of low-wage service workers' households were below the poverty line in 1990.[19] Of these families, 74% were African-American.

From the Census we also determined that 15,034 children under the age of 16 were living in the households of low-wage service sector workers. But a disproportionately large number – 40% -- of these children lived in households below the poverty line. Of these children in poor households, 89% were African-American. Table 7 provides a breakdown of all poverty-level households by race, number of children, and household type.

[18] Note, however, that in the absence of the living wage ordinance, affected workers in Baltimore are likely to be earning below the federal poverty line for a family of four.

[19] The percent of poverty is a federal income standard adjusted for family size.

Table 7: All poverty households: race, number of children and household type, Baltimore, 1990

Race/ ethnicity			Number of children					Total
			1	2	3	4	5	
Black	Household type	Married couple	92	33	31	66		222
		Male householder family	155	53	20			228
		Female householder family	513	687	617	134	59	2,010
		Female non-family	20					20
	Total		780	773	668	200	59	2,480
Other	Household type	Female householder family				28		28
	Total					28		28
White	Household type	Married couple	25		93			118
		Female householder family	69	71			48	188
		Male non-family	23	25				48
	Total		117	96	93		48	354

Source: Census 1990

Summary

This sketch of the low-wage service sector population highlights race and gender as markers of the low-wage population in general and the poverty-level population in particular. It stresses that private sector service jobs of the sort specifically targeted by the living wage law are generally and persistently far from providing for a family's basic needs, although many families are primarily dependent on the income from such jobs. As we have pointed out, the jobs affected by the living wage law might once have been located in the government sector where they provide wages well above the poverty line for full-time work.

In what follows, we try to estimate the number of workers in Baltimore who may presently be working on living wage contracts. Then we provide an analysis of the earnings history of a group of bus aides whose jobs are subject to the living wage law, and some insights into the circumstances of living wage workers gleaned from in-depth interviews.

Estimating the Number of Living Wage Workers

After discussions with many inside and outside city government, we could find no estimates for the number of workers affected by the living wage law. It would, obviously, be helpful to have some sense of the magnitude of this figure in order to assess the impact of the law.

In December 1995, the city's Bureau of the Budget and Management Research (BBMR) produced a rough estimate of the cost of the ordinance (Mazza, 1995). To do so, it had to estimate the average cost of low-wage labor as a percentage of city expenditure on eligible service contracts. It also had to make some assumptions about how contractors were likely to behave in the face of the mandated wage increases. This study, which was done in advance of the law's implementation, projected a 9-13% increase in city contract expenses resulting from a stipulated wage of $7.70.

BBMR estimated existing prevailing wages and the cost of low-wage labor as a percentage of the total contract cost. Secondly, the study assumed that all contractors would pass on all cost increases to the city. Third, BBMR assumed wage spillovers would tend to push up the wages of other employees and that these costs, too, would be passed onto the city. The study assumed no increase in productivity and no decrease in the costs of absenteeism, turnover, recruiting or training that might be expected from the availability of a 'premium wage.'

In Table 8, we present some of the data underlying BBMR's projection in the columns entitled "Estimated low wage labor cost" and "1995 prevailing wage."[20] Starting with the estimated low wage labor cost, we subtract 15% for payroll taxes to arrive at a figure more closely approximating what would actually be paid out in wages (adjusted compensation). Our own estimates (from interviews) about the total number of working days per year and the average number of hours per day for a given type of job allow us to calculate total working time (number of days multiplied by number of hours). We are then able to derive an estimate of the numbers of workers by dividing working time into adjusted compensation costs.

This procedure, to be precise, gives us an estimate of the number of living wage *jobs* rather than workers *per se*. That is, one bus-aide job would amount to an average of six hours per day for nine months (188 days) of the year. This does not automatically imply that one person does that job and indeed, in the case of bus aides, it almost certainly does not mean that (see below). Depending on how living wage jobs are allocated to workers, one job could equal anywhere from one to four persons. The impact of the job in terms of total wages earned in the city would not vary, although some of the hypothesized benefits of the living wage would be attenuated to the degree that a single living wage job is spread over several people

[20] The estimates are derived from a) line items in contracts where wage rates were specified; b) invoices at Accounts Payable; c) the "professional judgment" of the Bureau of Purchases and user agencies; and d) in about 20% of the cases, they used "local and national industry standards."

Table 8: Estimated number of living wage jobs

Contract category	1995 estimated low-wage labor cost ($)	1995 prevailing wage ($)	Estimated working days	Estimated daily hours	Estimated number of jobs
Food service					
Education	873,659	6.10	188	6	108
CARE	410,664	6.10	241	6	40
OED	258,514	6.10	241	6	25
School bus					
Regular	580,000	7.50	188	6	58
Special needs driver	3,915,000	7.50	188	6	393
Special needs aide	3,915,000	6.10	188	6	484
Janitorial					
Other	231,589	6.10	241	6	22
Education	2,322,039	5.50	188	6	318
Stenographer					
Part A	163,628	6.10	241	8	12
Part B	106,878	7.00	241	8	7
Part C	133,114	7.50	241	8	8
Maintenance and Repair					
Solid waste transfer	8,891	6.10	241	8	1
Carpet repair	6,150	6.10	241	8	0.4
Carpet cleaning	15,405	6.10	241	8	1
Equipment cleaning	33,725	6.10	241	8	2
Moving and Hauling	82,956	6.10	241	8	6
Health Care	137,000	7.00	241	8	9
Total					**1,494**

Source: Mazza, 1995(1995 estimated costs and wages); interviews (estimated working days and hours)

In this way, we arrive at an estimate of 1,494 living wage jobs. Note, however, that what might be thought of as a 'complete' living wage job is not necessarily a full time one, if we consider full time to be 40 hours a week for 50 weeks a year. Some jobs are normally seasonal (188 days per year) and/or normally provide less than eight hours a day of work.

How big is 1,494 jobs? If we assume one job to one person, this would represent about 7.4% of our 20,136 low-wage service workers described above. If one thought that each living wage job was, in effect, "shared" by two workers, then as many as 15% of the low-wage service labor force in Baltimore might be touched directly, and in a reasonably significant way, by the living wage legislation. If one thought each job was "shared" by four workers, then the impact of the living wage is felt directly by 30% of this segment of the labor force, but in a much-attenuated way. Plainly, more research is necessary to better estimate the numbers involved.

The Impact of the Living Wage on Workers: Payroll Data

Bus aide is a strategically important occupation in the general scheme of things, although the value of the work is not rated highly in market terms. Bus aides are responsible for keeping order on the bus, helping children on and off as well as across the street, acting as role models, protecting the driver from dangerous distractions, providing first aid and helping to manage emergencies. In short, they are directly responsible for the safety of schoolchildren and must have considerable 'human relations' skills to do the job well. Bus aide work has been shown to produce high levels of stress (Lede, *et al.*, 1994).

Bus aide work is normally part-time and occurs in widely separated segments of the day. A typical bus worker will start work between 6:00-7:00am and finish the morning route by 9:30. From 9:30 to 1:00pm is enforced idle time, for which no pay is received. The worker is free to go off site, but this might mean a long journey home and then back again for the afternoon shift, or finding somewhere else to wait. For example, one bus aide with whom we spoke left her house every morning at 4:30am in order to catch a bus to take her to work. Plainly, she is unable to do two round-trips per day. Yet, given the odd hours involved, it is extremely difficult to mesh bus aide work with a second part-time job. Furthermore, bus aides are usually employed only for the 9-month school year.

We analyzed nine months worth of payroll data for 267 bus aides in order to determine the following:

1. how many hours do bus aides work during the school year and what income levels are associated with this work;

2. what is the turnover rate of the bus aide workforce; and

3. do hours and turnover rates vary by size of firm.

Scope and quality of the data

The living wage ordinance requires bus companies working on contract to the city to routinely file payroll data on their employees showing hours worked and pay rates. The data is limited to the period from September 1996 to June 1997 - that is, the normal nine-month school year.[21] It is further limited, by necessity, to those companies who complied with the ordinance and submitted their payrolls to the city's Wage Commission.

Altogether, data on 267 workers was collected. The sample represents substantially more than half of the entire population of bus aides employed on Baltimore city contracts in the school bus sector. The data exclude bus drivers who are not covered by the living wage law since they earn close to $8.00/hour.

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[21] This time period lies within FY1997 during which time the living wage rate should have been $6.60/hour.

Since very few contractors submitted data for the 1995-96 period, it was not possible to do a 'before and after' study to test if companies were reducing working hours in response to higher hourly wage rates. Given the special nature of bus aide work, however, this seems unlikely to us. The bus routes haven't changed and can't be drastically sped up, nor can an aide work on more than one bus at a time.

The payroll data are certified and signed by company officers and submitted to the Wage Commission, where they are subject to public scrutiny. The data are checked by Wage Commission staff and are used to conduct spot-checks, on-site company inspections and hearings, as well as to establish fines and back-pay settlements. At least one company, however, has admitted to submitting incorrect data and many companies, of course, have not submitted data at all.

The working year, as noted, runs from September to June. In trying to estimate the rate of labor turnover, we have registered as an instance of turnover any individual who drops off the payroll data for more than eight consecutive weeks.[22] We don't, of course, know why the separations occur. In addition, any worker who worked less than a week total was not included in our analysis.

Analysis

Hours

On average, bus aides in this group worked 508 hours total during the year, or only about 56 hours per month (see Figure 2). Out of 267 workers, 12.5% worked less than 50 hours for the year. Close to 25% worked between 700 and 900 hour during the year. Only 10% managed to work more than 1000 hours per year which would represent something like a half-time job.[23] The average bus aide, instead, worked a quarter of normal hours for a full-time, full year job.

This suggests that the average worker does not have a steady assignment – i.e., five days a week, four weeks a month, on the same route. A steady assignment, by our estimate, would produce 20-30 hours per week on average, (720-1080 hours per year) depending on the route. It is evident that the majority of bus aides are far from attaining this. Why should this be?

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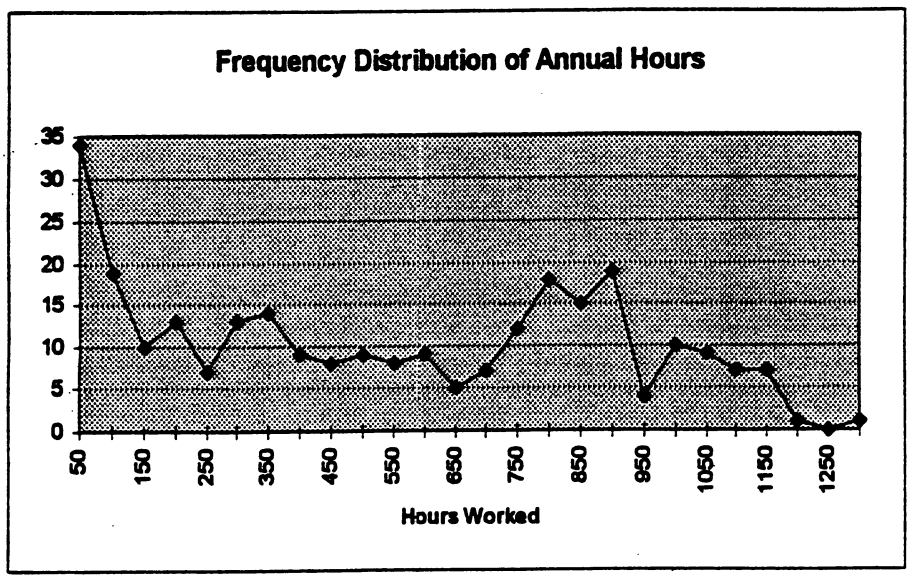
[22] The eight-week time period was selected to provide generous accommodation for the possibility that individuals might work several short stints over the course of the nine months and thus make the turnover rate appear higher. As it turns out, there were no such cases. Changing the turnover definition to a four-week interval makes no significant difference to the overall results.

[23] Calculating a full-time job at 40 hours per week for 50 weeks, or 2000 working hours.

Figure 2: Frequency distribution of annual hours, bus aides



One possibility is that the bus aides prefer to work a smaller number of hours and aren't available for more consistent work. This seems extremely unlikely to us. Every indication we received from our interviews (see below) suggests an overwhelming desire for steadier work and more full-time work. And other researchers have established that much contemporary part-time work is involuntary – that is to say, the individuals would work full-time if they could (Carre, 1995).

The alternative explanation is that employers prefer, for some reason, to spread the work out over a larger labor force than they appear to need. This seems, on the face of it, perverse – at least from the point of view of the final purchaser of the service, which is the city. One imagines very easily that the ability of a bus aide to perform his or work *well* depends on knowing the individual children and being able to anticipate problems and deal with them efficiently and effectively. It seems equally likely that it is important for the children to know the bus aide and to have consistent expectations about what behaviors will be tolerated. Instead, it would seem that the employment practices of the contractors specifically make this deeper knowledge impossible.

Presumably, this hiring pattern affords some perceived advantages to the employer. It certainly provides numerical flexibility, so that workers are always available at need, and yet, as we have seen, never have to be paid when they're not needed. Even so, the 65% of bus aides who do not work long enough hours to be on a steady assignment seem rather more than would be required to ensure a buffer supply of labor available on short notice. Unavoidably, this suggests that some employers at least may see an advantage in having an unstable labor force comprised of workers who are prevented from developing any sense of ownership in their jobs – a sense that may, in turn, generate stronger demands about appropriate terms of work.

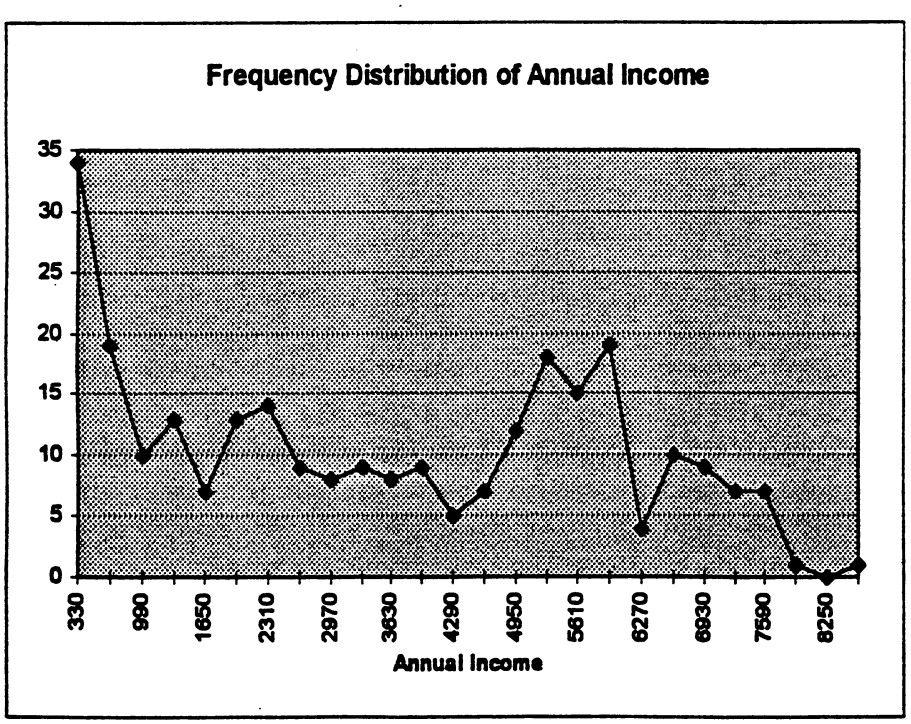
This is merely a hypothesis in the absence of other plausible explanations, and would be well worth additional research. The city has an interest in ensuring that the role of bus aide is performed as well as possible. One of the justifications for paying the living wage is that it will attract good workers and encourage them to provide high quality services. The city needs to be sure that its vendors are allowing the full benefits of the living wage to be realized.

Income

Even if paid at the FY97 level of $6.60 per hour, the low level of hours worked means that bus aides are very far from earning what could be thought of as a living income. And, of course, many bus aides are still being paid $6.10/hour as a result of the disputed interpretation of contract extensions described above. We base our calculations here, though, on the $6.60/hour rate, as back pay has been awarded when firms have come into compliance.

At $6.60 per hour, the mean annual income was $3,355, or some $12,645 short of the city's own figure for keeping a family of four out of poverty (see Figure 3). The top 10% of our earners brought in $6,600 to $8,580 per year. The lower 50% of our sample earned less than $3,300 while 12.5% earned less than $330 for their work that year.

Figure 3: Frequency distribution of annual income, bus aides



On the other hand, it is crucial to recall that, if paid at the current federal minimum wage of $5.15 per hour, the mean annual income of this group of workers would have been only $2,616.

We can't know, of course, what other sources of family income these workers may have had during this period. It is worth repeating, though, that the peculiarity of the schedules involved makes it unusually difficult for the bus aides themselves to supplement their incomes with other part-time work.

Firm size

Hours worked per year and, thus, incomes, varied strongly by firm size. Larger firms (those employing more than 50 bus aides) employed their bus aides an average 560 hours per year for an income of $3,696 (see Figure 4). Of our 267 workers, 176 worked in larger establishments. Only two contractors qualified as 'large' firms by our definition.

Small firms, by contrast, offered an average 390 hours of work per year, for an income of $2,574 (see Figure 5). Fully half the bus aides at these small firms worked less than 350 hours per year for a median income of $2,310. Small firms employed an average of 17 bus aides.

Figure 4: Distribution of hours worked, large companies

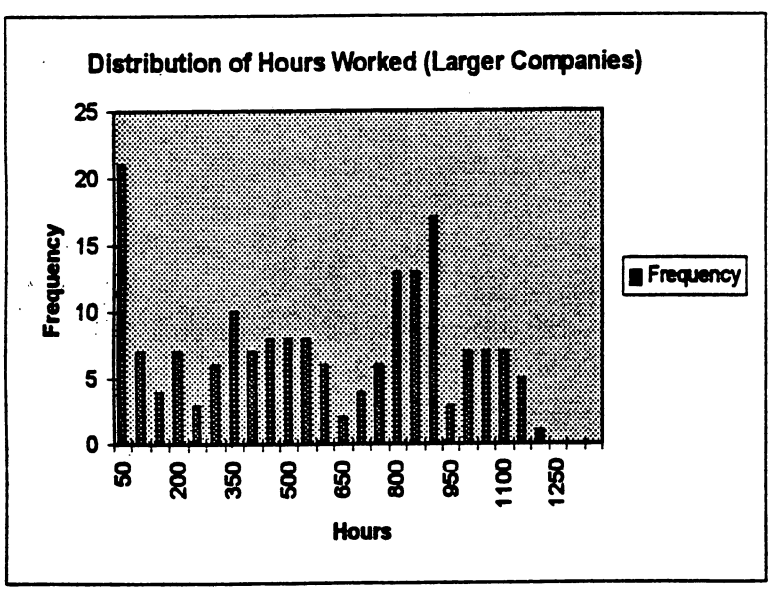
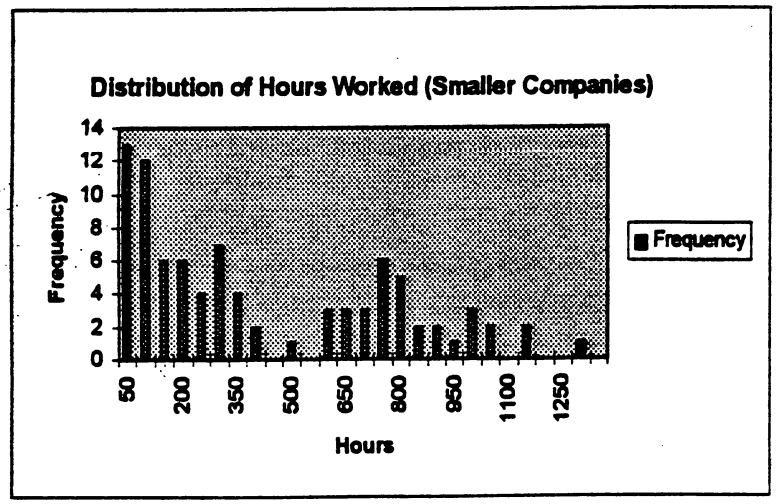


Figure 5: Distribution of hours worked, small companies



Labor Turnover

Our definition of labor turnover is the number of workers who drop off the payroll divided by the total size of the workforce for the 9-month school year. As mentioned, we count workers who have dropped off the payroll for at least eight consecutive weeks. This seems to us a rather generous margin which would err on the side of understating the magnitude involved. Turnover is of interest because it is related to the experience of workers and the quality and efficiency of work they are able to do. It is also related to the operating costs of the firm, including the costs of recruiting new workers and the inefficiencies connected with learning the job.

The average turnover for our 'large' firms, by this measure, was 19.3%. This means that for any ten jobs, approximately 12 workers were employed during the year. This is not an especially low figure, but it is completely eclipsed by the turnover rate for small firms, which averaged 41.4%. This highlights the small firm employment environment as particularly unstable.

Promotions

At one of the larger bus companies we identified at least ten workers who started out as bus aides and, after roughly 20 weeks of work, were promoted into higher paying driver's jobs. This is a very important development for the workers involved, and may be connected to the more favorable turnover experience of this company. We could find no evidence of such a trend at the other companies, and we were also unable to determine if this company conducted training programs or assisted workers in getting commercial driver's licenses.

Summary

The bus-aide sector of Baltimore's low-wage labor market is in considerable flux. There is significant employment instability across the board, but it is most strongly in evidence at smaller companies. When we consider the safety and quality of care of children and the disabled who are transported by private bus companies on contract for the city, then employment instability is a real public issue.

At its most regular, bus-aide work involves two shifts a day, each shift comprising somewhere between two to three hours. At best, this would amount to something between half-time and three-quarter's time work. Most bus aides do not enjoy even this consistency or quantity of work. On an annualized basis, the majority of bus aides average no more than 25% of a 'normal' year's work (i.e., 2000 hours).

As a result, the incomes yielded from bus aide work are dramatically lower than the poverty line, despite the living wage. The living wage, in this context, is an important improvement for these workers, but is not by itself a solution to the problems of the working poor. Greater attention must be paid to the issue of hours worked and whether it would be possible to draw work hours into the living wage equation.

If we agree that job instability erodes the quality of service in this important area, then a first step to stabilizing the sector would be to ensure that workers are offered the maximum possible hours at living wage rates. Small companies, as we have shown, maintain wider available labor supplies, and they seem to prefer employing more workers at fewer hours instead of fewer workers at more hours in better jobs. This practice arguably has substantial negative consequences. It may be productive to make employment practices part of the process of assessing the contract-worthiness of bidders for these jobs. This might provide much-needed incentives to retain staff, stabilize work schedules, and develop workers' capabilities.

The Impact of the Living Wage on Workers: Interview Data

To learn more about the circumstances of workers in the city's low-age labor market, and to measure the impact of the living wage on workers, we interviewed twenty-six people who are currently in living-wage jobs. We focused on three of the largest categories of affected service workers: food service workers, janitors, and school bus aides. Twenty-one in this group were women. We used a detailed questionnaire of 55 questions that roughly follows the Census questionnaire to guide our forty-five minute interviews. The questions covered employment, family characteristics, income and expenses of these workers.

We did not contact these workers at their place of employment, out of concern that this might have placed them in some jeopardy with their employers. Nor did we use the payroll data as a guide to potential respondents on the thesis that this would, in effect, compromise their confidentiality. Rather, we found most of them through the Solidarity Sponsoring Committee (SSC), an advocacy and training organization that has promoted the living wage in Baltimore. This may well have introduced some bias into the sample, but it seemed to us

the most responsible way of identifying living wage workers. We did recruit several respondents who are not associated with the SSC, but this was not our principle method of contact.

As our review of the Census data showed, the city's low-wage service sector workforce is diverse, and the impact of the living wage will depend upon the particular circumstances of each individual. Because the living wage workers with whom we spoke were somewhat self-selected through their association with SSC, they may represent that portion of workers most greatly affected by the living wage. For example, our group of twenty-six workers was somewhat worse-off financially than the average circumstances of low-wage workers in the city.

In any case, 26 workers is not a statistically valid sample, and we do not propose to make statistical arguments. Our purpose, rather, is to provide richer, more detailed insights into how the living wage affects real people's lives. It allows them, in effect, to define their own context and important reference points, and to draw their own judgments about the law. In addition, the interviews also lay the groundwork for subsequent research, especially where this might include survey research that could be statistically linked to the Census data.

Wages and hours

Before the living wage was put into effect, workers in this group earned an average $4.94 per hour, somewhat more than the prevailing federal minimum wage. At the time of the interviews, this average had risen to $6.66 per hour, an increase of 35%.[24]

Wages varied considerably across occupational categories. In food service, they ranged from $6.10 to $6.25 per hour even though the city's Board of Estimates had reaffirmed its commitment to a minimum of $6.60 per hour in December 1996. The bus aides in our group were currently averaging $6.56 per hour, but only began receiving the $6.60 hourly wage in January 1997, six months after that wage was supposed to come into effect. The city's Wage Commission had begun imposing fines on school transportation contractors who were not paying the contracted minimum. From September 1996 to January 1997, all of the bus aides reported earning $6.10/hour. All of the janitors with whom we spoke reported that their wages had increased to $7.10 per hour on July 1, 1997. The city's new school board recently affirmed that this wage level would apply when all school-based contract employees returned to work in the fall.

Only four of our workers had full-time jobs, and only these four had been offered full-time work by their employers. Two-thirds of the remaining workers told us they would accept full-time work if it were available. Those workers satisfied with part-time work were either elderly, or had health problems, or had family responsibilities that prevented them from working full time.

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[24] At the time of the interviews, the summer of July-August 1997, the stipulated living wage for FY98 – $7.10 per hour – should have been in effect. Many of the employees in this group work seasonally, however, and were on furlough over the summer so their wages had not yet increased, thus drawing the average down. But some of the shortfall, as the text shows, is due to noncompliance.

At most workplaces, it was reported that the division between full and part-time work was involuntary. Only one women out of the 21 in our group had full-time work and some women felt that as a matter of policy employers were more likely to offer full-time work to men. As one put it, "The management has a policy that the guys work [full-time] and the women work [part-time]." On the other hand, a worker at another job site felt that "Only managers get full-time work. No one else gets full-time work."

Fifteen out of the 26 workers that we interviewed worked only during the school year. Based on the city's analysis, we estimate that 74% of all workers covered by the living wage work in the school system (Mazza, 1995). While not all school jobs are seasonal, many are limited to nine-month terms. Some bus companies offered their aides summer work but schedules are irregular and unpredictable. As we have seen, this attenuates the impact of the living wage.

Length of time at the job

Among the people we interviewed, school bus aides (who were all women) had the longest tenure at their jobs, averaging more than five years. Janitorial works averaged 34 months at that job, and food service workers 13 months.

School bus aides also had the most positive comments about their work. One woman, who had been at her job for more than seven years, made the following observation which is representative of what many bus aides said about the job:

> "Initially, it was a job; but then after working there, I started liking the kids, because when you see you can make a difference in one of their lives, then I think you've done a wonderful job. That's why I stay with the job: it's the children. When I sit down and think about it, why don't they want to pay us? We work with the most precious thing in the world. We take their kids to school. We have them for an hour or two a day, but that hour can make a difference in their life. They look for me to be there. And I love being with them."

Another bus aide reflected on the importance she saw in the work and the reality of low pay and lack of social recognition:

> "I wasn't too proud of the job in the beginning, because I wasn't making enough to support myself. Now, my husband is gone and I really need the money. [But] I feel proud about the job now, thinking about the children that I have helped. And you know, it is an important job, bringing children back and forth to school. And you know, some of these children have behavioral problems. It's just like we're working at the school. A lot of children have to take medicine. And I think we should be getting paid more than what we are. You can have 23 to 30 children on a bus."

Employment levels

One of the common arguments against the living wage has been that if employers are forced to pay their workers more, they will hire fewer workers. Commenting on a proposed living wage ordinance for Los Angeles, for example, the senior vice president of the California Taxpayers' Association said, "The proposed 'living wage' mandate in Los Angeles would be costly to taxpayers and to those who would find fewer entry-level jobs" (Taylor, 1996). Other research, however, has shown that a local increase in the minimum wage (although less than the living wage) has no negative effects on employment levels compared with nearby jurisdictions with a lower minimum wage (Card and Krueger, 1995).

We asked workers if there had been any change in the number of workers at their workplaces or if their working hours had changed since their wages had increased. Based on these interviews, we found no evidence that employment levels or working time had changed because of the living wage.

Out of twenty-six, only one living wage worker at a small cleaning firm said that her working hours had decreased since the living wage went into effect, but it was impossible to isolate the cause of this reduction in hours. Sixty-five percent of the workers we interviewed said that there had been no change in employment levels at their workplace. A bus aid said, "There are more people working there now, if any change at all." Another worker described how the employment levels in her building changed when the contractor changed, but this cannot be directly attributed to the living wage:

> "When [the present company] got the contract from [the former company], they reorganized the building. Those that had seniority stayed. It was something like 38 people there. [The new company] only needed 27. The rest of the people were laid off [and put on a waiting list]. And as different ones left, they would call the next one on the list."

We asked workers if they thought they were working harder after getting the living wage. Half of them indicated they were:

> "They're demanding more, yes. With the living wage going up, your job is on the line. They'll get rid of you if you don't do your job, for any mistakes that you know you're not supposed to do."
>
> "I notice a difference for the good, as far as the people working, from the first year that I started working. Last year I noticed less absenteeism. Now there's less turnover. More people stayed. When I first started working, there was a lot of absenteeism. It's been better as far as I'm concerned. More people stayed and they come to work more."
>
> "Yes, my work is harder. It's paying more, this is true. You don't mind coming to work because...you come to work because you know you're making better money. Once you get your paycheck, it feels good to see it like that...that amount."

Attitudes toward work

We asked workers if their attitude towards their job had changed since the institution of the living wage. More than half responded positively:

"It's made somewhat of a difference to me. I think I'll be staying there for a little while because I'm getting a little more money. Basically, I don't miss much time anyway, but I'll miss even less, and I'll want to do what I'm supposed to do, like keep my bus clean....So my attitude, I guess, has changed for the better."

"I feel like I'm working for something now. I feel self-worth more, even though my work is only 20 hours per week. I feel good about [my job]. I can pay my bills. I can get things extra, more than I could get before. It's also enabled me to stop my second job."

I think it's real neat. I take pride in what I do. I been doing the cleaning business for the longest time. .."

"The money thing, it's definitely real good because I can better myself as far as what I need to do for myself. I know that $7.10 ain't all, but it's better than $6.00 or $6.60. I'm there because I know that in July, I'll get another raise. It's going to get better...."

"It is a subtle change as to how I feel about the money.; I've always been proud to say I was a bus aide, but the wage increase seems to give me, make me feel more proud to say I'm a bus aide, you know. Like, yes, I am worthy of my hire, you know. Because there are times when you say, I'm a bus aide and someone asks, 'you put up with all that for that little bit of money that they pay you?' you know. And they'll say 'Janitor pays more than that. You could be a janitor.' And it's just that now I feel like I have more confidence in the job I'm doing."

"It gives me more a feeling of wanting to be there; it gives a sense of responsibility."

"When you're sluggish at times and you don't want to go to work, if you think about that $7.10 an hour, it'll make you get up and go to work."

"The pay, it does affect the performance of the job. Because I never did like volunteer work, you know, doing something for nothing. It makes me feel better about myself. It makes me want to work, because I see what I'm getting for the work. You know, the quality of my work, I see it in my pay. If I don't see it in my pay, then you're not caring about me, the work that I give you. Don't give me all this work and then not enough to take care of my family. I'm doing the job that you ask me to do. I want to see that when it comes pay time."

"It makes me feel more important. It gives me a smile on my face. When I go back, I'm happy because I'm getting more money...."

On the other hand, the workers we spoke with both recognized that the increased wage didn't solve all their problems and saw value in their work apart from the monetary compensation:

"Every little bit helps, but it won't make a big difference. I do my best anyway. I do whatever I can by 2 o'clock. They don't pay overtime."

"To me, it's not a big difference. The only thing is that maybe you will be getting a few more dollars that you can do a little something more with....I've always been proud, but the living wage makes me feel more proud to say I'm a bus aide. Yes, I am worthy of my hire."

"The living wage does not really change the way I feel about my job, because the way I feel about the children, I'm gonna still feel that way. Me and the parents are in contact, we can talk. I still feel the same because I'm doing the same thing. It's a little more, but it's nothing to write home to your mother about."

The lesson we drew from these interviews is that, like most people, these workers have their own, independent sense of the value of the work that they do. But they also feel acutely the lack of social recognition of their work that is signalled by extremely low wages. One would expect that higher pay would elicit a stronger commitment to the job as it is now worth more, and we do find evidence of this effect. But the greater sense of recognition for their work that is strongly symbolized by the higher wage seems in many ways just as important. We haven't been able to directly measure the benefits of the living wage in terms of reducing the costs of absenteeism and high levels of turnover or increasing the quality of the work performed, but this impressionistic evidence does suggest that the city is getting value for its money, at least as it concerns the people performing the actual work.

Training and productivity

One might hypothesize that the increased wage rates and reduced employee turnover associated with the living wage would provide a strong incentive to employers to offer training in order to improve the quality of the work product and increase productivity. Our interviews, however, revealed that few employers were currently using training as a means of improving quality and efficiency.

School bus aides, in particular, uniformly expressed a strong desire for increased training in order to address the variety of needs of children with disabilities. They currently receive less than one day of training per year, which they consider inadequate.

If the bus operators feel no incentive or obligation to provide training, one must presume it is not a significant feature in the contracting relationship with the city. It may be necessary for the customer (in this case, the city) to impose higher standards on the contractors in order to ensure that any higher costs are paid for with better service.

Sources of household income and poverty status

Just over a quarter of the workers whom we interviewed held second jobs (besides their living wage job) from which they averaged $800 per month in gross income. The 'second jobs' of three workers were actually full-time jobs, so that their total working week exceeded sixty hours. For the others, the second job involved irregular work in catering and private-duty nursing.

Twenty-four out of our twenty-six workers were the primary earner in their household. Only a fourth of the households had more than one wage-earner.

Nine women in our group had some form of income other than wages. Several had pensions and insurance from deceased husbands. Others received some form of public assistance, usually rental housing subsidies.

We had wondered if the living wage might reduce the need for families to seek public assistance, but as our data on workers' actual wage incomes has shown, many are still not earning above the poverty level and continue to need some assistance in meeting basic family needs. Three living wage workers did report that their wages had now increased so that they were no longer eligible for assistance. One of these was a woman with two sons, no health insurance and a projected annual income of under $7,000 whose food stamps had been cut back to $14/month because of her wage increase.

Fourteen of the group we interviewed reported that they had received some form of public assistance in the past, but most said that it had been at least ten years since they had relied on welfare. All of them said that this assistance was temporary, during the period in which they were raising young children.

Using information from our interviews, we estimated the total family income for these living wage workers. Our estimate is based on total working time and hourly wage at the living wage job, income from other jobs, income contributed by other workers in the household, and income from pensions and public assistance. The median total household income was $13,632. On average in this group, the living wage worker's income accounted for 68% of total household income. This helps to underscore the importance of the living wage in sustaining family incomes.

Based on our estimates of household income and family size, we were able to estimate the poverty status of twenty-two living wage workers who provided sufficiently detailed information. Nine of them were below the 1996 adjusted federal poverty threshold (the latest year for which the poverty data are available). In our sample of living wage workers, family incomes ranged from 43% to 359% of the adjusted federal poverty level.

Plainly there is a ways to go before living wages are translated into living incomes. But the higher wage does make an appreciable contribution to stabilizing family and community circumstances, as indicated in these comments:

"I'm not as stressed out, worrying how I'm going to pay this and that. I always felt like I wasn't pulling my weight in the marriage when I had to go to work and make $4.25 an hour. It's not all on him any more....Now I don't have to worry about going out and finding another job. I'm comfortable paying my bills. I get to spend my money in the neighborhood....There's a lot of different things that I can do in the community. Like when they have barbecues in the summer for the kids, I can give. Like when they have bake sales, I can give, you know. Before I was giving two or three dollars, now I can give five. It makes me feel like a better person."

"I can pay my bills, and still have some money to do the things that I need to do. Put an extra couple of dollars in the bank now. The rope is loosening up."

"It makes a big difference for me because it allows me to do things that I wouldn't have been able to do otherwise. It allows me to be a foster mom. And I do volunteer work....And some other children who come into the class, from families that don't have the funds, it enables me to put some money toward helping these children so that we can do things as a group....Sometimes you just want to treat the children because they've behaved so well....Earning the living wage helped me to afford that."

"I think being able to give my boys that opportunity...It makes you feel as if it's worth it all. You know it's worth it."

Housing

Housing is frequently one of the largest expenses of low-income people. On average, the households of the group that we interviewed spent 36% of their total family income on housing, even taking government housing subsidies into account. This exceeds the normal standard for housing affordability of 30% of gross income. Even this number, however, does not quite portray the full story as some in this group were doubling up with relatives.

Biggest worries

It should be clear that although the living wage is an important help to the affected workers, it does not solve all their problems. We asked them what their biggest worries were now. Most cited the lack of health insurance as a major concern. The second most important problem, often related to the lack of health insurance, was debt. Living wage workers reported a variety of reasons for their debt, from past medical expenses to education-related loans, child support payments, and consumer debt.

The potential impact of welfare reform was beginning to emerge as an area of concern. Many workers reported that they were training welfare-to-work participants and feared eventually losing their jobs to these 'second-tier' workers whose 'pay' is effectively their public assistance stipend.

Here are some representative comments:

"I worry about health care for my children and grandchildren. I take care of my children on my own. When my grandchildren need medical care, I have to pay for it on my own. I got to get my grandchild glasses before she starts school. They cost $85. I don't want to go to welfare. I'm not going there. I have always worked two jobs in my life. Now, dealing with the kids is another job. If it weren't for them, I would work two jobs."

I worry about my kids! Providing food and basics for my kids, a roof over their heads...just keeping food in the house and trying to keep the bills paid. Stretching the money out."

"My own worry is what's going to happen now with welfare reform. Are we going to return to work? Our concern is about what if the contracts get taken away from these bus companies, will we get hired somewhere else?"

"I'm behind on child support. I can't afford to pay it now. I've got to get back on it. Child support is my biggest worry. Also, getting more income. I don't have health insurance, and that worries me a lot."

"I have high blood pressure. I can't afford the medicine, so I can't take it. $140. These hospitals are worrying the hell out of me. I can't take it."

"I'm trying to get a place of my own. It hurts you to have to lay on my child. This is her life, and she doesn't want me here. I feel like I'm stopping something. She's used to being on her own, too. I'm trying to get me something, so I'm not stuck on her like I am. I'm working for $6.10, so I only get about $290 every two weeks, and it's hard to get a place on just that."

"My daughter should be going to the eighth grade this year. And that's prom time. You know, cap and gowns. ...I got a reasonable daughter and she compromises with me, she knows what we have and don't have, she works with me. It's always hard when you can't do these things for them. You have to sit down and hope they understand. It hurts when you have to tell them that the things you planned on doing, you really can't do. When my son comes to me and tells me that he needs so much for a class trip and you have to sit down and tell him, well, I don't have it this time. Next time, the child will get a little tired of that, not being able to participate in these activities. That hurts me to tell him that he can't participate because we have financial difficulties."

Conclusion

The data in this evaluation strongly indicate that Baltimore's living wage ordinance has so far had a small but meaningful impact on the incomes and lives of affected workers. The effect is to be measured not only in dollars and cents, but in the sense of worthiness and comparative independence reported by living wage workers.

It is equally clear, however, that there are strong constraints limiting the benefits of the living wage to date. These include, notably, the prevalence of part-time employment and the relatively small number of jobs covered by the living wage ordinance. It is evident that, in order for the hypothesized and demonstrated benefits of the living wage to make a significant impact in Baltimore, the pool of living wage workers must be greatly expanded, and their hours increased and stabilized.

What this study also shows is that the costs of the living wage to the city have, to date, been trivial. As far as the city is concerned, the fears related to fiscal drag and a hypothesized erosion of competitiveness are evidently groundless. Moreover, these results provide reason to expect that the living wage could be expanded into the private and non-profit sectors without severely deleterious effects although the precise impact would depend on specific sectoral conditions.

As we have argued, part of the reason that the living wage became such an important idea is that many of the jobs affected by the legislation would once have been located in the public sector and would have without question provided a living income. Outsourcing this work to the private sector to save money for this city contributed to a situation in which even people working full time were not able to provide for their families' basic needs. The living wage, in this sense, was a way of adjusting the allocation of costs and benefits from this strategy and not a 'free gift' to the working poor.

Nevertheless, the small but important gains realized so far could be at risk from the effects of welfare reform which will have the effect of releasing thousands of people into the labor market at or even below the minimum wage to the degree that their wages are subsidized. Protecting and expanding the gains from the living wage may require linking the debate over the living wage to the debate over welfare reform.

Finally, we have highlighted in this report a number of questions that require further research. But more work isn't the only thing that is needed. Access to data that is collected by the government but not easily or readily made available to researchers needs to be improved. Further, serious investigations of the effects of social policy innovations of this sort may require substantial rethinking of the kind of data we collect and the categories in which these data are reported.

Appendix: Selecting a sample from the Census

Accurate information about the effects of Baltimore's wage law is extremely difficult to obtain. We used two primary sources of information to construct our picture of the circumstances of low wage service workers and the impact of the law in Baltimore. The first was a series of detailed interviews with workers who are currently employed at living wage workplaces. The second was the information that low-wage service workers provided in the detailed questionnaire from the 1990 census. We selected the census because it was the most accessible source of detailed occupational, income, family, and housing characteristics for low-wage service workers in the City of Baltimore. Neither of these sources is completely satisfactory: because the City's Wage Commission has been slow in collecting information about the effects of the law on service workers, no accurate count of affected workers exists—most contractors who are required under the law to submit payroll information have failed to do so. The census covers all low-wage service workers, and it is impossible to isolate only those covered by the ordinance. So, on the one hand, we have interviews with what is possibly only a partial cross-section of workers affected by the ordinance. On the other hand, the census population of low-wage service workers is larger than the population of service workers affected by the ordinance.. In the following section, we discuss how we selected the Census sample.

1990 Census of Population and Housing

For a general description of the prevailing employment, family, and housing circumstances of Baltimore's low wage service sector workforce, we analyzed the 1990 Public Use Microdata Sample (PUMS) from the 1990 Census. The PUMS dataset is based on a detailed questionnaire given to a 5 percent sample of the entire city population. The detailed structure of the PUMS data allowed an analysis of the particular circumstances of the city's low wage service workforce.

We analyzed personal and household information for people in the following general work categories found in the census: administrative support occupations, security guards and crossing guards; food counter, fountain and related occupations: kitchen workers, food preparation; waiters'/waitresses' assistants, miscellaneous food preparation occupations; janitors and cleaners; selected personal service occupations (e.g., public transportation attendants); bus and taxicab drivers, parking lot attendants; construction helpers and laborers; garage and service station related occupations, vehicle washers and equipment cleaners, hand packers and packagers, and other laborers. We further limited the sample to people employed in the following industries: landscaping, construction, food service, transportation, finance, insurance and real estate, business and repair services, entertainment and recreation services, or professional and related services.

From this subset we selected people who said they were employed by government or a private for-profit or nonprofit company in 1989. Because the Census long form does not contain data about hourly wages, we calculated a 'wage factor' for the identification of low-wage workers. We calculated this wage factor by dividing the total wage income by the product of the number of hours worked per week and the number of weeks worked during the year. The resulting wage

factor is different from an actual wage rate because the number of hours worked in a week may have varied over the year, while the census only asked the question, "During the weeks worked in 1989, how many hours did this person usually work each week?" (Reflecting the high variability in amount of time worked that is characteristic of jobs in the low wage service sector, more than half the respondents reported a different answer to another question in the census: "How many hours did you work last week?")

Our goal was a general description of the prevailing family and housing characteristics of low wage service workers in Baltimore, so we limited our population according to our wage factor. The 1989 median wage factor for the 63,633 people in these occupational categories who worked in private firms was $6.31 so we excluded from the sample those workers whose wage factor exceeded this amount. Lastly, because we were seeking information about the employment, family and housing situation of the average low wage service sector worker, we excluded from the population the ten percent of workers in the remaining population whose household income was exceptionally high (beyond three standard deviations from the mean of all worker's total household income expressed as a percent of the adjusted family poverty rate). Our resulting subset of the census database contained 20,136 low-wage workers from 18,875 households.[25]

Limitations of the Census data

There are two principal considerations for the use of 1990 census information in this study. First of all, the census was conducted in the spring of 1990, over seven years prior to this research. While we decided that it would be useful in providing a general description of Baltimore's low wage service workforce, one should keep in mind several limitations. First of all, changes in Baltimore's labor market have continued during the last seven years. Secondly, Baltimore and the State of Maryland have in that same time weathered a downturn and a mild recovery in the business cycle. The impact of these events on the city's low wage labor market is uncertain and so our conclusions based in part on the census information should be tentative. Any bias stemming from the date of the census sample could be in either direction: according to the Bureau of Labor Statistics wage surveys for Baltimore, the average wage of private sector janitors failed to keep pace with the rate of inflation between 1992 and 1995.

Secondly, the PUMS data used in the following analysis is based on a sample of the entire population. Therefore, some error is inevitable. As the census states:

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[25] The data set we used includes teenagers who are working at low wages. Workers who were excluded from the general sketch of low-wage service workers tended to be in households with two or three incomes and no children. Excluding the highest income low-wage workers (more than three standard deviations from the mean) has a very small impact on the overall picture as it comprises about 120 observations out of 20,136. For this reason, we believe our data set does not substantially overstate the beneficial impacts of a living wage even though the highest income low-wage families are not included.

"Since the estimates that users produce are based on a sample, they may differ somewhat from 100-percent figures that would have been obtained if all housing units, person within those housing units, and persons living in group quarters had been enumerated using the same questionnaires, instructions, enumerators, and so forth. . . . The deviation of a sample estimate from the average of all possible samples is called the sampling error.[26]"

The standard error is plus or minus 4% for our estimate of the size of low-wage service sector workers, based on the size of the original PUMS database and the design factors used by the census to create the PUMS sample. The reader should therefore keep in mind that each estimate produced in this study will have some associated sampling error.

Given these limitations, we believe that our analysis does provide sufficient background and enough detailed information about Baltimore's low-wage service sector to provide a measure of the impact of the city's living wage ordinance.

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[26] (Census, 1990)

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The Effects of the Living Wage in Baltimore

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A study prepared for

The Economic Policy Institute
Washington, D.C.

May 1998

Acknowledgements

We are grateful to the Economic Policy Institute and the Discount Foundation for their support of this project, and we especially thank Sue Chinn, Larry Mishel and John Schmitt for their help.

The gathering of data for this research posed extraordinary difficulties. We would have been truly lost without the help of staff from the Baltimore City Comptroller's Office, Council President Bell's office, the Office of Fiscal Affairs, the Bureau of the Budget and Management Research, the Wage Commission, and the Bureau of Finance. We are grateful for their help.

We also received crucial help from BUILD and the Solidarity Sponsoring Committee. We especially thank Alisa Glassman, Jonathan Lange, and Kerri Miciotto.

The twenty-six living wage workers whom we interviewed were especially generous with their time. Approached by complete strangers and asked to talk in great detail about their own lives, they had much to teach us.

David Harvey, Isabel Miles and Joe O'Neill of the Department of Geography and Environmental Engineering at Johns Hopkins provided invaluable support to the project.

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The Effects of the Living Wage in Baltimore

Executive Summary

In 1994, the city of Baltimore passed the first "Living Wage" law in the country. This ordinance requires private contractors performing services for the city to pay their workers on these contracts a stipulated minimum hourly wage beginning at $6.10 per hour in FY 1996 and rising to $7.70 per hour in FY 1999. The aim of the legislation is to ensure that workers paid through publicly-supported funds earn wages above the poverty level.

The Living Wage law was extremely controversial, opposed both by the private sector and by important segments of the city's bureaucracy as threatening the "competitiveness" and economic health of Baltimore. Critics charged that higher wages on city contracts would worsen Baltimore's already precarious fiscal state with negative consequences for tax rates and the provision of urban services, and, by tending to raise the minimum wage more generally in the city, would reduce the city's ability to attract private investment. Proponents argued that raising the wages of the 'working poor' would not only benefit these individuals, but in the long run would reduce the burden of welfare and other social services costs in the city.

There are two principal areas of concern covered in this report: 1) the direct costs of the living wage to the city of Baltimore; and 2) the impact of the living wage on workers.

Impact on Baltimore Finances

1. For twenty-six living wage contracts that could be directly compared before and after the living wage went into effect, the aggregate cost increase to the city amounted to 1.2%, which was lower than the rate of inflation. The real cost to the city of these contracts, then, actually declined slightly despite the increase in wage rates. These twenty-six contracts represent 52% of the contracts covered by the ordinance and roughly two-thirds of the dollar amount of all covered contracts.

2. There was considerable variation in cost changes by contract type, from a nominal increase of 16.6% for janitorial services to a nominal decline of 8.16% for the Summer Food Service Program.

3. Noncompliance with the living wage ordinance continues to be a significant problem which limits the benefits of the ordinance to an unknown degree. The impact of noncompliance on overall costs is also impossible to calculate.

4. The impact of the living wage on the composition of the pool of bidders is hard to detect so far

Impact on Workers: Payroll Data

1. An analysis of payroll data for nearly 300 living wage bus-aide workers from September 1996 through June 1997 (the normal school year) revealed a mean income of $3,354. This is 21% of the level required to achieve an annual living wage income sufficient to lift a family of four out of poverty.

2. The income shortfall is due primarily to the fact that the work in this sector is part-time and generally less than half-time, as well as being restricted to nine months of the year. The average worker in this group worked roughly 25% of the hours in a normal working year.

3. Working hours were considerably better at larger firms (560 hours per year on average) than at smaller firms (390 hours per year on average) and mean income was correspondingly higher ($3,696 versus $2,574).

4. Labor turnover at large firms was, by our measure, less than half the level of turnover at smaller firms, suggesting that the ability to offer better hours significantly improves the stability of a company's workforce.

5. Non-compliance with the requirement that contractors provide regular payroll data to the city substantially impairs our ability to assess the broader effects of the living wage.

Impact on Workers: Census and Interview Data

1. An accurate count of the number of workers in the city directly affected by the living wage law is impossible to obtain. We estimate the total number of living wage jobs to be in the vicinity of 1500. Depending upon how many part-time workers 'share' a given living wage job, the number of workers affected could be significantly higher, although the benefits of the living wage would be accordingly attenuated.

2. According to the 1990 Census, African-Americans comprised 72% of the city's private-sector, low-wage service workforce, although they accounted for only 59% of the city's population; 27% of the households of low-wage workers lived below the poverty line.

3. Within the city's low-wage service sector, the distribution by race and gender across occupations is highly uneven according to the 1990 Census. For example, 84% of the low-wage janitors in Baltimore are African-American while women hold roughly 83% of low-wage administrative support and personal services jobs. On the other hand, working hours and total wage income did not vary significantly across these categories.

4. Of twenty-six living wage workers whom we interviewed in depth, the overwhelming majority work part-time but would work full-time if they could. This is particularly true for women.

5. The prevalence of part-time and seasonal work means that nearly half the workers in this group were unable to earn incomes above the poverty line; while they praised the ordinance highly, many were still unable to meet their families' basic needs.

6. An important effect of the living wage may be the greatly enhanced sense of recognition for their work that living-wage recipients feel. This, in turn, may be linked to greater job commitment, reduced turnover and increased productivity.

Conclusions

1. The living wage ordinance has had positive effects on a relatively small number of workers in Baltimore without significant financial cost to the City.

2. Due to the prevalence of part-time and seasonal work, however, living *wages* do not always amount to living *incomes*. Greater consideration must be given to increasing and stabilizing hours worked.

3. The small financial impact on the city suggests the possibility that living wages could be paid more generally in the private and non-profit sectors with a relatively low impact on costs and competitiveness. The precise impacts would be expected to vary by sector and merit further investigation.

4. Evidence suggests that higher wages and hours improve the stability and reliability of the workforce.

5. Non-compliance in terms of paying the living wage and/or providing adequate payroll documentation remains a significant problem, affecting the impact of the living wage ordinance and our ability to analyze that impact.

6. The benefits of the living wage may be threatened by the effects of welfare reform.

The Effects of the Living Wage in Baltimore

Introduction

In 1994, the city of Baltimore passed the first "Living Wage" law in the country. This ordinance requires private contractors performing services for the city to pay their workers on these contracts a stipulated minimum hourly wage beginning at $6.10 per hour in FY 1996 and rising in increments to $7.70 per hour in FY 1999.[1] Thus, the living wage minimum was set at $6.60 per hour in FY 1997 and $7.10 per hour for FY 1998; after FY 1999, the living wage is scheduled to rise at a rate which "exceeds the poverty level."

The ordinance directs the city's Board of Estimates to determine the specific contracts to be covered on the recommendation of the Bureau of Purchases. In December 1995, the Bureau of Purchases stated that the living wage applied to the following categories of contracts with private suppliers: food service; janitorial; stenography; homemaker services; carpet repair; carpet cleaning; maintenance and repair of solid waste transfer stations; health care; equipment cleaning; moving and hauling; charter bus services; and school bus services.[2]

The aim of the legislation is to lift the lowest paid workers in the city out of poverty. Workers performing the sorts of services which are at issue here constitute the core of the 'working poor' – people who have jobs but are unable to earn enough to meet their families' basic needs, even if they work full time. At the present federal minimum wage of $5.15 per hour, someone working forty hours per week for fifty weeks would earn $10,300, which amounts to about two-thirds of the federal poverty line for a family of four. These jobs also typically do not provide benefits such as health insurance or pensions.

In Baltimore and many other similar cities, the majority of workers in these low-wage occupations is African-American. According to 1990 Census data, African-Americans constituted 71% of the city's private sector, low-wage service workforce while accounting for only 59% of the city's total population. The living wage, then, lies at the core of a complex set of social and public policy issues concerning race and class, health care, education, welfare, housing, employment, crime, and the health of cities.

In another era, city dwellers trying to work their way out of poverty might plausibly have looked to government employment to provide the wages and job stability needed to attain an adequate standard of living, even where the work was not highly skilled. This was especially true for those groups who experienced considerable discrimination in the labor market. But in the US since the 1980s, the privatization of urban services has become a

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[1] The law (City Ordinance 442) only requires those employees working on contracts for the city to be paid the living wage; other employees at the same firm or even the same employees working on non-city contracts do not fall under the scope of the legislation.

[2] Some employees on these contracts were already earning above the living wage so the pool of workers directly benefiting from the legislation is smaller than this list might suggest. School bus drivers, for example, had been earning $8.50 per hour. Bus aides, on the other hand, typically worked for the federal minimum wage. The living wage legislation, in effect, puts a floor under wages in these categories.

well-established trend. Driven by the desire to reduce costs, cities have contracted out a wide range of municipal functions including car towing and storage; legal services; street light operation; labor relations; solid waste disposal; and ambulance services. Baltimore, which has been more aggressive than many other cities, has privatized bus services, airports, parking lots, billing, day-care and even building inspections (Valente and Manchester, 1984). As a consequence, many city jobs which once provided steady, full-time work with benefits at adequate pay have been spun off to the private sector where low wages, part-time and seasonal work, and the lack of benefits is increasingly the norm (Carre, 1995).

The initial impetus behind the Living Wage law came from a largely church-based organization known as BUILD – Baltimoreans United in Leadership Development. Many pastors in the poorer sections of the city noticed that more and more *employed* people were frequenting the soup kitchens and other charitable services offered by their churches. It became increasingly clear to them that a large population of working poor in the city was unable to live on the income from these kinds of jobs. In conjunction with union and Industrial Areas Foundation organizers, and with the strong support of the AFSCME, BUILD was able to push through the ordinance (#442) in 1994. The Living Wage campaign focused in the first instance on city contracts on the theory that tax dollars should not be used to support private firms which were paying their workers poverty wages.

The Living Wage law was extremely controversial, opposed both by the private sector and by important segments of the city's bureaucracy as threatening the "competitiveness" and economic health of Baltimore. Critics charged that higher wages on city contracts would worsen Baltimore's already precarious fiscal state with negative consequences for tax rates and the provision of urban services. They argued further that by tending to raise the minimum wage more generally in the city, the living wage would reduce the city's ability to attract private investment. Proponents argued that raising the wages of the 'working poor' would not only benefit these individuals, but in the long run would reduce the burden of welfare and other social services costs in the city.

A year after the ordinance was put into effect, an evaluation by the Preamble Center for Public Policy showed that the costs of city contracts affected by the ordinance had not risen significantly and that private investment in the city had actually increased somewhat (Weisbrot and Sforza-Roderick, 1996). This suggested that the short-run impacts of the legislation were not a problem either in terms of city finances or its economic competitiveness.

The present study is, in part, a follow-up to that evaluation, benefiting from an extra year's experience. However, one of the main lessons of this study is that it is extremely difficult to assess the effects of the Living Wage law for a variety of reasons. The results presented here must be understood as partial and indicative rather than complete and definitive.

This study addresses two main areas of concern: the impact of the living wage law on the city's budget and its impact on workers employed on affected contracts. It utilizes a number of different sources of data to assess these impacts and provide some context for understanding them. These range from the minutes of the city's Board of Estimates for contract prices, through payroll data for school bus aides, to interviews with a group of living-wage workers.

Budgetary Impact

This section assesses the degree to which living wage legislation has significantly increased the cost of services to the city. In Baltimore, as noted, contractors who may have been paying their employees the then-federal minimum wage of $4.25/hour would have been obliged to increase wage rates to $6.10/hour in FY96 and $6.60/hour in FY97.[3] Have these costs been passed through to the city, and have they had an important effect on the city's strained budget?

The potential impact of the legislation is significantly attenuated by a number of factors. Most importantly, the wages stipulated in any contract cannot normally be changed during the contract's term. Some contracts have terms of more than one year, and often the contractor has the option of extending the contract. According to sources in the Comptroller's office, only new contracts bid in a given fiscal year must adhere to that year's living wage. In any case, rather than a neat and simultaneous progression by all contractors through the various increments of the living wage, one finds a range of contractual obligations in force at any given moment.

Second, the living wage applies only to those employees currently paid below that level. This may include all of a contractor's employees on that contract or only some of them. However, a major concern of critics of the living wage law was the possibility of serious 'wage spillovers:' the degree to which raising the minimum wage would tend to raise wages all along the scale to maintain parity, and thus raising costs across the board.

Some argue that rising labor costs would be passed directly onto the city through contract price increases. Others propose that higher wages will be mitigated by increased productivity, lower turnover and, thus, training costs, and the competitiveness of the bidding environment.

Here we compare a selection of city contracts from before and after the living wage ordinance in order to determine:

1. has the overall cost of city service contracts covered by the living wage ordinance increased with the increase in wages; how significant was the increase;

2. did the cost changes vary on the basis of contract type (e.g., bus, janitorial, etc.) and is this variation linked to differences in labor intensity;

3. what are the difficulties involved in trying to assess the direct costs of the living wage on the city's finances.

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[3] FY1996: July 1, 1995-June 30, 1996; wage rate: $6.10
FY1997: July 1, 1996-June 30, 1997: wage rate: $6.60
FY1998: July 1, 1997-June 30, 1998: wage rate: $7.10

Data sources and collection

The data required for this analysis – the record of public contracts – is in theory publicly available but in fact is quite difficult to obtain. Contract information is often filed with other city documents with confidential information and would have to be laboriously separated in order to be made available. There is apparently no central file of contract specifications and costs.

The primary data presented here – the prices for various contracts – were culled from the Minutes of the Baltimore Board of Estimates (vols. 1993:5-1997:3). Information on terms of service is based upon comparisons of bidding sheets stored in Baltimore's Legislative Reference. Prices for contracts awarded after June 1997 and the definitive list of living wage contracts as of August 25, 1997 was provided by the Bureau of Purchases. Lastly, data on labor intensity of certain contracts and the figures on page x were taken from a report on the costs of the living wage produced by the city at the end of 1995.[4]

Results

Our goal is to produce a picture of how the living wage affects the cost of service contracts. This requires us to control for other variations where possible, especially in the terms of service. By terms of service, we mean the actual work required by the contract at specific locations. Several contracts – most notably grass cutting and school janitorial – were excluded from the study because the terms of service were significantly changed after July 1996, making cost comparisons impossible.

We were able to find twenty-six current living wage contracts which could be directly compared to pre-living wage contracts based on terms of service: that is, the pre- and post-living wage contracts are for essentially the same work. These represent 52% of the total number of city contracts covered by the living wage. The contracts are shown in Table 1.[5]

For the twenty-six comparable contracts, the total price increased from $20,273,909 to $20,510,301 or just 1.2% since the living wage was implemented starting July 1, 1995 (or the beginning of FY1996). If one were to correct for inflation, the total price would actually decline.

This is, on the face of it, a surprising outcome and well below what might be expected from a large rise in the minimum wage taking place within labor-intensive industries. The figure, however, is entirely in line with the results of the Preamble Center study, which found a nominal increase of less than one quarter of a percent from FY 1995 and before to FY1996 or, effectively, the first year of the living wage. Adjusted for inflation, this meant a decline

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[4] Mazza, Joseph D. 1995. "Impact of the Living Wage Ordinance." City of Baltimore, Bureau of Budget Management and Research, Department of Finance (December 8). For further discussion of this study, see below.

[5] For old contracts, we used the price of the latest winning bid or year-long extension before July 1, 1995. For the new contracts, we used the most recent contract or year-long extension. For contracts that have been adjusted during their term due to unexpected costs, we used the adjusted cost basis for comparison.

Table 1: Contract prices before and after the living wage

Contract name	Old contract #	Old price ($)	New contract #	New price ($)	Applicable min. wage ($/hr)	Price % change
Public pupil bus transportation	BP-06000	14,358,259	BP-06000	14,693,000	6.10	2.3
Athletic & cultural bus transportation	BP-13494	1,000,000	BP-12697	1,000,000	6.60	0.0
Camp variety bus transportation	BP-20495	30,960	BP-22096	36,400	6.10	17.6
General charter bus service	BP-24093	750,000	BP-20795	750,000	6.10	0.0
Bus total		**16,139,219**		**16,479,400**		**2.1**
Homemaker services	BP-11695	60,500	BP-10597	56,000	6.60	- 7.4
Homemaker/personal care	BP-13595	316,000	BP-10497	323,000	6.60	2.2
Homemaker services total		**376,500**		**379,000**		**0.7**
Carpet cleaning, various	**BP-12194**	**19,225**	**BP-14996**	**20,540**	**6.10**	**6.8**
Mntnce, planting-Convention Center	BP-13295	23,970	BP-12797	24,894	6.60	3.9
Janitorial, 2330 St. Paul	S-50501	8,600	S-70403	11,400	6.60	32.6
Janitorial EPFL Br. 10&22	BP-15894	7,200	S-70105	7,860	6.60	9.2
Janitorial EPFL Br. 14&25	BP-15794	6,500	S-70106	8,280	6.60	27.4
Janitorial EPFL Br. 19&21	BP-22293	8,000	S-60703	8,700	6.10	8.8
Janitorial EPFL Br. 2&4	BP-22393	5,940	S-60704	8,736	6.10	47.1
Janitorial EPFL Br. 23 &26	BP-22693	8,100	S-60502	8,160	6.60	0.8
Janitorial EPFL Br. 30,36,38	BP-22493	10,068	S-60702	12,000	6.10	19.2
Janitorial EPFL Br. 5&42	BP-15994	5,900	S-70107	9,120	6.60	54.6
Janitorial EPFL Br. 6&18	BP-22593	6,672	S-60701	6,843	6.60	2.7
Janitorial EPFL Br. 7&13	S-40603	6,440	S-60602	7,560	6.60	17.4
Janitorial total		**97,390**		**113,553**		**16.6**
Summer Food Program for Youth	**BP-95111**	**1,506,500**	**BP-96110**	**1,332,000**	**6.10**	**-11.6**
Construction equipment rental svc.	BP-16694	250,000	BP-10198	250,000	7.10	0.0
Hydraulic trailer maintenance	BP-17794	50,000	BP-12296	50,000	6.60	0.0
General moving & hauling	BP-13794	142,965	BP-14596	118,508	6.10	-17.1
Push pit maintenance	BP-20194	85,600	BP-11897	84,650	6.60	- 1.1
Repair, mntnce of terex scrapers	BP-20294	49,275	BP-10697	57,150	6.60	16.0
Sludge disposal - DPW	BP-21294	1,507,235	BP-19996	1,575,500	6.60	4.5
Trailer preventive maintenance	BP-17594	50,000	BP-10396	50,000	6.10	0.0
Miscellaneous total		**2,135,075**		**2,185,808**		**2.4**
Total		**$20,273,909**		**$20,510,301**		**1.2**

Source: See text. Totals may not add due to rounding.

of 2.4%. The average contract price, weighted by its share in the total cost of the sample, declined by 1.92% (Weisbrot and Sforza-Roderick, 1996).

The Preamble Center study suggested that the decline in overall costs might be attributed to the competitive pressures of the bidding market, which inhibited contractors from passing through the wage increase, and to efficiency gains at higher wages. The report also suggested that the institution of the living wage may reduce worker turnover and thus the costs of labor recruitment and training (Weisbrot and Sforza-Roderick, 1996). These seem to us quite plausible suggestions but, unfortunately, they cannot be evaluated from this data (see below for a consideration of employee turnover).

Another possibility is an increase in the *intensity* of work: the same amount of work performed in less time. In this circumstance, contractors would be bidding to perform a given amount of work at the higher, living wage, but counting on completing the work in less time than they used to take before the living wage went into effect[6]. Their expectations in this regard might be based on a certain amount of slack that had existed in the system before, or it might equally be based on the supposition that workers would be more willing or more easily pressured into working harder for a higher wage.

Again, the contract data does not provide any guidance in sorting through these possible explanations and there are no other quantitative data available which can be directly tied in to the cost data. It would be extremely valuable to be able to assess how contractors are altering their work practices in order to restrain cost increases. Our interviews with living wage workers found no obvious trends in employer responses to the living wage. As we report below, most of the workers we interviewed reported no change in employment levels at their workplace although many felt they were working harder since the living wage went into effect.

Variations across sectors

What we can see in this is that there is a tremendous disparity in cost changes across contract types. In Table 1, the contracts have been grouped into rough subcategories. At the high end, janitorial service contracts rose by 16.6% overall, while bus service contracts (by far the largest category in terms of dollar value) rose by only 2.1%. The Summer Food Service Program for Youth declined by 11.6%.

Some part of this disparity may be tied to the proportion of workers on a contract whose hourly pay had been below the living wage level before the ordinance was implemented. The contract for General Charter Bus Service, for example, covers bus drivers who made $8.50 per hour before the living wage went into effect; here, the living wage is not a cost factor and, indeed, this contract was rebid at exactly the same price.

The largest single contract, accounting for some 72% of the total dollar value of the twenty-six contracts combined, is for Public Pupil Bus Transportation. This work includes

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[6] This would, of course, depend on the sector and the work involved. 'Speed-up' is less likely, for example, in the case of bus aides whose work hours are set by the length of the bus route.

relatively well-paid bus drivers, and a large contingent of bus aides whose wages used to be substantially below the living wage. Some $6.5 million dollars, or roughly 45% of the total contract, was earmarked for the bus aide component of the most recent version of contract. Of this, about $3.8 million (or 58%) is paid in wages to the bus aides. To put this another way, roughly 25% of that contract was susceptible to wage increases which may have been on the order of 40%. Yet, the total contract price rose only 2.3%.

Another source of variation might be related to the labor-intensity of the sector. Service contacts pay not only for labor, but also for equipment and other overhead, along with a profit margin. In some sectors with low equipment needs, a much higher proportion of the contract price may go for direct labor costs. Janitorial contracts, for example, pay as much as 86% of the contract price in wages. Health care contracts, by contrast, pay roughly 10% of the contract in wages.[7] In food service contracts, where the biggest drop was recorded, labor costs are just shy of 20% of total costs. Other variables, such as a reduction in demand for the program, have a bigger impact on the overall cost decline.[8] Thus, the impact of the living wage should be felt in the most labor-intensive sectors. In fact, we find the largest percentage increase in janitorial services as expected, but other sectors did not exhibit any consistent relationship of this sort.

Wage spillovers

Some contractors which provide minimum-wage labor also employ other low-wage workers above the federally mandated minimum wage. This second group may include workers with more skills, seniority or responsibility than those at the bottom of the pay ladder. When the federal minimum wage is raised to the living wage, the new wage floor may approach or even exceed the prevailing wage within this second group, putting pressure on employers to increase wages for them. We refer to this phenomenon as wage spillovers. As a result, the living wage may have significant effects outside of the lowest-paid category of workers.

In the case of the Public Pupil Bus Transportation contract, for example, the prevailing wage of a special needs bus aide has begun to put pressure on special needs bus driver wages. Contracts bid after July 1, 1997 must pay aides $7.10/hour and this will rise to $7.70/hour in the following year. The current midrange for bus drivers is roughly $7.85 to $8.50/hour. According to BUILD staff, drivers have begun to demand increases to maintain the traditional wage differential with bus aides, while contractors have complained that the contract prices are too low to accommodate both the living wage for bus aides and higher wages for drivers. This is an emerging issue that will require further research.

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[7] Data on labor-intensiveness were taken from Mazza, 1995. Of the $39 million of contracts currently covered by the Living Wage, $26.8 million worth of contracts were studied in this report.

[8] Our thanks to Michelle Sforza for this point.

The bidding environment

We were not able to perform a quantitative analysis of changes in the bidding environment -- whether that environment is more or less "competitive" and the way these changes might influence price. There are some ambiguous signs of change which can be enumerated, however.[9] As with wage spillovers, this effect is an emerging one and has remained in the background of the debate.

According to the contracts we reviewed, some reorganization has taken place in both the grass cutting and bus sectors. In grass cutting, the withdrawal of some medium-size contractors prompted the subdivision of contracts to favor small-scale management. In bus contracting there has been a slight shift towards larger, national companies and away from smaller, local companies. But we are not able to say if these changes are an effect of the living wage ordinance.

Noncompliance

Lastly, we must raise the thorny issue of noncompliance. Since the ordinance was first implemented, there have been several reports of ongoing violations. There has been some ambiguity concerning when contractors must pay the living wage, especially contractors with long contracts or options for extension. Whatever the cause of noncompliance, the result would be to reduce the upward pressure on costs to the city.

A significant example concerns the bus contracts which make up such a large proportion of the contracts on which we were able to develop comparable data. The majority of bus companies were not in compliance during the first half of FY97 due to a dispute over the nature of bus contract extensions. At this point, wages were scheduled to rise to $6.60/hour, but most companies continued paying at the FY96 rate of $6.10/hour. Other bus companies have been found in noncompliance since January 1997 (i.e., the second half of FY97).

Compliance, in principle, is enforced by the city Wage Commission which must sift through payroll data on ever worker. Because of the voluminous data and the small staff, bus companies are as yet the only contracts which have been continuously monitored. But, as shown below, this has not been able to guarantee compliance.

Summary

In sum, the budgetary impact of the living wage has, to date, been insignificant. If corrected for inflation, the cost of a set of comparable contracts from before and after the institution of the living wage would actually have declined slightly.

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[9] The Preamble Center study noted that the total number of bids had fallen, suggesting a less competitive environment, but not by a statistically significant amount.

The causes for this are impossible to assess given the currently available data. Almost certainly, the lag in implementation due to contract extensions plays a role, but we cannot specify its magnitude. One would also wish to investigate the contribution of efficiency gains, cost reductions related to lower employee turnover; increasing intensity of work, a restructuring in favor of larger, lower-cost service providers, and noncompliance in limiting the cost impact.

Two years into the living wage, then, the widely-voiced fear that its implementation would place intolerable strains on the city's budget have not been realized. While it is necessary to keep in mind that the full effect of the living wage may not yet have been felt, the utter lack of impact so far is striking and indicates that the city's ability to absorb the living wage has not yet even come close to its limits.

Quite plainly, research that could elucidate the reasons behind this non-impact would be tremendously valuable. In other words, we need to understand better how the cost of the living wage is absorbed or compensated for by a) contractors in the form of reduced profits; b) workers who labor more intensively; and c) increased productivity, including through the displacement of smaller firms by larger, more productive firms. The outcome so far is surprising, and merits further study.

A Sketch of Low-Wage Workers in Baltimore

In order to appreciate the effect of the living wage on workers, we need to establish some sense of the working and living conditions of Baltimore's low-wage service workers in general. Below we will examine more closely data concerning living-wage workers in particular. Here we use Census data from 1990 to provide a brief sketch of the population from which these workers are drawn. Because these data are not comparable, and we were not able to construct a statistically representative sample of living wage workers, this sketch provides only a notional basis for comparison. When we talk about our subsets of living wage workers, we cannot say whether or not they are typical of this broader pool of low-wage service workers. Moreover, a considerable amount of time has elapsed since the 1990 Census, so many things may have changed.[10] But we nevertheless feel that this sketch provides an important backdrop to what follows.

We used the Census data to provide information about the employment, family and housing circumstances of Baltimore's low-wage service sector workforce.[11] This required us to select a subset of people who met the following criteria:

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[10] Note that earnings data from the 1990 Census actually refer to earnings in 1989.

[11] More precisely, we used the 1990 Public Use Microdata Sample (PUMS) from the 1990 Census. This data is based on a detailed questionnaire given to a five percent sample of the entire city population. This is the data set from which we drew our smaller, low-wage service worker sample. The standard error for the PUMS data at a 95% confidence interval is plus or minus 7%. The standard error for smaller subsets of this data will be larger. We want to stress that we are using these data to provide a background sketch rather than to draw statistical inferences.

1) they worked for government or private sector for-profit and non-profit employers;

2) they worked in one of a range of occupations chosen for their similarity to occupations covered by the living wage law (e.g., janitors and cleaners; parking lot attendants; bus and taxicab drivers, etc.);

3) they worked in one of a range of sectors similar to those covered by the living wage law (landscaping, construction, food service, transportation, finance/insurance/real estate, business and repair services, entertainment and recreation services, and professional and related services); and

4) they worked for low wages. Low wages were defined as below $6.31 per hour, which was the median estimated hourly wage for the service workers in these categories in 1989. Thus, half of all service workers in low-wage occupational categories earned less than $6.31/hour in 1989 and became part of our sample group.[12]

We have also relied on the Bureau of Labor Statistics for data concerning wage rates of various occupations. A complete explanation of the categories we used and what they mean can be found in the Appendix.

Characteristics of Baltimore's low-wage service labor force

From the census data, we estimate that there were 20,136 workers in our occupational categories whose approximate wage rate was below $6.31 per hour in 1989. Seventy-one percent of these low-wage workers were African-American, although this group represents only 59% of the city's total population. We present a summary of the racial characteristics and occupational categories of Baltimore's low-wage workforce in Table 2.

Janitors constituted the largest occupational category of low-wage workers in the city (28% of the total). The second largest group was employed in administrative support occupations (18%), followed by food service (16%), guards (8.5%) and construction workers (8.5). The unequal distribution of racial groups among these occupations suggests a racially segmented labor market within these occupational categories. To test for the statistical significance of this unequal distribution, we compared these observed counts against the number expected for each occupational category if people of different racial groups were evenly distributed across them. In other words, we would expect the proportion of janitors who are African-American to be roughly equal to their share of the total population of low-wage service workers. By this test, African-Americans are over-represented in the following

[12] As it turns out, this $6.31 figure would have been roughly equivalent to the 1997 mandated living wage of $7.70 after correcting for inflation based on the Consumer Price Index. More precisely, $6.31 in 1990 was equivalent to $7.75 in 1997.

Table 2: Low-wage service workers by occupation and race, 1990

			Race			
			Black	Other	White	Total
Occupation	Admin support	Count	2,173	180	1,178	3,531
		% of Occupation	61.5%	5.1%	33.4%	100.0%
	Construction	Count	1,291		426	1,717
		% of Occupation	75.2%		24.8%	100.0%
	Food service	Count	2,001	48	1,063	3,112
		% of Occupation	64.3%	1.5%	34.2%	100.0%
	Guards	Count	1,236	19	457	1,712
		% of Occupation	72.2%	1.1%	26.7%	100.0%
	Janitors	Count	4,720	31	854	5,605
		% of Occupation	84.2%	.6%	15.2%	100.0%
	Personl srvcs	Count	1,079	25	558	1,662
		% of Occupation	64.9%	1.5%	33.6%	100.0%
	Transport	Count	417		186	603
		% of Occupation	69.2%		30.8%	100.0%
	Laborers	Count	1,469		725	2,194
		% of Occupation	67.0%		33.0%	100.0%
Total		Count	14,386	303	5,447	20,136
		% of Occupation	71.4%	1.5%	27.1%	100.0%

source: 1990 Census

occupational categories: janitors, guards and construction workers. A chi square test indicates that these disparities are statistically significant – i.e., they cannot be attributed to chance.[13]

[13] The chi square statistic is 1078 with 14 degrees of freedom. The confidence interval $p < .001$.

Table 3: Low-wage service workers by occupation and gender, 1990

			Gender		
			Female	Male	Total
occupation	Adminstrative support	Count	2,923	608	3,531
		% of occupation	82.8%	17.2%	100.0%
	Construction	Count	59	1,658	1,717
		% of occupation	3.4%	96.6%	100.0%
	Food service	Count	1,428	1,684	3,112
		% of occupation	45.9%	54.1%	100.0%
	Guards	Count	447	1,265	1,712
		% of occupation	26.1%	73.9%	100.0%
	Janitors	Count	2,697	2,908	5,605
		% of occupation	48.1%	51.9%	100.0%
	Transport	Count	202	401	603
		% of occupation	33.5%	66.5%	100.0%
	Laborers	Count	756	1,438	2,194
		% of occupation	34.5%	65.5%	100.0%
	Personal Services	Count	1,388	274	1,662
		% of occupation	83.5%	16.5%	100.0%
Total		Count	9,900	10,236	20,13
		% of occupation	49.2%	50.8%	100.0%

source: 1990 Census

The gender distribution of low-wage workers is similarly uneven and beyond what would be expected if chance were the only factor in determining the distribution.[14] Women constitute 49% of this population, but, as shown in Table 3, they account for 83% of administrative support workers and 84% of the personal services category: attendants, guides, child care providers, public transportation attendants, etc. Conversely, construction and other 'laborer' categories, security guards and transportation are primarily a male domain.

[14] The chi square statistic is 4,446 with 7 degrees of freedom. The confidence interval $p < .001$.

As our discussion below shows, the gender and racial segregation of work does appear to contribute to unequal working time and unequal wage income for women in our sample population of service workers. At the same time, the disproportionately large share of African-Americans in the low-wage service sector as a whole inevitably contributes to the higher rate of poverty in that population.[15]

It is often supposed that the low-wage service workforce is to a large degree composed of teenagers and recent school-leavers with few, if any, family responsibilities and that their low wages are sufficient for their needs. The mean age of low-wage service workers in Baltimore, however, was 34 years and ranged from 16 to 87 years. Not surprisingly, these individuals had a variety of household responsibilities.

Table 4: Household status by gender in Baltimore, 1990

			Household status					
			Householder	Nonrelative	Other relative	Child	Partner	Total
Gender	Female	Count	4,243	902	465	2,476	1,814	9,900
		% of Household status	61%	47%	34%	35%	64%	49%
		% of Total	21%	4%	2%	12%	9%	49%
	Male	Count	2,722	1,008	906	4,560	1,040	10,236
		% of Household status	39%	53%	66%	65%	36%	51%
		% of Total	14%	5%	4%	23%	5%	51%
Total		Count	6,965	1,910	1,371	7,036	2,854	20,136
		% of Household status	100%	100%	100%	100%	100%	100%
		% of Total	35%	9%	7%	35%	14%	100%

Source: 1990 Census

Those who identified themselves as the householder (the person in whose name the house is rented or owned) were, on average, 43 years old. As Table 4 shows, sixty-one percent of this group were women. Of these women, roughly three-fourths provided 100% of the family's income. The combination of racial and gender segmentation in the labor market is, plainly, an especially severe problem for African-American women in Baltimore. And the presence of children in predominantly women-headed households results in a starting statistic: nine out of ten children of working families in poverty are African-American.

Another effect of low-wage work is that many more people in a low-wage service worker's family are likely to be mobilized into the labor market when compared with all other

[15] For a detailed discussion of the racial and gender segregation of work in Baltimore and elsewhere, see Fernandez-Kelly, 1994; Hanson and Pratt, 1995; Wilson, 1995.

Baltimore families. As Table 5 shows, 29% of low-wage families had 3 or more family members in the labor market compared with 15% for the city as a whole.

Table 5: Number of workers in family

Number of workers in family	Low wage families		All other Baltimore families	
	count	% of total	count	% of total
1 worker	4,190	28%	51,749	41%
2 workers	6,528	43%	56,825	45%
3 or more workers	4,311	29%	19,041	15%
	15,029		127,615	

Source: 1990 census

According to the census, 6% of all low-wage service workers reported receiving some form of social security income, including variously Social Security pensions and survivors benefits and permanent disability insurance payments. Another 6% reported receiving some form of public assistance. These persons received an average $3,073 per year in public assistance, including supplementary security income from Federal or State welfare agencies for people who are aged 65 and over, blind or disabled; aid to families with dependent children; and general assistance. Under 4% of low-wage workers reported receiving some form of retirement or disability income in addition to their wages. This type of income includes retirement pensions or survivor benefits, and disability income from sources such as workers' compensation.

Characteristics of low-wage jobs

The impact of privatization of public services is dramatically revealed in a comparison of government and private-sector wage rates for similar work. According to the Bureau of Labor Statistics (BLS), prevailing wages for service occupations in the private sector are significantly lower than in the government sector.[16] Government workers in the identical service sector occupational categories to our Census sample normally averaged 35.4 hours per week, worked an average 42 weeks per year, and had an average wage income of $14,263 in 1989 (indicating an hourly pay rate on the order of $9.90).

[16] See the Bureau of Labor Statistics' Occupational Compensation Survey. The BLS data only covers private sector establishments with 50 or more employees and excludes part-time, seasonal and temporary workers. Many workers affected by the living wage work part-time or seasonally for very small firms and so the estimated prevailing wage from the BLS may actually be higher than that received by many workers of interest to this study.

For example, in May of 1992, the BLS estimated that there were some 12,000 people employed as janitors in Baltimore, 72% of whom worked in the private sector while the rest were employed in state and local government. The 1992 median wage for janitors in the private sector service industry was $5.19 per hour, and 75% of these janitors were making less than $6.50 per hour. In the government sector, by contrast, the median wage for janitors was $9.19 per hour.

According to federal poverty data for 1992, a worker needed a wage of $6.89/hour for 40 hours a week over 52 weeks to reach the $14,335 poverty threshold for a family of four. At $5.19/hour, a worker would have had to work an average of at least 53 hours per week over 52 weeks to reach the poverty level. By 1995, the median wage for janitors in the service sector had climbed to $5.50, but the poverty threshold had increased faster, so that a worker would have had to work an *additional* 1.3 hours, or at least 54.3 hours per week to reach the poverty line in that year. In the past, the workers presently covered by the living wage law might have been working directly for the city at a living wage. It is when this work is contracted out to the private sector that it becomes impossible to earn an adequate living.

Housing circumstances of low-wage workers

Housing is frequently one of the largest expenses of low-income people. The usual rule of thumb for housing affordability is that total housing costs should not exceed roughly 30% of total income. Sixty-four percent of low-wage families in Baltimore rent their homes, and of these, 45% report paying in excess of 30% of their income on housing. Table 6 shows the proportion of low-wage household who own or rent their homes and compares them with all families in the city.

Low-income families live in more crowded circumstances than others in Baltimore. The average number of people in low-wage households is 3.64, while for the city as a whole, it is 2.26. One measure of the adequacy of a family's housing situation is the number of rooms per person. Government guidelines specify a ratio of one room to a person to define acceptable housing density.[17] In Baltimore, the city-wide average is 2.8 rooms per person, and the average for low-wage households is 1.85.

Table 6: Housing tenure status of low-wage households

	Frequency	Percent	All families in Baltimore (%)
Owned with mortgage	4,204	22.3	27.4
Owned free and clear	2,539	13.5	21.4
Rented for cash	12,020	63.7	50.4
No cash rent	112	0.6	0.8

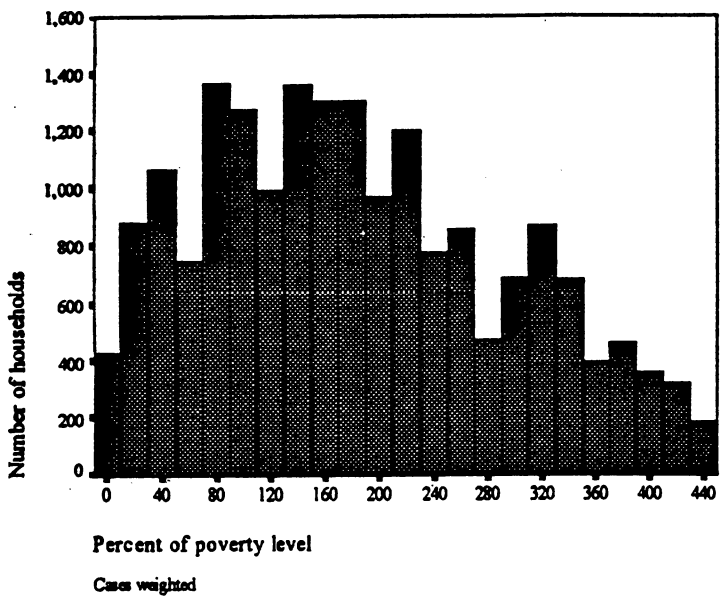
Source: 1990 Census

[17] Rooms, in the Census definition, are whole rooms used for living purposes which excludes bathrooms, kitchenettes, utility rooms, and so forth.

Poverty status of low-wage service workers

The census distribution of all low-wage households with respect to the poverty level is presented in Figure 1. The median family income of all low-wage service workers is

Figure 1: Low-wage service sector household incomes as percent of poverty level, 1989



171% of the poverty line.[18] Twenty-seven percent of low-wage service workers' households were below the poverty line in 1990.[19] Of these families, 74% were African-American.

From the Census we also determined that 15,034 children under the age of 16 were living in the households of low-wage service sector workers. But a disproportionately large number – 40% -- of these children lived in households below the poverty line. Of these children in poor households, 89% were African-American. Table 7 provides a breakdown of all poverty-level households by race, number of children, and household type.

[18] Note, however, that in the absence of the living wage ordinance, affected workers in Baltimore are likely to be earning below the federal poverty line for a family of four.

[19] The percent of poverty is a federal income standard adjusted for family size.

Table 7: All poverty households: race, number of children and household type, Baltimore, 1990

Race/ ethnicity			Number of children					Total
			1	2	3	4	5	
Black	Household type	Married couple	92	33	31	66		222
		Male householder family	155	53	20			228
		Female householder family	513	687	617	134	59	2,010
		Female non-family	20					20
	Total		780	773	668	200	59	2,480
Other	Household type	Female householder family				28		28
	Total					28		28
White	Household type	Married couple	25		93			118
		Female householder family	69	71			48	188
		Male non-family	23	25				48
	Total		117	96	93		48	354

Source: Census 1990

Summary

This sketch of the low-wage service sector population highlights race and gender as markers of the low-wage population in general and the poverty-level population in particular. It stresses that private sector service jobs of the sort specifically targeted by the living wage law are generally and persistently far from providing for a family's basic needs, although many families are primarily dependent on the income from such jobs. As we have pointed out, the jobs affected by the living wage law might once have been located in the government sector where they provide wages well above the poverty line for full-time work.

In what follows, we try to estimate the number of workers in Baltimore who may presently be working on living wage contracts. Then we provide an analysis of the earnings history of a group of bus aides whose jobs are subject to the living wage law, and some insights into the circumstances of living wage workers gleaned from in-depth interviews.

Estimating the Number of Living Wage Workers

After discussions with many inside and outside city government, we could find no estimates for the number of workers affected by the living wage law. It would, obviously, be helpful to have some sense of the magnitude of this figure in order to assess the impact of the law.

In December 1995, the city's Bureau of the Budget and Management Research (BBMR) produced a rough estimate of the cost of the ordinance (Mazza, 1995). To do so, it had to estimate the average cost of low-wage labor as a percentage of city expenditure on eligible service contracts. It also had to make some assumptions about how contractors were likely to behave in the face of the mandated wage increases. This study, which was done in advance of the law's implementation, projected a 9-13% increase in city contract expenses resulting from a stipulated wage of $7.70.

BBMR estimated existing prevailing wages and the cost of low-wage labor as a percentage of the total contract cost. Secondly, the study assumed that all contractors would pass on all cost increases to the city. Third, BBMR assumed wage spillovers would tend to push up the wages of other employees and that these costs, too, would be passed onto the city. The study assumed no increase in productivity and no decrease in the costs of absenteeism, turnover, recruiting or training that might be expected from the availability of a 'premium wage.'

In Table 8, we present some of the data underlying BBMR's projection in the columns entitled "Estimated low wage labor cost" and "1995 prevailing wage."[20] Starting with the estimated low wage labor cost, we subtract 15% for payroll taxes to arrive at a figure more closely approximating what would actually be paid out in wages (adjusted compensation). Our own estimates (from interviews) about the total number of working days per year and the average number of hours per day for a given type of job allow us to calculate total working time (number of days multiplied by number of hours). We are then able to derive an estimate of the numbers of workers by dividing working time into adjusted compensation costs.

This procedure, to be precise, gives us an estimate of the number of living wage *jobs* rather than workers *per se*. That is, one bus-aide job would amount to an average of six hours per day for nine months (188 days) of the year. This does not automatically imply that one person does that job and indeed, in the case of bus aides, it almost certainly does not mean that (see below). Depending on how living wage jobs are allocated to workers, one job could equal anywhere from one to four persons. The impact of the job in terms of total wages earned in the city would not vary, although some of the hypothesized benefits of the living wage would be attenuated to the degree that a single living wage job is spread over several people

[20] The estimates are derived from a) line items in contracts where wage rates were specified; b) invoices at Accounts Payable; c) the "professional judgment" of the Bureau of Purchases and user agencies; and d) in about 20% of the cases, they used "local and national industry standards."

Table 8: Estimated number of living wage jobs

Contract category	1995 estimated low-wage labor cost ($)	1995 prevailing wage ($)	Estimated working days	Estimated daily hours	Estimated number of jobs
Food service					
Education	873,659	6.10	188	6	108
CARE	410,664	6.10	241	6	40
OED	258,514	6.10	241	6	25
School bus					
Regular	580,000	7.50	188	6	58
Special needs driver	3,915,000	7.50	188	6	393
Special needs aide	3,915,000	6.10	188	6	484
Janitorial					
Other	231,589	6.10	241	6	22
Education	2,322,039	5.50	188	6	318
Stenographer					
Part A	163,628	6.10	241	8	12
Part B	106,878	7.00	241	8	7
Part C	133,114	7.50	241	8	8
Maintenance and Repair					
Solid waste transfer	8,891	6.10	241	8	1
Carpet repair	6,150	6.10	241	8	0.4
Carpet cleaning	15,405	6.10	241	8	1
Equipment cleaning	33,725	6.10	241	8	2
Moving and Hauling	82,956	6.10	241	8	6
Health Care	137,000	7.00	241	8	9
Total					**1,494**

Source: Mazza, 1995(1995 estimated costs and wages); interviews (estimated working days and hours)

In this way, we arrive at an estimate of 1,494 living wage jobs. Note, however, that what might be thought of as a 'complete' living wage job is not necessarily a full time one, if we consider full time to be 40 hours a week for 50 weeks a year. Some jobs are normally seasonal (188 days per year) and/or normally provide less than eight hours a day of work.

How big is 1,494 jobs? If we assume one job to one person, this would represent about 7.4% of our 20,136 low-wage service workers described above. If one thought that each living wage job was, in effect, "shared" by two workers, then as many as 15% of the low-wage service labor force in Baltimore might be touched directly, and in a reasonably significant way, by the living wage legislation. If one thought each job was "shared" by four workers, then the impact of the living wage is felt directly by 30% of this segment of the labor force, but in a much-attenuated way. Plainly, more research is necessary to better estimate the numbers involved.

The Impact of the Living Wage on Workers: Payroll Data

Bus aide is a strategically important occupation in the general scheme of things, although the value of the work is not rated highly in market terms. Bus aides are responsible for keeping order on the bus, helping children on and off as well as across the street, acting as role models, protecting the driver from dangerous distractions, providing first aid and helping to manage emergencies. In short, they are directly responsible for the safety of schoolchildren and must have considerable 'human relations' skills to do the job well. Bus aide work has been shown to produce high levels of stress (Lede, *et al.*, 1994).

Bus aide work is normally part-time and occurs in widely separated segments of the day. A typical bus worker will start work between 6:00-7:00am and finish the morning route by 9:30. From 9:30 to 1:00pm is enforced idle time, for which no pay is received. The worker is free to go off site, but this might mean a long journey home and then back again for the afternoon shift, or finding somewhere else to wait. For example, one bus aide with whom we spoke left her house every morning at 4:30am in order to catch a bus to take her to work. Plainly, she is unable to do two round-trips per day. Yet, given the odd hours involved, it is extremely difficult to mesh bus aide work with a second part-time job. Furthermore, bus aides are usually employed only for the 9-month school year.

We analyzed nine months worth of payroll data for 267 bus aides in order to determine the following:

1. how many hours do bus aides work during the school year and what income levels are associated with this work;

2. what is the turnover rate of the bus aide workforce; and

3. do hours and turnover rates vary by size of firm.

Scope and quality of the data

The living wage ordinance requires bus companies working on contract to the city to routinely file payroll data on their employees showing hours worked and pay rates. The data is limited to the period from September 1996 to June 1997 - that is, the normal nine-month school year.[21] It is further limited, by necessity, to those companies who complied with the ordinance and submitted their payrolls to the city's Wage Commission.

Altogether, data on 267 workers was collected. The sample represents substantially more than half of the entire population of bus aides employed on Baltimore city contracts in the school bus sector. The data exclude bus drivers who are not covered by the living wage law since they earn close to $8.00/hour.

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[21] This time period lies within FY1997 during which time the living wage rate should have been $6.60/hour.

Since very few contractors submitted data for the 1995-96 period, it was not possible to do a 'before and after' study to test if companies were reducing working hours in response to higher hourly wage rates. Given the special nature of bus aide work, however, this seems unlikely to us. The bus routes haven't changed and can't be drastically sped up, nor can an aide work on more than one bus at a time.

The payroll data are certified and signed by company officers and submitted to the Wage Commission, where they are subject to public scrutiny. The data are checked by Wage Commission staff and are used to conduct spot-checks, on-site company inspections and hearings, as well as to establish fines and back-pay settlements. At least one company, however, has admitted to submitting incorrect data and many companies, of course, have not submitted data at all.

The working year, as noted, runs from September to June. In trying to estimate the rate of labor turnover, we have registered as an instance of turnover any individual who drops off the payroll data for more than eight consecutive weeks.[22] We don't, of course, know why the separations occur. In addition, any worker who worked less than a week total was not included in our analysis.

Analysis

Hours

On average, bus aides in this group worked 508 hours total during the year, or only about 56 hours per month (see Figure 2). Out of 267 workers, 12.5% worked less than 50 hours for the year. Close to 25% worked between 700 and 900 hour during the year. Only 10% managed to work more than 1000 hours per year which would represent something like a half-time job.[23] The average bus aide, instead, worked a quarter of normal hours for a full-time, full year job.

This suggests that the average worker does not have a steady assignment – i.e., five days a week, four weeks a month, on the same route. A steady assignment, by our estimate, would produce 20-30 hours per week on average, (720-1080 hours per year) depending on the route. It is evident that the majority of bus aides are far from attaining this. Why should this be?

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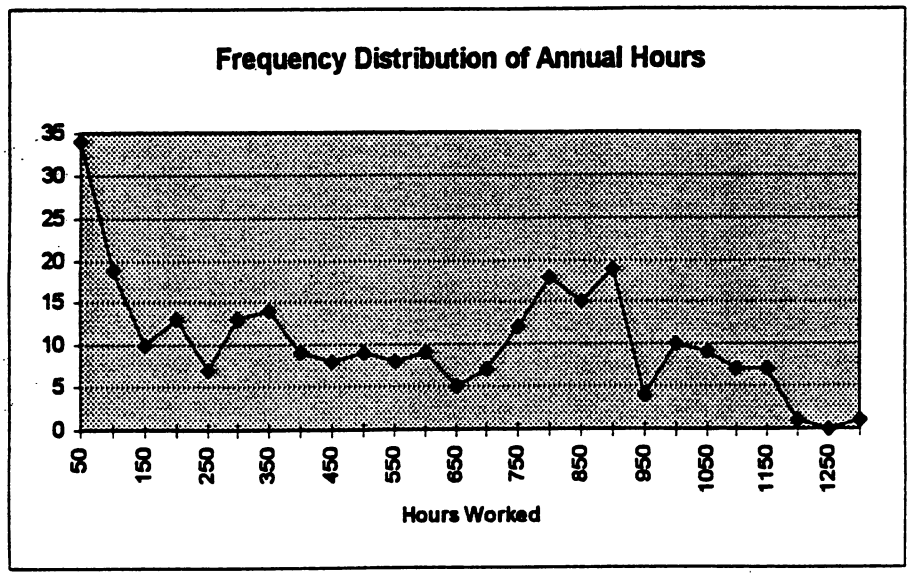
[22] The eight-week time period was selected to provide generous accommodation for the possibility that individuals might work several short stints over the course of the nine months and thus make the turnover rate appear higher. As it turns out, there were no such cases. Changing the turnover definition to a four-week interval makes no significant difference to the overall results.

[23] Calculating a full-time job at 40 hours per week for 50 weeks, or 2000 working hours.

Figure 2: Frequency distribution of annual hours, bus aides



One possibility is that the bus aides prefer to work a smaller number of hours and aren't available for more consistent work. This seems extremely unlikely to us. Every indication we received from our interviews (see below) suggests an overwhelming desire for steadier work and more full-time work. And other researchers have established that much contemporary part-time work is involuntary – that is to say, the individuals would work full-time if they could (Carre, 1995).

The alternative explanation is that employers prefer, for some reason, to spread the work out over a larger labor force than they appear to need. This seems, on the face of it, perverse – at least from the point of view of the final purchaser of the service, which is the city. One imagines very easily that the ability of a bus aide to perform his or work *well* depends on knowing the individual children and being able to anticipate problems and deal with them efficiently and effectively. It seems equally likely that it is important for the children to know the bus aide and to have consistent expectations about what behaviors will be tolerated. Instead, it would seem that the employment practices of the contractors specifically make this deeper knowledge impossible.

Presumably, this hiring pattern affords some perceived advantages to the employer. It certainly provides numerical flexibility, so that workers are always available at need, and yet, as we have seen, never have to be paid when they're not needed. Even so, the 65% of bus aides who do not work long enough hours to be on a steady assignment seem rather more than would be required to ensure a buffer supply of labor available on short notice. Unavoidably, this suggests that some employers at least may see an advantage in having an unstable labor force comprised of workers who are prevented from developing any sense of ownership in their jobs – a sense that may, in turn, generate stronger demands about appropriate terms of work.

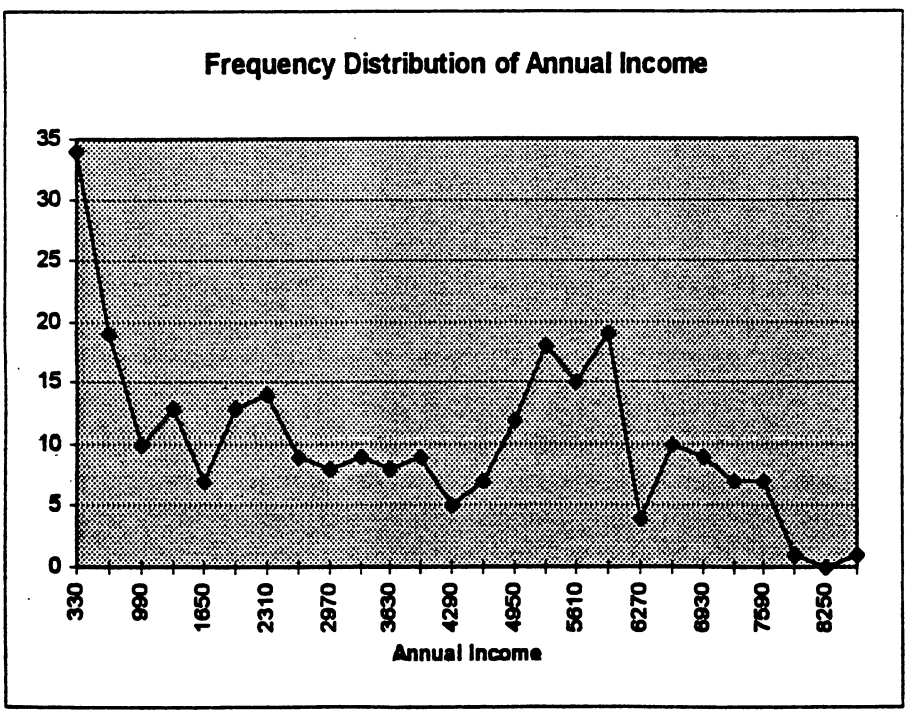
This is merely a hypothesis in the absence of other plausible explanations, and would be well worth additional research. The city has an interest in ensuring that the role of bus aide is performed as well as possible. One of the justifications for paying the living wage is that it will attract good workers and encourage them to provide high quality services. The city needs to be sure that its vendors are allowing the full benefits of the living wage to be realized.

Income

Even if paid at the FY97 level of $6.60 per hour, the low level of hours worked means that bus aides are very far from earning what could be thought of as a living income. And, of course, many bus aides are still being paid $6.10/hour as a result of the disputed interpretation of contract extensions described above. We base our calculations here, though, on the $6.60/hour rate, as back pay has been awarded when firms have come into compliance.

At $6.60 per hour, the mean annual income was $3,355, or some $12,645 short of the city's own figure for keeping a family of four out of poverty (see Figure 3). The top 10% of our earners brought in $6,600 to $8,580 per year. The lower 50% of our sample earned less than $3,300 while 12.5% earned less than $330 for their work that year.

Figure 3: Frequency distribution of annual income, bus aides



On the other hand, it is crucial to recall that, if paid at the current federal minimum wage of $5.15 per hour, the mean annual income of this group of workers would have been only $2,616.

We can't know, of course, what other sources of family income these workers may have had during this period. It is worth repeating, though, that the peculiarity of the schedules involved makes it unusually difficult for the bus aides themselves to supplement their incomes with other part-time work.

Firm size

Hours worked per year and, thus, incomes, varied strongly by firm size. Larger firms (those employing more than 50 bus aides) employed their bus aides an average 560 hours per year for an income of $3,696 (see Figure 4). Of our 267 workers, 176 worked in larger establishments. Only two contractors qualified as 'large' firms by our definition.

Small firms, by contrast, offered an average 390 hours of work per year, for an income of $2,574 (see Figure 5). Fully half the bus aides at these small firms worked less than 350 hours per year for a median income of $2,310. Small firms employed an average of 17 bus aides.

Figure 4: Distribution of hours worked, large companies

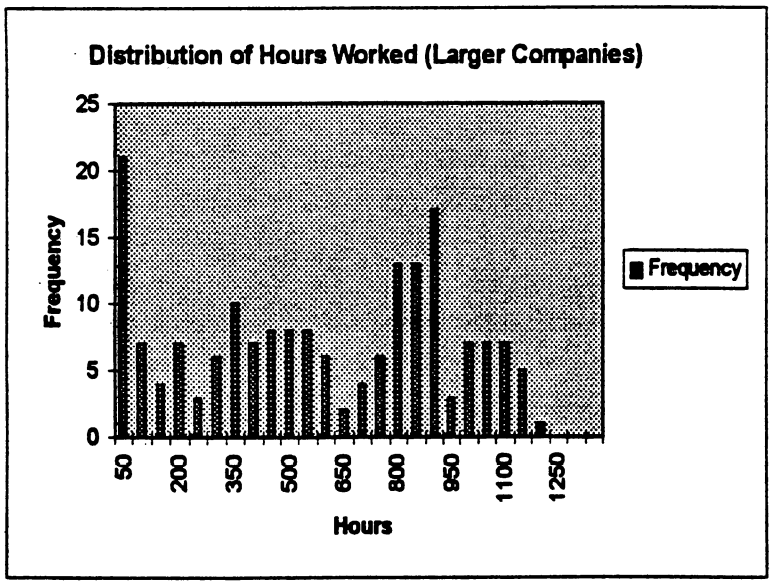
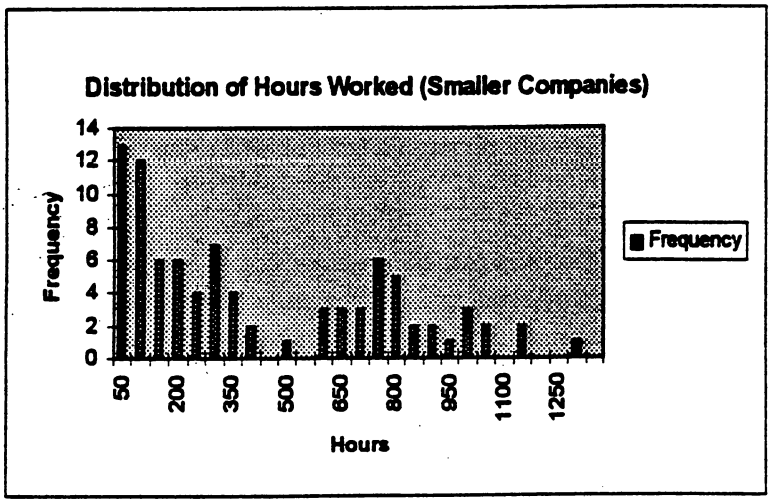


Figure 5: Distribution of hours worked, small companies



Labor Turnover

Our definition of labor turnover is the number of workers who drop off the payroll divided by the total size of the workforce for the 9-month school year. As mentioned, we count workers who have dropped off the payroll for at least eight consecutive weeks. This seems to us a rather generous margin which would err on the side of understating the magnitude involved. Turnover is of interest because it is related to the experience of workers and the quality and efficiency of work they are able to do. It is also related to the operating costs of the firm, including the costs of recruiting new workers and the inefficiencies connected with learning the job.

The average turnover for our 'large' firms, by this measure, was 19.3%. This means that for any ten jobs, approximately 12 workers were employed during the year. This is not an especially low figure, but it is completely eclipsed by the turnover rate for small firms, which averaged 41.4%. This highlights the small firm employment environment as particularly unstable.

Promotions

At one of the larger bus companies we identified at least ten workers who started out as bus aides and, after roughly 20 weeks of work, were promoted into higher paying driver's jobs. This is a very important development for the workers involved, and may be connected to the more favorable turnover experience of this company. We could find no evidence of such a trend at the other companies, and we were also unable to determine if this company conducted training programs or assisted workers in getting commercial driver's licenses.

Summary

The bus-aide sector of Baltimore's low-wage labor market is in considerable flux. There is significant employment instability across the board, but it is most strongly in evidence at smaller companies. When we consider the safety and quality of care of children and the disabled who are transported by private bus companies on contract for the city, then employment instability is a real public issue.

At its most regular, bus-aide work involves two shifts a day, each shift comprising somewhere between two to three hours. At best, this would amount to something between half-time and three-quarter's time work. Most bus aides do not enjoy even this consistency or quantity of work. On an annualized basis, the majority of bus aides average no more than 25% of a 'normal' year's work (i.e., 2000 hours).

As a result, the incomes yielded from bus aide work are dramatically lower than the poverty line, despite the living wage. The living wage, in this context, is an important improvement for these workers, but is not by itself a solution to the problems of the working poor. Greater attention must be paid to the issue of hours worked and whether it would be possible to draw work hours into the living wage equation.

If we agree that job instability erodes the quality of service in this important area, then a first step to stabilizing the sector would be to ensure that workers are offered the maximum possible hours at living wage rates. Small companies, as we have shown, maintain wider available labor supplies, and they seem to prefer employing more workers at fewer hours instead of fewer workers at more hours in better jobs. This practice arguably has substantial negative consequences. It may be productive to make employment practices part of the process of assessing the contract-worthiness of bidders for these jobs. This might provide much-needed incentives to retain staff, stabilize work schedules, and develop workers' capabilities.

The Impact of the Living Wage on Workers: Interview Data

To learn more about the circumstances of workers in the city's low-age labor market, and to measure the impact of the living wage on workers, we interviewed twenty-six people who are currently in living-wage jobs. We focused on three of the largest categories of affected service workers: food service workers, janitors, and school bus aides. Twenty-one in this group were women. We used a detailed questionnaire of 55 questions that roughly follows the Census questionnaire to guide our forty-five minute interviews. The questions covered employment, family characteristics, income and expenses of these workers.

We did not contact these workers at their place of employment, out of concern that this might have placed them in some jeopardy with their employers. Nor did we use the payroll data as a guide to potential respondents on the thesis that this would, in effect, compromise their confidentiality. Rather, we found most of them through the Solidarity Sponsoring Committee (SSC), an advocacy and training organization that has promoted the living wage in Baltimore. This may well have introduced some bias into the sample, but it seemed to us

the most responsible way of identifying living wage workers. We did recruit several respondents who are not associated with the SSC, but this was not our principle method of contact.

As our review of the Census data showed, the city's low-wage service sector workforce is diverse, and the impact of the living wage will depend upon the particular circumstances of each individual. Because the living wage workers with whom we spoke were somewhat self-selected through their association with SSC, they may represent that portion of workers most greatly affected by the living wage. For example, our group of twenty-six workers was somewhat worse-off financially than the average circumstances of low-wage workers in the city.

In any case, 26 workers is not a statistically valid sample, and we do not propose to make statistical arguments. Our purpose, rather, is to provide richer, more detailed insights into how the living wage affects real people's lives. It allows them, in effect, to define their own context and important reference points, and to draw their own judgments about the law. In addition, the interviews also lay the groundwork for subsequent research, especially where this might include survey research that could be statistically linked to the Census data.

Wages and hours

Before the living wage was put into effect, workers in this group earned an average $4.94 per hour, somewhat more than the prevailing federal minimum wage. At the time of the interviews, this average had risen to $6.66 per hour, an increase of 35%.[24]

Wages varied considerably across occupational categories. In food service, they ranged from $6.10 to $6.25 per hour even though the city's Board of Estimates had reaffirmed its commitment to a minimum of $6.60 per hour in December 1996. The bus aides in our group were currently averaging $6.56 per hour, but only began receiving the $6.60 hourly wage in January 1997, six months after that wage was supposed to come into effect. The city's Wage Commission had begun imposing fines on school transportation contractors who were not paying the contracted minimum. From September 1996 to January 1997, all of the bus aides reported earning $6.10/hour. All of the janitors with whom we spoke reported that their wages had increased to $7.10 per hour on July 1, 1997. The city's new school board recently affirmed that this wage level would apply when all school-based contract employees returned to work in the fall.

Only four of our workers had full-time jobs, and only these four had been offered full-time work by their employers. Two-thirds of the remaining workers told us they would accept full-time work if it were available. Those workers satisfied with part-time work were either elderly, or had health problems, or had family responsibilities that prevented them from working full time.

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[24] At the time of the interviews, the summer of July-August 1997, the stipulated living wage for FY98 -- $7.10 per hour -- should have been in effect. Many of the employees in this group work seasonally, however, and were on furlough over the summer so their wages had not yet increased, thus drawing the average down. But some of the shortfall, as the text shows, is due to noncompliance.

At most workplaces, it was reported that the division between full and part-time work was involuntary. Only one women out of the 21 in our group had full-time work and some women felt that as a matter of policy employers were more likely to offer full-time work to men. As one put it, "The management has a policy that the guys work [full-time] and the women work [part-time]." On the other hand, a worker at another job site felt that "Only managers get full-time work. No one else gets full-time work."

Fifteen out of the 26 workers that we interviewed worked only during the school year. Based on the city's analysis, we estimate that 74% of all workers covered by the living wage work in the school system (Mazza, 1995). While not all school jobs are seasonal, many are limited to nine-month terms. Some bus companies offered their aides summer work but schedules are irregular and unpredictable. As we have seen, this attenuates the impact of the living wage.

Length of time at the job

Among the people we interviewed, school bus aides (who were all women) had the longest tenure at their jobs, averaging more than five years. Janitorial works averaged 34 months at that job, and food service workers 13 months.

School bus aides also had the most positive comments about their work. One woman, who had been at her job for more than seven years, made the following observation which is representative of what many bus aides said about the job:

> "Initially, it was a job; but then after working there, I started liking the kids, because when you see you can make a difference in one of their lives, then I think you've done a wonderful job. That's why I stay with the job: it's the children. When I sit down and think about it, why don't they want to pay us? We work with the most precious thing in the world. We take their kids to school. We have them for an hour or two a day, but that hour can make a difference in their life. They look for me to be there. And I love being with them."

Another bus aide reflected on the importance she saw in the work and the reality of low pay and lack of social recognition:

> "I wasn't too proud of the job in the beginning, because I wasn't making enough to support myself. Now, my husband is gone and I really need the money. [But] I feel proud about the job now, thinking about the children that I have helped. And you know, it is an important job, bringing children back and forth to school. And you know, some of these children have behavioral problems. It's just like we're working at the school. A lot of children have to take medicine. And I think we should be getting paid more than what we are. You can have 23 to 30 children on a bus."

Employment levels

One of the common arguments against the living wage has been that if employers are forced to pay their workers more, they will hire fewer workers. Commenting on a proposed living wage ordinance for Los Angeles, for example, the senior vice president of the California Taxpayers' Association said, "The proposed 'living wage' mandate in Los Angeles would be costly to taxpayers and to those who would find fewer entry-level jobs" (Taylor, 1996). Other research, however, has shown that a local increase in the minimum wage (although less than the living wage) has no negative effects on employment levels compared with nearby jurisdictions with a lower minimum wage (Card and Krueger, 1995).

We asked workers if there had been any change in the number of workers at their workplaces or if their working hours had changed since their wages had increased. Based on these interviews, we found no evidence that employment levels or working time had changed because of the living wage.

Out of twenty-six, only one living wage worker at a small cleaning firm said that her working hours had decreased since the living wage went into effect, but it was impossible to isolate the cause of this reduction in hours. Sixty-five percent of the workers we interviewed said that there had been no change in employment levels at their workplace. A bus aid said, "There are more people working there now, if any change at all." Another worker described how the employment levels in her building changed when the contractor changed, but this cannot be directly attributed to the living wage:

> "When [the present company] got the contract from [the former company], they reorganized the building. Those that had seniority stayed. It was something like 38 people there. [The new company] only needed 27. The rest of the people were laid off [and put on a waiting list]. And as different ones left, they would call the next one on the list."

We asked workers if they thought they were working harder after getting the living wage. Half of them indicated they were:

> "They're demanding more, yes. With the living wage going up, your job is on the line. They'll get rid of you if you don't do your job, for any mistakes that you know you're not supposed to do."
>
> "I notice a difference for the good, as far as the people working, from the first year that I started working. Last year I noticed less absenteeism. Now there's less turnover. More people stayed. When I first started working, there was a lot of absenteeism. It's been better as far as I'm concerned. More people stayed and they come to work more."
>
> "Yes, my work is harder. It's paying more, this is true. You don't mind coming to work because...you come to work because you know you're making better money. Once you get your paycheck, it feels good to see it like that...that amount."

Attitudes toward work

We asked workers if their attitude towards their job had changed since the institution of the living wage. More than half responded positively:

"It's made somewhat of a difference to me. I think I'll be staying there for a little while because I'm getting a little more money. Basically, I don't miss much time anyway, but I'll miss even less, and I'll want to do what I'm supposed to do, like keep my bus clean.....So my attitude, I guess, has changed for the better."

"I feel like I'm working for something now. I feel self-worth more, even though my work is only 20 hours per week. I feel good about [my job]. I can pay my bills. I can get things extra, more than I could get before. It's also enabled me to stop my second job."

I think it's real neat. I take pride in what I do. I been doing the cleaning business for the longest time. ..."

"The money thing, it's definitely real good because I can better myself as far as what I need to do for myself. I know that $7.10 ain't all, but it's better than $6.00 or $6.60. I'm there because I know that in July, I'll get another raise. It's going to get better...."

"It is a subtle change as to how I feel about the money.; I've always been proud to say I was a bus aide, but the wage increase seems to give me, make me feel more proud to say I'm a bus aide, you know. Like, yes, I am worthy of my hire, you know. Because there are times when you say, I'm a bus aide and someone asks, 'you put up with all that for that little bit of money that they pay you?' you know. And they'll say 'Janitor pays more than that. You could be a janitor.' And it's just that now I feel like I have more confidence in the job I'm doing."

"It gives me more a feeling of wanting to be there; it gives a sense of responsibility."

"When you're sluggish at times and you don't want to go to work, if you think about that $7.10 an hour, it'll make you get up and go to work."

"The pay, it does affect the performance of the job. Because I never did like volunteer work, you know, doing something for nothing. It makes me feel better about myself. It makes me want to work, because I see what I'm getting for the work. You know, the quality of my work, I see it in my pay. If I don't see it in my pay, then you're not caring about me, the work that I give you. Don't give me all this work and then not enough to take care of my family. I'm doing the job that you ask me to do. I want to see that when it comes pay time."

"It makes me feel more important. It gives me a smile on my face. When I go back, I'm happy because I'm getting more money...."

On the other hand, the workers we spoke with both recognized that the increased wage didn't solve all their problems and saw value in their work apart from the monetary compensation:

"Every little bit helps, but it won't make a big difference. I do my best anyway. I do whatever I can by 2 o'clock. They don't pay overtime."

"To me, it's not a big difference. The only thing is that maybe you will be getting a few more dollars that you can do a little something more with....I've always been proud, but the living wage makes me feel more proud to say I'm a bus aide. Yes, I am worthy of my hire."

"The living wage does not really change the way I feel about my job, because the way I feel about the children, I'm gonna still feel that way. Me and the parents are in contact, we can talk. I still feel the same because I'm doing the same thing. It's a little more, but it's nothing to write home to your mother about."

The lesson we drew from these interviews is that, like most people, these workers have their own, independent sense of the value of the work that they do. But they also feel acutely the lack of social recognition of their work that is signalled by extremely low wages. One would expect that higher pay would elicit a stronger commitment to the job as it is now worth more, and we do find evidence of this effect. But the greater sense of recognition for their work that is strongly symbolized by the higher wage seems in many ways just as important. We haven't been able to directly measure the benefits of the living wage in terms of reducing the costs of absenteeism and high levels of turnover or increasing the quality of the work performed, but this impressionistic evidence does suggest that the city is getting value for its money, at least as it concerns the people performing the actual work.

Training and productivity

One might hypothesize that the increased wage rates and reduced employee turnover associated with the living wage would provide a strong incentive to employers to offer training in order to improve the quality of the work product and increase productivity. Our interviews, however, revealed that few employers were currently using training as a means of improving quality and efficiency.

School bus aides, in particular, uniformly expressed a strong desire for increased training in order to address the variety of needs of children with disabilities. They currently receive less than one day of training per year, which they consider inadequate.

If the bus operators feel no incentive or obligation to provide training, one must presume it is not a significant feature in the contracting relationship with the city. It may be necessary for the customer (in this case, the city) to impose higher standards on the contractors in order to ensure that any higher costs are paid for with better service.

Sources of household income and poverty status

Just over a quarter of the workers whom we interviewed held second jobs (besides their living wage job) from which they averaged $800 per month in gross income. The 'second jobs' of three workers were actually full-time jobs, so that their total working week exceeded sixty hours. For the others, the second job involved irregular work in catering and private-duty nursing.

Twenty-four out of our twenty-six workers were the primary earner in their household. Only a fourth of the households had more than one wage-earner.

Nine women in our group had some form of income other than wages. Several had pensions and insurance from deceased husbands. Others received some form of public assistance, usually rental housing subsidies.

We had wondered if the living wage might reduce the need for families to seek public assistance, but as our data on workers' actual wage incomes has shown, many are still not earning above the poverty level and continue to need some assistance in meeting basic family needs. Three living wage workers did report that their wages had now increased so that they were no longer eligible for assistance. One of these was a woman with two sons, no health insurance and a projected annual income of under $7,000 whose food stamps had been cut back to $14/month because of her wage increase.

Fourteen of the group we interviewed reported that they had received some form of public assistance in the past, but most said that it had been at least ten years since they had relied on welfare. All of them said that this assistance was temporary, during the period in which they were raising young children.

Using information from our interviews, we estimated the total family income for these living wage workers. Our estimate is based on total working time and hourly wage at the living wage job, income from other jobs, income contributed by other workers in the household, and income from pensions and public assistance. The median total household income was $13,632. On average in this group, the living wage worker's income accounted for 68% of total household income. This helps to underscore the importance of the living wage in sustaining family incomes.

Based on our estimates of household income and family size, we were able to estimate the poverty status of twenty-two living wage workers who provided sufficiently detailed information. Nine of them were below the 1996 adjusted federal poverty threshold (the latest year for which the poverty data are available). In our sample of living wage workers, family incomes ranged from 43% to 359% of the adjusted federal poverty level.

Plainly there is a ways to go before living wages are translated into living incomes. But the higher wage does make an appreciable contribution to stabilizing family and community circumstances, as indicated in these comments:

"I'm not as stressed out, worrying how I'm going to pay this and that. I always felt like I wasn't pulling my weight in the marriage when I had to go to work and make $4.25 an hour. It's not all on him any more....Now I don't have to worry about going out and finding another job. I'm comfortable paying my bills. I get to spend my money in the neighborhood....There's a lot of different things that I can do in the community. Like when they have barbecues in the summer for the kids, I can give. Like when they have bake sales, I can give, you know. Before I was giving two or three dollars, now I can give five. It makes me feel like a better person."

"I can pay my bills, and still have some money to do the things that I need to do. Put an extra couple of dollars in the bank now. The rope is loosening up."

"It makes a big difference for me because it allows me to do things that I wouldn't have been able to do otherwise. It allows me to be a foster mom. And I do volunteer work....And some other children who come into the class, from families that don't have the funds, it enables me to put some money toward helping these children so that we can do things as a group....Sometimes you just want to treat the children because they've behaved so well....Earning the living wage helped me to afford that."

"I think being able to give my boys that opportunity...It makes you feel as if it's worth it all. You know it's worth it."

Housing

Housing is frequently one of the largest expenses of low-income people. On average, the households of the group that we interviewed spent 36% of their total family income on housing, even taking government housing subsidies into account. This exceeds the normal standard for housing affordability of 30% of gross income. Even this number, however, does not quite portray the full story as some in this group were doubling up with relatives.

Biggest worries

It should be clear that although the living wage is an important help to the affected workers, it does not solve all their problems. We asked them what their biggest worries were now. Most cited the lack of health insurance as a major concern. The second most important problem, often related to the lack of health insurance, was debt. Living wage workers reported a variety of reasons for their debt, from past medical expenses to education-related loans, child support payments, and consumer debt.

The potential impact of welfare reform was beginning to emerge as an area of concern. Many workers reported that they were training welfare-to-work participants and feared eventually losing their jobs to these 'second-tier' workers whose 'pay' is effectively their public assistance stipend.

Here are some representative comments:

"I worry about health care for my children and grandchildren. I take care of my children on my own. When my grandchildren need medical care, I have to pay for it on my own. I got to get my grandchild glasses before she starts school. They cost $85. I don't want to go to welfare. I'm not going there. I have always worked two jobs in my life. Now, dealing with the kids is another job. If it weren't for them, I would work two jobs."

I worry about my kids! Providing food and basics for my kids, a roof over their heads. ..Just keeping food in the house and trying to keep the bills paid. Stretching the money out."

"My own worry is what's going to happen now with welfare reform. Are we going to return to work? Our concern is about what if the contracts get taken away from these bus companies, will we get hired somewhere else?"

"I'm behind on child support. I can't afford to pay it now. I've got to get back on it. Child support is my biggest worry. Also, getting more income. I don't have health insurance, and that worries me a lot."

"I have high blood pressure. I can't afford the medicine, so I can't take it. $140. These hospitals are worrying the hell out of me. I can't take it."

"I'm trying to get a place of my own. It hurts you to have to lay on my child. This is her life, and she doesn't want me here. I feel like I'm stopping something. She's used to being on her own, too. I'm trying to get me something, so I'm not stuck on her like I am. I'm working for $6.10, so I only get about $290 every two weeks, and it's hard to get a place on just that."

"My daughter should be going to the eighth grade this year. And that's prom time. You know, cap and gowns. ...I got a reasonable daughter and she compromises with me, she knows what we have and don't have, she works with me. It's always hard when you can't do these things for them. You have to sit down and hope they understand. It hurts when you have to tell them that the things you planned on doing, you really can't do. When my son comes to me and tells me that he needs so much for a class trip and you have to sit down and tell him, well, I don't have it this time. Next time, the child will get a little tired of that, not being able to participate in these activities. That hurts me to tell him that he can't participate because we have financial difficulties."

Conclusion

The data in this evaluation strongly indicate that Baltimore's living wage ordinance has so far had a small but meaningful impact on the incomes and lives of affected workers. The effect is to be measured not only in dollars and cents, but in the sense of worthiness and comparative independence reported by living wage workers.

It is equally clear, however, that there are strong constraints limiting the benefits of the living wage to date. These include, notably, the prevalence of part-time employment and the relatively small number of jobs covered by the living wage ordinance. It is evident that, in order for the hypothesized and demonstrated benefits of the living wage to make a significant impact in Baltimore, the pool of living wage workers must be greatly expanded, and their hours increased and stabilized.

What this study also shows is that the costs of the living wage to the city have, to date, been trivial. As far as the city is concerned, the fears related to fiscal drag and a hypothesized erosion of competitiveness are evidently groundless. Moreover, these results provide reason to expect that the living wage could be expanded into the private and non-profit sectors without severely deleterious effects although the precise impact would depend on specific sectoral conditions.

As we have argued, part of the reason that the living wage became such an important idea is that many of the jobs affected by the legislation would once have been located in the public sector and would have without question provided a living income. Outsourcing this work to the private sector to save money for this city contributed to a situation in which even people working full time were not able to provide for their families' basic needs. The living wage, in this sense, was a way of adjusting the allocation of costs and benefits from this strategy and not a 'free gift' to the working poor.

Nevertheless, the small but important gains realized so far could be at risk from the effects of welfare reform which will have the effect of releasing thousands of people into the labor market at or even below the minimum wage to the degree that their wages are subsidized. Protecting and expanding the gains from the living wage may require linking the debate over the living wage to the debate over welfare reform.

Finally, we have highlighted in this report a number of questions that require further research. But more work isn't the only thing that is needed. Access to data that is collected by the government but not easily or readily made available to researchers needs to be improved. Further, serious investigations of the effects of social policy innovations of this sort may require substantial rethinking of the kind of data we collect and the categories in which these data are reported.

Appendix: Selecting a sample from the Census

Accurate information about the effects of Baltimore's wage law is extremely difficult to obtain. We used two primary sources of information to construct our picture of the circumstances of low wage service workers and the impact of the law in Baltimore. The first was a series of detailed interviews with workers who are currently employed at living wage workplaces. The second was the information that low-wage service workers provided in the detailed questionnaire from the 1990 census. We selected the census because it was the most accessible source of detailed occupational, income, family, and housing characteristics for low-wage service workers in the City of Baltimore. Neither of these sources is completely satisfactory: because the City's Wage Commission has been slow in collecting information about the effects of the law on service workers, no accurate count of affected workers exists—most contractors who are required under the law to submit payroll information have failed to do so. The census covers all low-wage service workers, and it is impossible to isolate only those covered by the ordinance. So, on the one hand, we have interviews with what is possibly only a partial cross-section of workers affected by the ordinance. On the other hand, the census population of low-wage service workers is larger than the population of service workers affected by the ordinance.. In the following section, we discuss how we selected the Census sample.

1990 Census of Population and Housing

For a general description of the prevailing employment, family, and housing circumstances of Baltimore's low wage service sector workforce, we analyzed the 1990 Public Use Microdata Sample (PUMS) from the 1990 Census. The PUMS dataset is based on a detailed questionnaire given to a 5 percent sample of the entire city population. The detailed structure of the PUMS data allowed an analysis of the particular circumstances of the city's low wage service workforce.

We analyzed personal and household information for people in the following general work categories found in the census: administrative support occupations, security guards and crossing guards; food counter, fountain and related occupations: kitchen workers, food preparation; waiters'/waitresses' assistants, miscellaneous food preparation occupations; janitors and cleaners; selected personal service occupations (e.g., public transportation attendants); bus and taxicab drivers, parking lot attendants; construction helpers and laborers; garage and service station related occupations, vehicle washers and equipment cleaners, hand packers and packagers, and other laborers. We further limited the sample to people employed in the following industries: landscaping, construction, food service, transportation, finance, insurance and real estate, business and repair services, entertainment and recreation services, or professional and related services.

From this subset we selected people who said they were employed by government or a private for-profit or nonprofit company in 1989. Because the Census long form does not contain data about hourly wages, we calculated a 'wage factor' for the identification of low-wage workers. We calculated this wage factor by dividing the total wage income by the product of the number of hours worked per week and the number of weeks worked during the year. The resulting wage

factor is different from an actual wage rate because the number of hours worked in a week may have varied over the year, while the census only asked the question, "During the weeks worked in 1989, how many hours did this person usually work each week?" (Reflecting the high variability in amount of time worked that is characteristic of jobs in the low wage service sector, more than half the respondents reported a different answer to another question in the census: "How many hours did you work last week?")

Our goal was a general description of the prevailing family and housing characteristics of low wage service workers in Baltimore, so we limited our population according to our wage factor. The 1989 median wage factor for the 63,633 people in these occupational categories who worked in private firms was $6.31 so we excluded from the sample those workers whose wage factor exceeded this amount. Lastly, because we were seeking information about the employment, family and housing situation of the average low wage service sector worker, we excluded from the population the ten percent of workers in the remaining population whose household income was exceptionally high (beyond three standard deviations from the mean of all worker's total household income expressed as a percent of the adjusted family poverty rate). Our resulting subset of the census database contained 20,136 low-wage workers from 18,875 households.[25]

Limitations of the Census data

There are two principal considerations for the use of 1990 census information in this study. First of all, the census was conducted in the spring of 1990, over seven years prior to this research. While we decided that it would be useful in providing a general description of Baltimore's low wage service workforce, one should keep in mind several limitations. First of all, changes in Baltimore's labor market have continued during the last seven years. Secondly, Baltimore and the State of Maryland have in that same time weathered a downturn and a mild recovery in the business cycle. The impact of these events on the city's low wage labor market is uncertain and so our conclusions based in part on the census information should be tentative. Any bias stemming from the date of the census sample could be in either direction: according to the Bureau of Labor Statistics wage surveys for Baltimore, the average wage of private sector janitors failed to keep pace with the rate of inflation between 1992 and 1995.

Secondly, the PUMS data used in the following analysis is based on a sample of the entire population. Therefore, some error is inevitable. As the census states:

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[25] The data set we used includes teenagers who are working at low wages. Workers who were excluded from the general sketch of low-wage service workers tended to be in households with two or three incomes and no children. Excluding the highest income low-wage workers (more than three standard deviations from the mean) has a very small impact on the overall picture as it comprises about 120 observations out of 20,136. For this reason, we believe our data set does not substantially overstate the beneficial impacts of a living wage even though the highest income low-wage families are not included.

"Since the estimates that users produce are based on a sample, they may differ somewhat from 100-percent figures that would have been obtained if all housing units, person within those housing units, and persons living in group quarters had been enumerated using the same questionnaires, instructions, enumerators, and so forth. . . The deviation of a sample estimate from the average of all possible samples is called the sampling error.[26]"

The standard error is plus or minus 4% for our estimate of the size of low-wage service sector workers, based on the size of the original PUMS database and the design factors used by the census to create the PUMS sample. The reader should therefore keep in mind that each estimate produced in this study will have some associated sampling error.

Given these limitations, we believe that our analysis does provide sufficient background and enough detailed information about Baltimore's low-wage service sector to provide a measure of the impact of the city's living wage ordinance.

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[26] (Census, 1990)

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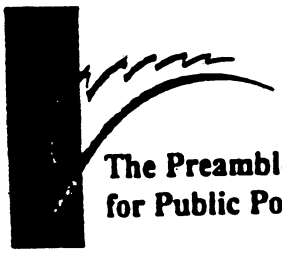
Baltimore's Living Wage Law

An Analysis of the Fiscal and Economic Costs of Baltimore City Ordinance 442

Mark Weisbrot

Michelle Sforza-Roderick



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Acknowledgments

The authors would like to thank Kalle Makalou, Dean Baker, Michael Ettlinger and John Schmitt for their helpful comments. Scott Nova, as always, provided invaluable guidance and editorial input.

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Baltimore's Living Wage Law

An Analysis of the Fiscal and Economic Costs of Baltimore City Ordinance 442

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October 1996

Executive Summary

"Living wage" laws are under consideration in states and cities across the country. These proposals are designed to raise the wages of very low-income workers by requiring state or municipal contractors, recipients of public subsidies or tax breaks, or, in some cases, all businesses, to pay employees wages significantly above the Federal minimum.

Wherever they have been proposed, living wage laws have been met with vigorous opposition, primarily from business interests and some local political leaders. Opponents claim that a living wage law will cause large increases in the costs of public contracts, lead to increased unemployment, cause companies to drop out of bidding for public contracts, impose significant administrative costs, and cause businesses in general to shun the locale in response to the law's ostensibly unfavorable impact on the local business climate.

The Preamble Center for Public Policy conducted the present study of Baltimore's living wage law in order to determine, based on the actual experience of one of the first cities to pass such a law, whether the stated concerns of critics are or are not well-founded.

Baltimore City Ordinance 442 was passed in December of 1994. This ordinance mandated a minimum hourly wage of $6.10 for anyone working on a city service contract, effective July 1, 1995; this minimum increased to $6.60 per hour for contracts signed after July 1, 1996. The study involved a review of the costs of, and bidding for, city service contracts, interviews with city contractors, and analysis of tax data relating to levels of business investment in Baltimore.

Among this study's main findings:

- The real cost of city contracts has actually *decreased* since the ordinance went into effect. For the average contract (weighted by its share in the sample), this decline was statistically significant.

- Of companies interviewed that held contracts before and after enactment of the law, none reported reducing staffing levels in response to the higher wage requirements.

- The cost to taxpayers of compliance has been minimal, with the City allocating about 17 cents per person annually for this purpose.

- The average number of bids per contract declined from 1994 to 1995, but this decline was not statistically significant, nor did it affect the competitiveness of the bidding process as manifested in actual contract costs.

- There is no evidence that businesses have responded negatively to the passage of the ordinance. In fact, the value of business investment in the City of Baltimore actually increased substantially in the year after passage of the law.

Based on these findings, it is clear that opponents' claims of large-scale negative economic and fiscal impacts from living wage legislation have not held true for the case of Baltimore.

Introduction

Observers from across the political spectrum now acknowledge that real wages have declined for the majority of American workers over the last two decades. Wages for the bottom three-fifths of wage-earners have been falling since 1979, and for four-fifths of wage-earners since 1989.

The lowest wage workers have been the hardest hit. A worker at the 10th percentile (i.e. earning less than 90% of wage earners and more than 10%) lost 17% of his or her real income from 1979-95, an hourly wage drop from $6.10 to $5.06 in 1995 dollars. Women in this category fared even worse, with wages falling from $5.82 to $4.84 per hour.[1]

The minimum wage itself fell behind inflation from 1979-1989, losing 31% of its real purchasing power during that period. This in itself was a significant cause of declining incomes for the poorest workers.

What to do about the problem of declining wages, or indeed whether to do anything at all, is a matter of heated debate. Business interests and conservative political leaders generally oppose any direct government action to raise workers' wages. The argument is that government's role should be limited to measures designed to increase business investment. This, it is claimed, will ultimately lead to gains for workers.

From the political center to the left, there is support for some form of government action to address the problem. One obvious mechanism is the minimum wage. On August 2, 1996, Congress passed legislation raising the federal minimum wage to $5.15 by September of 1997. However, the real value of the minimum wage after it is fully in effect will be about $4.89 in 1995 dollars. This is still 24% below its value in 1968. The income of someone working 40 hours a week, 52 weeks a year at this wage will still remain approximately 19% below the official poverty level for a family of three.

Furthermore, the political forces necessary to bring the minimum wage closer to its past real value are not in evidence. Congressional Republicans fought hard against the recent increase, filibustering in the Senate and attempting to gut the bill with amendments that, for example, excluded millions of small businesses. Only five Senate Republicans broke ranks to vote against the latter amendment that would have doomed the bill.

On the Democratic side, neither President Clinton nor the Democratic Congressional leadership made any serious effort to increase the minimum wage when they had control of both Congress and the White House in 1993 and 1994. Further action to raise the minimum wage during the next Congress seems unlikely, regardless of who controls the House and Senate.

The Living Wage

The decline in wages for low-income workers and the failure of the federal government to take stronger steps to address the problem have led to efforts to raise wages through legislation at the state and local level. These efforts, commonly referred to as "living wage campaigns," have been launched by grass-roots coalitions of community organizations, religious groups and labor unions – led in many cases by the AFL-CIO's state labor federations and local central labor councils and the

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[1]Mishel, Lawrence, Bernstein, Jared, and Schmitt, John. *The State of Working America: 1996-97*. Washington, D.C.: Economic Policy Institute, 1996.

Association of Community Organizations for Reform Now (ACORN).[2] Living wage campaigns are underway in more than a dozen states and municipalities.

In contrast to recent federal legislation, many state and local living wage campaigns make an explicit effort to raise wages to the level necessary to keep the family of a full-time worker above the poverty line. Some of the proposals would raise the minimum wage in a state or municipality to its peak historical value under federal law ($6.47 per hour in 1995 dollars, achieved in 1968) and thereafter index it to inflation. Others would mandate insurance benefits for low-wage workers. And others would set wages according to local cost of living levels. The California Liveable Wage Coalition, for example, took California's high cost of living into account when setting its minimum wage goal above the federal level.

Many living wage campaigns do not seek to increase the minimum wage across the board in a particular location. Instead they target only those employers who receive public money or public contracts, requiring that these employers pay a certain wage as a condition of receiving these funds or contracts. State and local programs that provide subsidies, tax abatements and other benefits to private employers for the purpose of job creation and retention rarely distinguish between high and low-wage employment. Nor do most cities and states that contract with private corporations for the provision of public services impose any pay and benefits standards on contract recipients. As a result, many companies receiving public subsidies and/or public contracts pay wages well below the poverty level. The argument behind living wage laws is that governments should not be using tax dollars to create or subsidize poverty-wage jobs, but rather should set a positive example by requiring employers who receive public funds to pay a living wage.

Baltimore's living wage law is one of the first to compel contractors to pay employees enough to keep a family of four above the poverty line. Other cities with such laws include San Jose, where city contractors must pay employees union-scale wages. A Milwaukee ordinance requires city contractors to pay employees $6.05 per hour, and increases yearly until the wage can raise a family of three above the poverty line. Jersey City, New Jersey, requires a minimum wage of $7.50 per hour be paid to employees of certain city contractors. And New York City recently established union-scale wages and benefits requirements for some city service contractors.

Campaigns to ensure that beneficiaries of public funds pay employees a living wage are underway in Los Angeles, Chicago, Boston and other locales. The Los Angeles Living Wage Coalition drafted an ordinance that would require companies "that benefit from city taxpayer dollars" (any business in receipt of a city contract, lease agreement, tax abatement or subsidy valued above $25,000) to pay employees $7.50 per hour and provide them with health insurance benefits. The estimated number of affected workers is over 14,000. A city council vote is expected this fall.

Chicago's Jobs and Living Wage Proposal, which would require a $7.60 per hour wage for employees of city contractors or companies receiving city financial assistance, would affect 10,000 workers. The ordinance, introduced in the city council in May 1996, is now in the finance committee.

Community and labor groups in Boston plan to introduce a similar ordinance by the end of the year. The Corporate Accountability and City Contracting proposal would tie financial assistance and city contracts to business to community hiring requirements and a living wage of $7.49 per hour.

Table 1 lists living wage proposals under consideration around the country.

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[2]ACORN is a national grass-roots community organization of low and moderate-income families.

Table 1: Examples of Proposed Living Wage Legislation

City or State	Route to Enactment	Description of Measure	Status
Albuquerque	Ballot Initiative	Raise minimum wage to $6.50/hour	Gathered required signatures; waiting to qualify for December special election
Boston	Legislative	Require city contractors and subsidized businesses to pay $7.49/hour and hire from the community	Possible introduction of city council ordinance by the end of the year.
Chicago	Legislative	Require city contractors and subsidized businesses to pay $7.60/hour and hire from the community	Ordinance introduced to city council in Ma 1996
Denver	Ballot Initiative	Raise minimum wage to $6.50/hour in 1997; $6.85/hour in 1998; $7.15/hour in 1999; indexed to cost of living thereafter	Supporters gathered required signatures to qualify for the November 1996 ballot.
Houston	Ballot Initiative	Raise minimum wage to $6.50/hour city wide	Will begin gathering signatures in Fall for January 1997 ballot.
Los Angeles	Legislative	Require city contractors and subsidized businesses to pay $7.50/hour plus family health benefits or $9.50/hour without benefits	Possible council vote Fall 1996
Minneapolis/ St. Paul	Legislative	Joint Twin Cities Task Force is drafting living wage policies for city contractors and subsidized businesses	Possible introduction of proposed ordinanc by the end of the year; public hearing expected in the fall.
New Orleans	Ballot Initiative	Set city-wide minimum wage at $1.00/hour above the federal level	Supporters have gathered 14,000 signatures; 1997 timeline to be determined
California	Ballot Initiative	Raise the *state* minimum wage to $5.00/hour in 1997 and $5.75/hour in 1998	Supporters gathered required signatures to qualify for the November 1996 ballot.
Minnesota	Legislative	Require state and city contractors and subsidized businesses to pay $7.28/hour and hire from the community	Passed MN. House and Senate; vetoed by Governor
Montana	Ballot Initiative	Raise the *state* minimum wage to $4.75/hour in 1997; $5.25/hour in 1998; $5.75/hour in 1999; $6.25/hour in 2000.	Supporters gathered required signatures to qualify for the November 1996 ballot.
Missouri	Ballot Initiative	Raise the *state* minimum wage to $6.25/hour in 1997; $6.50/hour in 1998; $6.75/hour in 1999; and increase $.15 each year thereafter	Supporters gathered required signatures to qualify for the November 1996 ballot.
Oregon	Ballot Initiative	Raise the *state* minimum wage from $4.75 to $6.50/hour over three years.	Supporters gathered required signatures to qualify for the November 1996 ballot.

Proposals to require municipal contractors to pay a living wage have met with strong opposition from business interests and some political leaders. Their most prominent arguments include the following:

Higher Costs for Contracts. Critics argue that requiring city contractors to pay employees wages substantially higher than the federal legal minimum will drive up the costs of city contracts, imposing substantial new burdens on local taxpayers. The office of Los Angeles Mayor Richard Riordan claims that the proposed Los Angeles living wage ordinance "will have a major impact on the city's budget and may make it impossible to restructure the way the city delivers services."[2] The Chicago Chamber of Commerce has advanced the same argument during the debate on the Chicago living wage ordinance. A spokeswoman claimed that "[t]he new ordinance will. . . hurt the city by creating artificially high wage rates. . . and increasing city procurement costs."[3] In Baltimore, Mayor Kurt Schmoke, contemplating a veto of the living wage ordinance passed by the City Council, expressed fears that the contract cost increases would be so high the city would not have the funds to pay for them.[4]

Fewer Workers Employed. Opponents also claim that because living wage laws will raise labor costs, many contractors will seek to do the same work with fewer employees, thus costing some low-wage workers their jobs. Economist Stephen J.K. Walters' arguments during the Baltimore living wage campaign were fairly typical: "the big losers are all the states that have done the most to make unionization easy and labor costly. . . . [The living wage would] price many of the workers right out of their jobs."[5] According to the chief economist for the University of New Mexico Bureau of Business and Economic Research, "the ones who are fortunate enough to keep their jobs will benefit [from Albuquerque's proposed law], but we would see quite a few people at the minimum wage who would lose their jobs."[6]

High Enforcement Costs. Critics claim that taxpayers will be further burdened by substantial new costs to monitor and enforce employer compliance with the law. During the debate on the St. Paul living wage proposal, a board member of the Chamber of Commerce stated, "The initiative mandates that the city follow up on all projects after two years and impose fines and penalties for noncompliance. Who do you think would end up paying to administer this ordinance? We would – the taxpayers. . . . This new burden would be added at a time when taxpayers are demanding that we reduce the price of government."[7]

Loss of Bidders. Opponents also claim that competition for city contracts will be reduced, as fewer companies believe that they can place a competitive bid under the requirement of higher

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[2]The "Living Wage "Issue - Fact Sheet, Office of Mayor Richard Riordan

[3]Foti, Ross. "Group Wants City Contractors to Pay $7.60 'Living Wage,'" *The Press*, June 19, 1996.

[4]"Wage Bill Depends on Schmoke," *Baltimore Sun*, December 4, 1994

[5]Walters, Stephen J.K. "Is BUILD Trying to Tear Down?" *The Baltimore Sun*, June 22, 1994, p. 11A.

[6]Domrzalski, Dennis. and Vukelich, Dan. "6.50 City Minimum Wage Advocated," *Albuquerque Tribune*, August 15, 1996, p. 1.

[7]Given, William. "Should City Jobs Initiative Pass?" *Saint Paul Pioneer Press*, October 10, 1995, p. 7A.

wages. Less competition will lead to further cost increases. A *Chicago Sun-Times* editorial asserted that although "proponents argue that [Chicago's proposed living wage] ordinance would make the bidding process more equitable for companies already paying a living wage, it is likely that the higher cost of doing business would instead reduce the number of companies bidding."[8] And the *Boston Herald* claims that "for a business in a competitive industry (and most are), increasing the cost base with [a living wage] requirement could simply lead it to drop the city as a customer."[9]

Creation of a Hostile Business Climate. One of the most prominent arguments of critics is that businesses in general, not just those bidding on city contracts, will interpret the passage of a living wage law as a "bad signal" in terms of the city's overall business climate, leading to capital flight from the city. At a time of bitter competition for job-creating investment, the argument goes, a municipality would be placing itself at a grave disadvantage by passing a law that implies a lack of commitment to keeping costs for businesses under control. According to a *Boston Herald* editorial, "the [Boston] proposal couldn't be better calculated to drive business out of the city."[10] The *Los Angeles Business Journal* opined, "Simply put, the living wage threatens to derail the economic revival that the City of L.A. has been enjoying," referring to the proposal as, "[a]nother bad, job-killing idea."[11] The Minnesota Retail Merchants Association claims that "mandating wages like this will have a chilling effect on business development."[12] Concerning Denver's ballot initiative to raise the city's minimum wage, a City Councilman called it "retail suicide. . . . What we're going to do is watch a lot of our economic base walk out of the city to the suburbs."[13]

These arguments, and their variants, have been raised wherever living wage legislation is under consideration. If they are correct, the case for this legislation would be severely weakened.

The purpose of this study is to determine, based on the experience of one of the first cities to pass a living wage requirement for municipal contractors, whether the stated concerns of critics about negative economic and fiscal consequences are or are not well-founded. We assessed the impact of Baltimore City Ordinance 442, which went into effect on July 1 of 1995, in the following areas: the cost of city contracts, the numbers of bidders seeking city contracts, the number of workers employed by city contractors, administrative costs, and the overall business climate of the city of Baltimore. It is our hope that the results of this analysis will be of use not only to the citizens of Baltimore, but to elected officials and members of the public in other locales as they evaluate present and future proposals for living wage requirements.

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[8] June 23, 1996.

[9] September 5, 1996.

[10] Ibid.

[11] "Another bad, job killing idea," *Los Angeles Business Journal*, September 30, 1996

[12] Judy Cook, Main Retail Merchants Association, quoted in "Can Government Ensure a "Living Wage,'" *Investor's Business Daily, April 3, 1996*, in reference to proposed state-wide Minnesota living wage law

[13] Bartels, Lynn. "Voters Will Decide on Wages," *Rocky Mountain News*, August 6, 1996, p. 1.

The Baltimore Living Wage Ordinance

In December 1994 the Solidarity Sponsoring Committee (SSC), a group of low-wage service workers, successfully campaigned for a mandatory living wage for employees of city service contractors. The committee was organized by BUILD (Baltimoreans United in Leadership Development), a largely church-based community organization affiliated with the Industrial Areas Foundation, and AFSCME (the American Federation of State, County and Municipal Employees). The Baltimore Living Wage ordinance, which went into effect in July 1995 (fiscal year 1996), established a minimum wage of $6.10 per hour for anyone working on a city service contract. In July 1996, the wage was increased by Baltimore's Board of Estimates to $6.60. The living wage ordinance stipulates that the wage be increased annually, upon approval by the Board of Estimates, until it equals the amount required to raise a family of four above the poverty line. In subsequent years, the wage is to be indexed to inflation in order to keep it above the poverty line. The ordinance aims for a living wage of $7.70 (the projected poverty level income for a family of four) for 1999 (see Figure 1).

The living wage ordinance establishes an enforcement mechanism and imposes significant penalties on contractors who violate the wage requirement or fail to submit proof of compliance. Contractors are required to submit payrolls on a biweekly basis to the Wage Commission for enforcement purposes. They can be fined $10.00 per day for each day their payrolls are late. If a service contractor is found to be noncompliant with the wage requirement, it must remit back pay to the employees and pay fines to the city. Any violator of the ordinance can be made ineligible for city contracts for a year. If a contractor is noncompliant on more than three contracts in a two-year period, it can be barred from bidding on contracts for three years.

There is, however, an exception in the ordinance that exempts those companies awarded contract *extensions* from the living wage requirement. Extension options typically range from one to four years and "grandfather" the wage requirement in force at the time the contract was awarded.

The adoption of the living wage ordinance was a response to the deepening impoverishment of low-wage earners in the city of Baltimore. Church leaders saw a sharp increase in the number of working people relying on social service ministries for food and housing. An increasing number of these poor families were headed by low-wage earners, rather than the unemployed or welfare recipients. In Baltimore, BUILD argues, the proliferation of poverty-wage jobs was spawned by the subsidized refurbishing of the downtown sector as well as the privatization of work by the city government. The job growth brought by subsidized businesses was concentrated in low-wage, temporary occupations like janitors and lawn cutters. And government privatization often relegated workers to contingent employment paying low wages and offering few, if any, benefits. In order to reverse this trend, the SSC campaigned for a mandatory living wage for employees of city contractors, arguing that taxpayers' money should not be used to promote the creation of poverty-wage jobs. Workers benefitting from the living wage ordinance include janitors, food service employees, laborers, machine cleaners and repairmen, stenographers, carpet cleaners and repairmen, and bus drivers and aides hired by the city.

Figure 1: Living Wage Earnings and the Poverty Level: How the Wages Compare

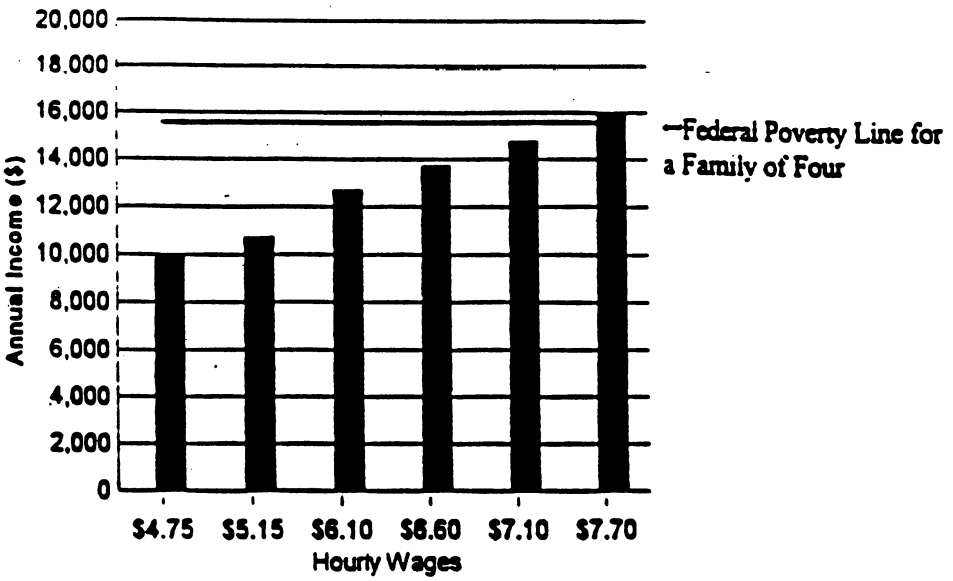

Figure 1: This figure compares the current ($4.75) and future ($5.15) federal minimum wages and Baltimore's living wage increments to the current poverty threshold for a family of four. The Baltimore Living Wage ordinance projects the earnings of the lowest paid city service contract employees to increase to $7.70 per hour in 1998. This amount would raise a family of four above the current federal poverty line of $15,569.00, but will lose some value due to inflation. A city contractor working 40 hrs per week, 52 weeks a year at Baltimore's current living wage of $6.60 per hour, earns a yearly salary of $13,728.00 or 22% less than the federal poverty level for a family of four. The current hourly wage of poverty-line earners is $7.49 per hour (*Source: Bureau of the Census.*)

The Costs of the Living Wage Ordinance to the City

This study focuses on contracts whose labor costs have increased or are expected to increase as a result of the living wage ordinance. The City's Bureau of Management and Budget Research compiled a list of the types of contracts that are or will be affected by the ordinance, as well as the dollar amount of all the contracts. The Bureau determined that the total value of contracts falling under the wage requirement was $26,811,544 in December 1995. We obtained full or partial information on 46 contracts involving 75 companies; others have yet to be rebid under the living wage requirements. Those contracts for which information on pre- and post-ordinance (rebid under the living wage law) costs were available are presented in Table 2. The value of these contracts is $19,326,066.39, or 72% of the value of those contracts affected by the ordinance.

Table 2: Baltimore City Contract Costs Before and After the Living Wage Ordinance

	Pre-Living Wage			Post-Living Wage				Weighted
Contract Name	Old Contract #	Price ($)	Bids	New Contract #	Price (current $)	Price (constant $)	Bids	% Diff
Public Pupil Bus Transportation	BP-06000 ('94)	14,137,507.50		BP-06000 ('95)	14,500,000.00	14,213,263.74		0.4038
Homemaker Services	BP-11695	72,000.00	4	BP-10597	84,528.00	80,170.87	5	0.0482
Carpet Repairs	BP-12494		4	BP-17296			2	
Athletic & Cultural Bus Transportation	BP-13494		23	BP-12697			15	
Homemaker/Personal Care Services	BP-13595	268,400.00	4	BP-10497	258,280.00	246,192.10	5	-0.1080
General Moving & Hauling	BP-13794	118,650.00	5	BP-14596	118,508.20	112,623.18	4	-0.0303
Maintenance & Repairs on Trailers	BP-17594		2	BP-10396			1	
Grass Cutting -- Cluster H	BP-17795	44,604.00	4	BP-19396	31,500.00	30,692.69	4	-0.0508
Janitorial, People's Court Building	BP-19393	21,372.00	15	BP-19695	18,456.00	17,399.96	13	-0.0171
Hauling of Voting Machines	BP-19994		2	BP-21295			2	
Camp Variety Bus Transportation	BP-21793	30,000.00	7	BP-22096	35,440.00	32,653.63	3	0.0153
Janitorial, Library Branches 19 & 21	BP-22293	8,010.00		S-60703	8,700.00	8,210.39		0.0011
Janitorial, Library Branches 2 & 4	BP-22393	5,939.72		S-60704	8,736.00	8,244.36		0.0170
Janitorial, Library Branches 30, 36 & 38	BP-22493	10,067.84		S-60702	12,000.00	11,324.67		0.0075
Janitorial, Library Branches 6 & 18	BP-22593	6,672.00		S-60701	8,000.00	7,341.63		0.0039
Janitorial, Library Branches 23 & 26	BP-22693	8,100.00		S-60502	8,400.00	7,363.66		-0.0035
General Charter Bus Service	BP-24093	750,000.00	18	BP-20795	750,000.00	709,916.65	17	-0.2012
Commission on Aging Nutritional Meals	BP-94025	2,523,069.12	3	BP-95025	2,161,391.00	2,047,918.39	2	-2.0449
Summer Foodservice Program for Youth	BP-95111	1,289,500.00	1	BP-96110	1,332,000.00	1,296,569.57	1	0.0377
Janitorial, Dunbar Day Care	S-30202	9,600.00	1	S-50502	7,312.56	6,873.52	2	-0.0104
Janitorial, Wyman Park MPC	S-30206	5,628.00		S-50504	7,615.86	7,172.93		0.0104
Janitorial, Govans MPC	S-30208	7,346.21		S-50503	7,312.56	6,887.27		-0.0023
Janitorial, Arena Garage	S-30302	9,600.00		S-60708	10,128.00	9,510.41		-0.0005
Total Costs		19,326,066.39			19,368,308.18	18,860,329.59		
Mean % Difference								-1.9240
Standard Deviation								0.4836
Total Number of Bids			93				76	

As can be seen from the totals, the nominal cost of the contracts covered by the ordinance increased by only $42,242, or less than one-quarter of one percent. In real terms, adjusting for inflation, there was an absolute *decrease* in costs. The fifth column of Table 2 shows the price of the most recent contracts adjusted for inflation.[14] In real terms, the total cost of these contracts declined from $19,326,066 to $18,860,329, or 2.4%.

The average contract price, weighted by its share in the total cost of the sample, declined by 1.92%. (This is shown in the last column of Table 2). This decline is statistically significant at the .001 level.[15]

This is a surprising result, given that at least some of the contractors in this sample faced an increase in their labor costs as a result of the living wage. The most likely explanation is that other factors overwhelmed the impact of these cost increases. From interviews with contractors it appears that it is a common practice to try to underbid the previous year's contract, and it may be that the competitive pressures of the bidding process were enough that contractors were forced to absorb the increased costs of the living wage. This is most likely true for the food and bus contractors, who reported that they did not adjust their bids for the increased labor costs. Most janitorial companies reported that they did in fact take the increased labor costs into account when formulating their bids, but these increases did not show up in the overall costs of the new contracts.

We cannot, of course, conclude that the living wage ordinance actually contributed to lowering the cost of the average contract. However it is worth noting that there are efficiency gains at the higher wages, and these could have lowered total costs. In telephone interviews with the contractors, many stressed the relationship between a higher wage and a lower rate of turnover. One of the larger janitorial contractors who said he always paid more than the Federal minimum states that at wages below $5.00 an hour, the problems of turnover and absenteeism were too large. If turnover is actually lower under the new wage, and contractors insist that it is, productivity increases could offset all or part of the increased labor costs. And since high rates of turnover can make it more difficult for a contractor to fulfill the contract, the higher wage can protect the city from having to award increases to contractors who cannot fulfill their obligations in the agreed upon time and dollar amount.

The number of workers impacted is fairly small, so even if contract costs had increased by the full amount of the potential increase in labor costs, the impact on Baltimore's $2 billion budget would have been very slight. However, even these very small increases in the cost of city contracts did not materialize. Furthermore, the results of this study indicate that even if the contracts covered had comprised a much larger share of the City's budget, the predictions of significant cost increases would not have been borne out.

In addition, the argument that the cost of monitoring and enforcing compliance with living wage laws would impose significant new costs on taxpayers is not supported by the evidence from Baltimore. According to Baltimore's Bureau of Management and Budget Research, the wage

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[14]The prices were adjusted by the Consumer Price Index for the time that elapsed between each pair of contracts.

[15] $t_{18} = 3.978$.

commission was awarded only $121,000 to enforce the living wage in 1996. This would amount to an increased per capita tax burden of 17 cents a year. This figure does not include any money received from fines levied on employers who fail to comply with the law, which would lower the net cost of enforcement to the City.

Impact on Contractor Employment Levels

Have contractors responded to increased labor costs by laying off workers or by failing to hire as many as they otherwise would have? The evidence here is not yet complete: (1) the majority of contractors bound by the living wage ordinance have yet to turn in payroll information to the Wage Commission and (2) pre-ordinance contractors were not required to submit payroll information. To determine whether the increased labor costs resulted in reduced employment, we interviewed those contractors who held a contract both before and after the ordinance went into effect and whose labor costs increased as a result of the ordinance. This sample consisted of 31 companies, including providers of transportation, janitorial, food and administrative services.

None of the companies interviewed reported any reduction in staff levels to compensate for the increased cost of labor resulting from the living wage requirement.

The school bus contract - actually a multiple contract with 26 companies that accounts for $14,500,000 of the total - provides the clearest example of how it is often less common in practice than in theory for employers to reduce staff in response to increased labor costs. Because the labor force for bus contracts consists of bus drivers and aides (the latter are required on special needs buses for senior citizens and the disabled), reducing staff levels would be difficult if not impossible.

According to the Baltimore Bureau of Management and Budget Research's estimates, the City's janitorial contracts have the highest percentage of costs attributable to labor. Of the two janitorial companies holding pre- and post-ordinance contracts, neither reported reducing staff levels to compensate for the increased costs. In addition, the large janitorial (school) contracts have mandatory staff levels set by the city. Staff levels for these contracts, then, could not be altered by contractors in response to the living wage requirements.

Impact on Bidding Practices

To determine whether the ordinance discouraged companies from bidding on contracts, we examined those contracts where the labor costs would be immediately increased by the ordinance.[16] Of these, 43% either had more or the same amount of bidders as the previous year and 57% had less. Although the average number of bids for these contracts declined from 6.64 to 5.42 (see Table 3), this difference was not statistically significant.

[16]Information on the number of bids made before and after the ordinance was available for 54% of the contracts.

According to Ken Dahms, janitorial contract buyer for the City of Baltimore, there has not been any decrease in bids outside of normal fluctuations in companies' bidding practices. It is perhaps worth noting that the two contracts whose labor costs for its lowest-wage workers had the highest rate of increase (55% - from $4.25 to $6.60 per hour) had an increase in the number of bidders, and the contract with the largest decline in bidders already pays workers more than the living wage.

Surprisingly, contractors interviewed about the living wage gave generally positive responses. From bus companies to temporary agencies to janitorial services, the prevailing opinion offered was that the living wage "levels the playing field" and relieves pressure on employers to squeeze labor costs in order to win low-bid contracts.

"We feel more able to compete against businesses who were drastically reducing wages in order to put in a low bid," said a manager of a bus company. In such cases, if more firms think they have a chance to win city service contracts, the number of bidders could actually increase over time as a result of the living wage hike.

Others notice a marked change in worker morale and productivity brought about by the higher wage. "You get a better quality worker, which builds a better reputation for our company," said a human resources representative of a temporary agency. And according to another manager at a bus company, "workers seem happy [and] they come to work on time because they know that at $6.10 per hour, somebody else wants the job if they don't."

Baltimore's Business Climate

The argument that businesses will leave a city as a result of the living wage ordinance is based primarily on a somewhat intangible mechanism - the idea that such ordinances create the *perception* that a locality is unfriendly to business, thus discouraging new or continued investment. The direct effects of such ordinances on wages, since they affect such a small proportion of the workforce, could not discourage investment by raising costs broadly in the local labor market. However, claims of indirect effects are asserted with great frequency, find receptive audiences in a time of intense state and local competition for investment, and therefore cannot be ignored.

In the case of Baltimore, there is no evidence that local businesses or potential investors have responded negatively to the ordinance. As noted above, even the city contractors interviewed for this study, who are directly affected, had no complaints about the ordinance. As for businesses in general, Table 3 shows the assessable base of personal property for businesses and corporations in the city of Baltimore, for the years 1990-95. This measures the value of local businesses' assets, other than real estate, for tax purposes.

As shown in the Table, the value of business property declined in real terms in the four years preceding the passage of Baltimore City Ordinance 442. It then increased sharply from 1994 to 1995, after the passage of the ordinance.[17] The experience of a single year since passage of the

[17]The declines for 1991 and 1992 can be attributed to the national recession (though it is worth noting that real declines continued until the 4.6% real jump in 1995).

ordinance provides a limited basis from which to assess the ordinance's impact. But it is clear that claims that a living wage law will drive investment from a city have found no basis of support in the actual experience of Baltimore.

Table 3: Total Assessable Personal Property Tax Base for Businesses in Baltimore City From 1990-1995

Year	Current $	Constant $
1990	$695,303,010	$695,303,010
1991	$705,676,100	$684,457,905
1992	$701,417,280	$661,153,059
1993	$697,686,606	$640,373,204
1994	$712,617,470	$636,834,200
1995	$764,257,220	$666,344,552

The Economic Debate Over Minimum Wages

The results here are consistent with a growing body of economic research that has challenged some long held notions of how labor markets function, and has influenced, most recently, the debate over raising the federal minimum wage.

According to traditional economic theory, wages are determined by an equilibrium of supply and demand in the labor market. The demand for labor is derived from the productivity of workers "at the margin," – that is, how much an additional unit of labor would contribute to the firm's revenue. In this view, an attempt to raise wages beyond the market equilibrium rate will cause increased unemployment. This results from both employers cutting back on hiring at the higher wage, and from the increased number of people who enter the labor force to seek work at the higher wage (but cannot find it).

This analysis of the effect of the minimum wage has been a mainstay of undergraduate economics textbooks for decades. However, in recent years a number of empirical studies have cast considerable doubt on the conclusion that raising the minimum wage will necessarily increase unemployment.

Most prominent among these is the study by Princeton economists David Card and Alan

Krueger,[18] which examined changes in employment at 410 fast-food restaurants in New Jersey and Pennsylvania, before and after New Jersey raised its minimum wage in 1992. The New Jersey increase was substantial – from $4.25 to $5.05 an hour, or 18.8%, and restaurants in neighboring eastern Pennsylvania faced no such increase. Their study found no significant differences in employment changes at these businesses across the border of the two states. Card and Krueger followed this study with a more comprehensive book, *Myth and Measurement*, which drove a final nail into the coffin of the textbook relationship between minimum wages and unemployment.[19] An attempt to refute Card and Krueger's results, although seized upon by opponents of increasing minimum wages,[20] was found lacking within the profession.[21]

The other part of the traditional economic theory of labor markets that has been part of the public policy debate is more explicitly ideological. The "marginal productivity theory," described above, says that workers are indeed paid according to their productivity. This has a normative implication that is difficult to avoid – that is, the market rewards people according to what they deserve, or contribute to the economy. This belief is not just the province of economists, but has been part of the popular ideological scenery since the Industrial Revolution. Proponents of a higher minimum wage have had to contend with this precept as well, but they seem to have made some headway during the most recent debate over the federal minimum wage. This is partly due to their success in challenging the conventional stereotype of minimum wage workers as teenagers from middle class families earning some extra spending money in their spare time. The most recent increase in the Federal minimum wage directly affects more than 11.8 million workers, some three-quarters of whom are adults. About 40% of those affected are the sole breadwinners for their families.[22] And these figures do not include the millions of workers earning more than $5.15 per hour whose wages are part of the "minimum wage contour," – that is, they tend to be pushed up when the minimum wage rises.

There is of course some level of the minimum wage that would actually cause employers to eliminate jobs; whether any of the living wage ordinances could reach this level remains to be seen. One major difference between some of these ordinances and minimum wage laws is that to the extent

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[18]Card and Krueger, "Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania," *American Economic Review*, Vol. 84, No. 4, pp. 772-93, 1994. Other studies of different regions in recent years reached similar conclusions: e.g. Katz and Krueger (1992), for fast-food restaurants in Texas; Spriggs and Klein (1994), for food-service businesses in Jackson, Mississippi and Greensboro, North Carolina.

[19]Card and Krueger, *Myth and Measurement: The New Economics of the Minimum Wage*. Princeton, N.J.: Princeton University Press, (1995).

[20]A major study prepared in opposition to the Chicago living wage ordinance relied on the Neumark and Wascher study (cited below) to assert that "the consensus among economists is that employment declines when the minimum wage is raised." (Tolley, Bernstein, and Lesage, p.41) See also, e.g., Richard Berman's op-ed against the federal minimum wage increase (Wall Street Journal, March 29, 1996).

[21]See Schmitt (1996) for a thorough review of Neumark and Wascher's (1995) failed attempt to refute Card and Krueger's research.

[22]See Mishel, Lawrence, Jared Bernstein, and Edith Rasell. "Who Wins With a Higher Minimum Wage?" Briefing Paper. Washington, D.C.: Economic Policy Institute, 1995.

that increased labor costs can be passed on to the city government, there would be no need for contractors to reduce employment. Of course, this could mean additional taxes for city residents. The other possibility – where there are more competitive markets and bidding practices – also cuts both ways. That is, if contractors are forced by the higher labor costs to increase productivity and therefore reduce employment, the taxpayers gain from the increased productivity.

In the case of Baltimore, there have been no additional costs nor measurable effects on employment. The results, however unexpected, are consistent with the most recent research in labor economics, in which competitive pressures, efficiency gains, or other responses can produce a labor market outcome with neither price nor employment changes following a minimum wage increase.

Conclusion

The predicted negative effects of raising wages for workers employed on city contracts have not materialized in Baltimore. The cost of the affected city contracts did not increase, and in fact decreased. Most payroll employment data for the relevant city contractors is not yet available, but interviews with contractors indicate that they did not reduce their workforce in response to the higher wage. The number of bidders for the contracts in our sample declined, but this change was not statistically significant. And finally, there is no evidence that the ordinance discouraged investment generally in Baltimore.

It will take more time, as well as further research, to determine exactly how contractors are responding to the ordinance, and how their responses affect employment, productivity, and costs to the city government. As the living wage continues to rise to $7.70 per hour over the next two years, there will be greater potential for cost increases and other effects. But for now, it is clear that in the 21 months since it was enacted by the city, the stated fears of those who oppose living wage legislation have found no basis in this case.

It also must be noted that the present analysis includes no assessment of the significant potential benefits of the living wage ordinance – substantially higher income for low-wage workers and their families, with attendant increases in their quality of life and cost savings as the demands these individuals place on federal, state and local government programs is reduced. The full extent of these benefits awaits analysis. But any future costs to the city of Baltimore that may arise from the living wage ordinance must be weighed against these benefits.

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FISCAL IMPACT STATEMENT

DATE: January 21, 1997

FROM: Alds. Civin, Kroogman, Dawson, Voigt, Krevit, McCormack, Armmand, Moakley, Reyes

ITEM: An ordinance establishing a living wage for service workers

COSTS:

1. **Initial Start-up:** Incidental use of already budgeted staff time.
2. **One-Time:** None.
3. **Annual:** Costs will vary by contract and year, depending on numerous factors, such as:

a. The number of contracts subject to the ordinance.

b. The number of employees on each such contract.

c. The number of hours each employee works on each such contract.

d. Comparison of each employee's wages and medical benefits to the standards established by the ordinance. For instance:

i. A contractor who already pays wages and medical benefits equal to or greater than those required by the ordinance would experience no increase in costs, and there would therefore be no increase in the cost of the contract to the City.

ii. In those instances where a contractor's wage and medical benefit levels were lower than those required by the ordinance, the cost to the contractor and to the City may differ, depending on certain factors. The employer might absorb some of the increase in costs, and only pass a portion of the increase on to the City. The contractor might be prompted to operate more efficiently, with a result that the increase in efficiency could entirely offset the increased costs required by the ordinance and eliminate any need for the contractor to try to obtain a higher contract amount from the City.

e. The City may control these contracting costs by evaluating carefully its need for each service in question, by reviewing the various options available to obtain those services which it decides are truly necessary or desirable, by scrutinizing thoroughly the cost and performance elements of each service option, and by choosing the option which best meets the selection criteria for each service. In short, the ordinance should encourage - if not actually force - the City to conduct critical periodic reviews of its contracting requirements and the means which may be used to satisfy them.

REVENUES: If the ordinance is successful in its efforts to increase employment of New Haven residents, to increase the share of contracts won by New Haven-based businesses, and to improve the standard of living of New Haven workers, the City should realize increases in tax collections. In addition, the City, state, and federal governments should realize reductions in costs for public assistance (homeless shelters, housing subsidies, food stamps, etc.).

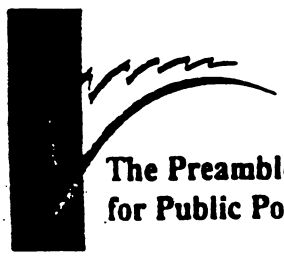
SUMMARY: The City's contracting needs vary from year to year. Given this fact, the comments above, and the fact that we have incomplete information about current contracts, we cannot at this time give a precise statement of the fiscal impact of this ordinance.

Baltimore's Living Wage Law

An Analysis of the Fiscal and Economic Costs of Baltimore City Ordinance 442

Mark Weisbrot

Michelle Sforza-Roderick



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for Public Policy

Acknowledgments

The authors would like to thank Kalle Makalou, Dean Baker, Michael Ettlinger and John Schmitt for their helpful comments. Scott Nova, as always, provided invaluable guidance and editorial input.

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Baltimore's Living Wage Law

An Analysis of the Fiscal and Economic Costs of Baltimore City Ordinance 442

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October 1996

Executive Summary

"Living wage" laws are under consideration in states and cities across the country. These proposals are designed to raise the wages of very low-income workers by requiring state or municipal contractors, recipients of public subsidies or tax breaks, or, in some cases, all businesses, to pay employees wages significantly above the Federal minimum.

Wherever they have been proposed, living wage laws have been met with vigorous opposition, primarily from business interests and some local political leaders. Opponents claim that a living wage law will cause large increases in the costs of public contracts, lead to increased unemployment, cause companies to drop out of bidding for public contracts, impose significant administrative costs, and cause businesses in general to shun the locale in response to the law's ostensibly unfavorable impact on the local business climate.

The Preamble Center for Public Policy conducted the present study of Baltimore's living wage law in order to determine, based on the actual experience of one of the first cities to pass such a law, whether the stated concerns of critics are or are not well-founded.

Baltimore City Ordinance 442 was passed in December of 1994. This ordinance mandated a minimum hourly wage of $6.10 for anyone working on a city service contract, effective July 1, 1995; this minimum increased to $6.60 per hour for contracts signed after July 1, 1996. The study involved a review of the costs of, and bidding for, city service contracts, interviews with city contractors, and analysis of tax data relating to levels of business investment in Baltimore.

Among this study's main findings:

- The real cost of city contracts has actually *decreased* since the ordinance went into effect. For the average contract (weighted by its share in the sample), this decline was statistically significant.

- Of companies interviewed that held contracts before and after enactment of the law, none reported reducing staffing levels in response to the higher wage requirements.

- The cost to taxpayers of compliance has been minimal, with the City allocating about 17 cents per person annually for this purpose.

- The average number of bids per contract declined from 1994 to 1995, but this decline was not statistically significant, nor did it affect the competitiveness of the bidding process as manifested in actual contract costs.

- There is no evidence that businesses have responded negatively to the passage of the ordinance. In fact, the value of business investment in the City of Baltimore actually increased substantially in the year after passage of the law.

Based on these findings, it is clear that opponents' claims of large-scale negative economic and fiscal impacts from living wage legislation have not held true for the case of Baltimore.

Introduction

Observers from across the political spectrum now acknowledge that real wages have declined for the majority of American workers over the last two decades. Wages for the bottom three-fifths of wage-earners have been falling since 1979, and for four-fifths of wage-earners since 1989.

The lowest wage workers have been the hardest hit. A worker at the 10th percentile (i.e. earning less than 90% of wage earners and more than 10%) lost 17% of his or her real income from 1979-95, an hourly wage drop from $6.10 to $5.06 in 1995 dollars. Women in this category fared even worse, with wages falling from $5.82 to $4.84 per hour.[1]

The minimum wage itself fell behind inflation from 1979-1989, losing 31% of its real purchasing power during that period. This in itself was a significant cause of declining incomes for the poorest workers.

What to do about the problem of declining wages, or indeed whether to do anything at all, is a matter of heated debate. Business interests and conservative political leaders generally oppose any direct government action to raise workers' wages. The argument is that government's role should be limited to measures designed to increase business investment. This, it is claimed, will ultimately lead to gains for workers.

From the political center to the left, there is support for some form of government action to address the problem. One obvious mechanism is the minimum wage. On August 2, 1996, Congress passed legislation raising the federal minimum wage to $5.15 by September of 1997. However, the real value of the minimum wage after it is fully in effect will be about $4.89 in 1995 dollars. This is still 24% below its value in 1968. The income of someone working 40 hours a week, 52 weeks a year at this wage will still remain approximately 19% below the official poverty level for a family of three.

Furthermore, the political forces necessary to bring the minimum wage closer to its past real value are not in evidence. Congressional Republicans fought hard against the recent increase, filibustering in the Senate and attempting to gut the bill with amendments that, for example, excluded millions of small businesses. Only five Senate Republicans broke ranks to vote against the latter amendment that would have doomed the bill.

On the Democratic side, neither President Clinton nor the Democratic Congressional leadership made any serious effort to increase the minimum wage when they had control of both Congress and the White House in 1993 and 1994. Further action to raise the minimum wage during the next Congress seems unlikely, regardless of who controls the House and Senate.

The Living Wage

The decline in wages for low-income workers and the failure of the federal government to take stronger steps to address the problem have led to efforts to raise wages through legislation at the state and local level. These efforts, commonly referred to as "living wage campaigns," have been launched by grass-roots coalitions of community organizations, religious groups and labor unions – led in many cases by the AFL-CIO's state labor federations and local central labor councils and the

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[1]Mishel, Lawrence, Bernstein, Jared, and Schmitt, John. *The State of Working America: 1996-97.* Washington, D.C.: Economic Policy Institute, 1996.

Association of Community Organizations for Reform Now (ACORN).[2] Living wage campaigns are underway in more than a dozen states and municipalities.

In contrast to recent federal legislation, many state and local living wage campaigns make an explicit effort to raise wages to the level necessary to keep the family of a full-time worker above the poverty line. Some of the proposals would raise the minimum wage in a state or municipality to its peak historical value under federal law ($6.47 per hour in 1995 dollars, achieved in 1968) and thereafter index it to inflation. Others would mandate insurance benefits for low-wage workers. And others would set wages according to local cost of living levels. The California Liveable Wage Coalition, for example, took California's high cost of living into account when setting its minimum wage goal above the federal level.

Many living wage campaigns do not seek to increase the minimum wage across the board in a particular location. Instead they target only those employers who receive public money or public contracts, requiring that these employers pay a certain wage as a condition of receiving these funds or contracts. State and local programs that provide subsidies, tax abatements and other benefits to private employers for the purpose of job creation and retention rarely distinguish between high and low-wage employment. Nor do most cities and states that contract with private corporations for the provision of public services impose any pay and benefits standards on contract recipients. As a result, many companies receiving public subsidies and/or public contracts pay wages well below the poverty level. The argument behind living wage laws is that governments should not be using tax dollars to create or subsidize poverty-wage jobs, but rather should set a positive example by requiring employers who receive public funds to pay a living wage.

Baltimore's living wage law is one of the first to compel contractors to pay employees enough to keep a family of four above the poverty line. Other cities with such laws include San Jose, where city contractors must pay employees union-scale wages. A Milwaukee ordinance requires city contractors to pay employees $6.05 per hour, and increases yearly until the wage can raise a family of three above the poverty line. Jersey City, New Jersey, requires a minimum wage of $7.50 per hour be paid to employees of certain city contractors. And New York City recently established union-scale wages and benefits requirements for some city service contractors.

Campaigns to ensure that beneficiaries of public funds pay employees a living wage are underway in Los Angeles, Chicago, Boston and other locales. The Los Angeles Living Wage Coalition drafted an ordinance that would require companies "that benefit from city taxpayer dollars" (any business in receipt of a city contract, lease agreement, tax abatement or subsidy valued above $25,000) to pay employees $7.50 per hour and provide them with health insurance benefits. The estimated number of affected workers is over 14,000. A city council vote is expected this fall.

Chicago's Jobs and Living Wage Proposal, which would require a $7.60 per hour wage for employees of city contractors or companies receiving city financial assistance, would affect 10,000 workers. The ordinance, introduced in the city council in May 1996, is now in the finance committee.

Community and labor groups in Boston plan to introduce a similar ordinance by the end of the year. The Corporate Accountability and City Contracting proposal would tie financial assistance and city contracts to business to community hiring requirements and a living wage of $7.49 per hour.

Table 1 lists living wage proposals under consideration around the country.

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[2]ACORN is a national grass-roots community organization of low and moderate-income families.

Table 1: Examples of Proposed Living Wage Legislation

City or State	Route to Enactment	Description of Measure	Status
Albuquerque	Ballot Initiative	Raise minimum wage to $6.50/hour	Gathered required signatures; waiting to qualify for December special election
Boston	Legislative	Require city contractors and subsidized businesses to pay $7.49/hour and hire from the community	Possible introduction of city council ordinance by the end of the year.
Chicago	Legislative	Require city contractors and subsidized businesses to pay $7.60/hour and hire from the community	Ordinance introduced to city council in Ma 1996
Denver	Ballot Initiative	Raise minimum wage to $6.50/hour in 1997; $6.85/hour in 1998; $7.15/hour in 1999; indexed to cost of living thereafter	Supporters gathered required signatures to qualify for the November 1996 ballot.
Houston	Ballot Initiative	Raise minimum wage to $6.50/hour city wide	Will begin gathering signatures in Fall for January 1997 ballot.
Los Angeles	Legislative	Require city contractors and subsidized businesses to pay $7.50/hour plus family health benefits or $9.50/hour without benefits	Possible council vote Fall 1996
Minneapolis/ St. Paul	Legislative	Joint Twin Cities Task Force is drafting living wage policies for city contractors and subsidized businesses	Possible introduction of proposed ordinanc by the end of the year; public hearing expected in the fall.
New Orleans	Ballot Initiative	Set city-wide minimum wage at $1.00/hour above the federal level	Supporters have gathered 14,000 signatures; 1997 timeline to be determined
California	Ballot Initiative	Raise the *state* minimum wage to $5.00/hour in 1997 and $5.75/hour in 1998	Supporters gathered required signatures to qualify for the November 1996 ballot.
Minnesota	Legislative	Require state and city contractors and subsidized businesses to pay $7.28/hour and hire from the community	Passed MN. House and Senate; vetoed by Governor
Montana	Ballot Initiative	Raise the *state* minimum wage to $4.75/hour in 1997; $5.25/hour in 1998; $5.75/hour in 1999; $6.25/hour in 2000.	Supporters gathered required signatures to qualify for the November 1996 ballot.
Missouri	Ballot Initiative	Raise the *state* minimum wage to $6.25/hour in 1997; $6.50/hour in 1998; $6.75/hour in 1999; and increase $.15 each year thereafter	Supporters gathered required signatures to qualify for the November 1996 ballot.
Oregon	Ballot Initiative	Raise the *state* minimum wage from $4.75 to $6.50/hour over three years.	Supporters gathered required signatures to qualify for the November 1996 ballot.

Proposals to require municipal contractors to pay a living wage have met with strong opposition from business interests and some political leaders. Their most prominent arguments include the following:

Higher Costs for Contracts. Critics argue that requiring city contractors to pay employees wages substantially higher than the federal legal minimum will drive up the costs of city contracts, imposing substantial new burdens on local taxpayers. The office of Los Angeles Mayor Richard Riordan claims that the proposed Los Angeles living wage ordinance "will have a major impact on the city's budget and may make it impossible to restructure the way the city delivers services."[2] The Chicago Chamber of Commerce has advanced the same argument during the debate on the Chicago living wage ordinance. A spokeswoman claimed that "[t]he new ordinance will. . . hurt the city by creating artificially high wage rates. . . and increasing city procurement costs."[3] In Baltimore, Mayor Kurt Schmoke, contemplating a veto of the living wage ordinance passed by the City Council, expressed fears that the contract cost increases would be so high the city would not have the funds to pay for them.[4]

Fewer Workers Employed. Opponents also claim that because living wage laws will raise labor costs, many contractors will seek to do the same work with fewer employees, thus costing some low-wage workers their jobs. Economist Stephen J.K. Walters' arguments during the Baltimore living wage campaign were fairly typical: "the big losers are all the states that have done the most to make unionization easy and labor costly. . . . [The living wage would] price many of the workers right out of their jobs."[5] According to the chief economist for the University of New Mexico Bureau of Business and Economic Research , "the ones who are fortunate enough to keep their jobs will benefit [from Albuquerque's proposed law], but we would see quite a few people at the minimum wage who would lose their jobs."[6]

High Enforcement Costs. Critics claim that taxpayers will be further burdened by substantial new costs to monitor and enforce employer compliance with the law. During the debate on the St. Paul living wage proposal, a board member of the Chamber of Commerce stated, "The initiative mandates that the city follow up on all projects after two years and impose fines and penalties for noncompliance. Who do you think would end up paying to administer this ordinance? We would – the taxpayers. . . . This new burden would be added at a time when taxpayers are demanding that we reduce the price of government."[7]

Loss of Bidders. Opponents also claim that competition for city contracts will be reduced, as fewer companies believe that they can place a competitive bid under the requirement of higher

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[2]The "Living Wage "Issue - Fact Sheet, Office of Mayor Richard Riordan

[3]Foti, Ross. "Group Wants City Contractors to Pay $7.60 'Living Wage,'" *The Press*, June 19, 1996.

[4]"Wage Bill Depends on Schmoke," *Baltimore Sun*, December 4, 1994

[5]Walters, Stephen J.K. "Is BUILD Trying to Tear Down?" *The Baltimore Sun*, June 22, 1994, p. 11A.

[6]Domrzalski, Dennis. and Vukelich, Dan. "6.50 City Minimum Wage Advocated," *Albuquerque Tribune*, August 15, 1996, p. 1.

[7]Given, William. "Should City Jobs Initiative Pass?" *Saint Paul Pioneer Press*, October 10, 1995, p. 7A.

wages. Less competition will lead to further cost increases. A *Chicago Sun-Times* editorial asserted that although "proponents argue that [Chicago's proposed living wage] ordinance would make the bidding process more equitable for companies already paying a living wage, it is likely that the higher cost of doing business would instead reduce the number of companies bidding."[8] And the *Boston Herald* claims that "for a business in a competitive industry (and most are), increasing the cost base with [a living wage] requirement could simply lead it to drop the city as a customer."[9]

Creation of a Hostile Business Climate. One of the most prominent arguments of critics is that businesses in general, not just those bidding on city contracts, will interpret the passage of a living wage law as a "bad signal" in terms of the city's overall business climate, leading to capital flight from the city. At a time of bitter competition for job-creating investment, the argument goes, a municipality would be placing itself at a grave disadvantage by passing a law that implies a lack of commitment to keeping costs for businesses under control. According to a *Boston Herald* editorial, "the [Boston] proposal couldn't be better calculated to drive business out of the city."[10] The *Los Angeles Business Journal* opined, "Simply put, the living wage threatens to derail the economic revival that the City of L.A. has been enjoying," referring to the proposal as, "[a]nother bad, job-killing idea."[11] The Minnesota Retail Merchants Association claims that "mandating wages like this will have a chilling effect on business development."[12] Concerning Denver's ballot initiative to raise the city's minimum wage, a City Councilman called it "retail suicide. . . . What we're going to do is watch a lot of our economic base walk out of the city to the suburbs."[13]

These arguments, and their variants, have been raised wherever living wage legislation is under consideration. If they are correct, the case for this legislation would be severely weakened.

The purpose of this study is to determine, based on the experience of one of the first cities to pass a living wage requirement for municipal contractors, whether the stated concerns of critics about negative economic and fiscal consequences are or are not well-founded. We assessed the impact of Baltimore City Ordinance 442, which went into effect on July 1 of 1995, in the following areas: the cost of city contracts, the numbers of bidders seeking city contracts, the number of workers employed by city contractors, administrative costs, and the overall business climate of the city of Baltimore. It is our hope that the results of this analysis will be of use not only to the citizens of Baltimore, but to elected officials and members of the public in other locales as they evaluate present and future proposals for living wage requirements.

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[8] June 23, 1996.

[9] September 5, 1996.

[10] Ibid.

[11] "Another bad, job killing idea," *Los Angeles Business Journal*, September 30, 1996

[12] Judy Cook, Main Retail Merchants Association, quoted in "Can Government Ensure a "Living Wage,'" *Investor's Business Daily, April 3, 1996*, in reference to proposed state-wide Minnesota living wage law

[13] Bartels, Lynn. "Voters Will Decide on Wages," *Rocky Mountain News*, August 6, 1996, p. 1.

The Baltimore Living Wage Ordinance

In December 1994 the Solidarity Sponsoring Committee (SSC), a group of low-wage service workers, successfully campaigned for a mandatory living wage for employees of city service contractors. The committee was organized by BUILD (Baltimoreans United in Leadership Development), a largely church-based community organization affiliated with the Industrial Areas Foundation, and AFSCME (the American Federation of State, County and Municipal Employees). The Baltimore Living Wage ordinance, which went into effect in July 1995 (fiscal year 1996), established a minimum wage of $6.10 per hour for anyone working on a city service contract. In July 1996, the wage was increased by Baltimore's Board of Estimates to $6.60. The living wage ordinance stipulates that the wage be increased annually, upon approval by the Board of Estimates, until it equals the amount required to raise a family of four above the poverty line. In subsequent years, the wage is to be indexed to inflation in order to keep it above the poverty line. The ordinance aims for a living wage of $7.70 (the projected poverty level income for a family of four) for 1999 (see Figure 1).

The living wage ordinance establishes an enforcement mechanism and imposes significant penalties on contractors who violate the wage requirement or fail to submit proof of compliance. Contractors are required to submit payrolls on a biweekly basis to the Wage Commission for enforcement purposes. They can be fined $10.00 per day for each day their payrolls are late. If a service contractor is found to be noncompliant with the wage requirement, it must remit back pay to the employees and pay fines to the city. Any violator of the ordinance can be made ineligible for city contracts for a year. If a contractor is noncompliant on more than three contracts in a two-year period, it can be barred from bidding on contracts for three years.

There is, however, an exception in the ordinance that exempts those companies awarded contract *extensions* from the living wage requirement. Extension options typically range from one to four years and "grandfather" the wage requirement in force at the time the contract was awarded.

The adoption of the living wage ordinance was a response to the deepening impoverishment of low-wage earners in the city of Baltimore. Church leaders saw a sharp increase in the number of working people relying on social service ministries for food and housing. An increasing number of these poor families were headed by low-wage earners, rather than the unemployed or welfare recipients. In Baltimore, BUILD argues, the proliferation of poverty-wage jobs was spawned by the subsidized refurbishing of the downtown sector as well as the privatization of work by the city government. The job growth brought by subsidized businesses was concentrated in low-wage, temporary occupations like janitors and lawn cutters. And government privatization often relegated workers to contingent employment paying low wages and offering few, if any, benefits. In order to reverse this trend, the SSC campaigned for a mandatory living wage for employees of city contractors, arguing that taxpayers' money should not be used to promote the creation of poverty-wage jobs. Workers benefitting from the living wage ordinance include janitors, food service employees, laborers, machine cleaners and repairmen, stenographers, carpet cleaners and repairmen, and bus drivers and aides hired by the city.

Figure 1: Living Wage Earnings and the Poverty Level: How the Wages Compare

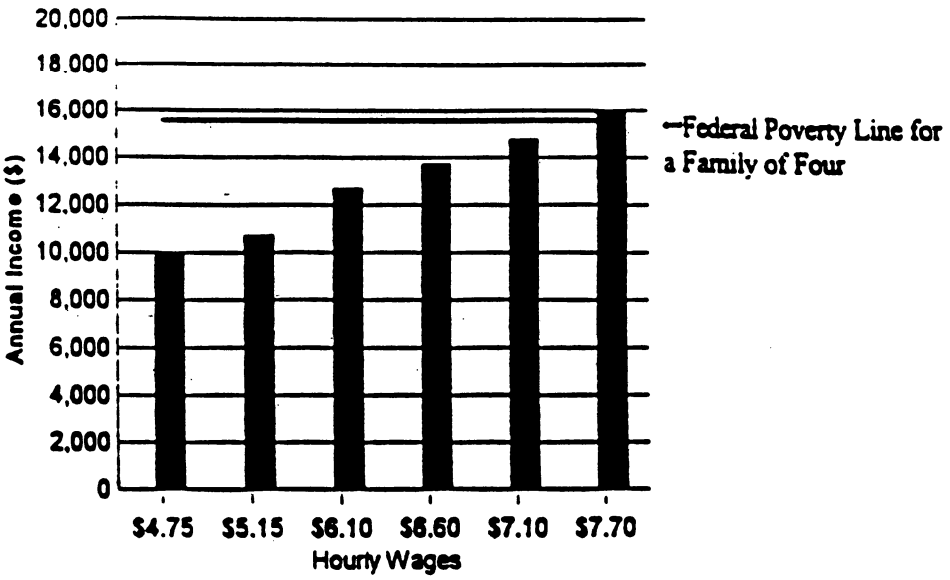

Figure 1: This figure compares the current ($4.75) and future ($5.15) federal minimum wages and Baltimore's living wage increments to the current poverty threshold for a family of four. The Baltimore Living Wage ordinance projects the earnings of the lowest paid city service contract employees to increase to $7.70 per hour in 1998. This amount would raise a family of four above the current federal poverty line of $15,569.00, but will lose some value due to inflation. A city contractor working 40 hrs per week, 52 weeks a year at Baltimore's current living wage of $6.60 per hour, earns a yearly salary of $13,728.00 or 22% less than the federal poverty level for a family of four. The current hourly wage of poverty-line earners is $7.49 per hour (*Source: Bureau of the Census.*)

The Costs of the Living Wage Ordinance to the City

This study focuses on contracts whose labor costs have increased or are expected to increase as a result of the living wage ordinance. The City's Bureau of Management and Budget Research compiled a list of the types of contracts that are or will be affected by the ordinance, as well as the dollar amount of all the contracts. The Bureau determined that the total value of contracts falling under the wage requirement was $26,811,544 in December 1995. We obtained full or partial information on 46 contracts involving 75 companies; others have yet to be rebid under the living wage requirements. Those contracts for which information on pre- and post-ordinance (rebid under the living wage law) costs were available are presented in Table 2. The value of these contracts is $19,326,066.39, or 72% of the value of those contracts affected by the ordinance.

Table 2: Baltimore City Contract Costs Before and After the Living Wage Ordinance

	Pre-Living Wage			Post-Living Wage				Weighted
Contract Name	Old Contract #	Price ($)	Bids	New Contract #	Price (current $)	Price (constant $)	Bids	% Diff.
Public Pupil Bus Transportation	BP-06000 ('94)	14,137,507.50		BP-06000 ('95)	14,500,000.00	14,213,263.74		0.4038
Homemaker Services	BP-11695	72,000.00	4	BP-10597	84,528.00	80,170.87	5	0.0482
Carpet Repairs	BP-12494		4	BP-17296			2	
Athletic & Cultural Bus Transportation	BP-13494		23	BP-12697			15	
Homemaker/Personal Care Services	BP-13595	268,400.00	4	BP-10497	258,280.00	246,192.10	5	-0.1080
General Moving & Hauling	BP-13794	118,650.00	5	BP-14596	118,508.20	112,623.18	4	-0.0303
Maintenance & Repairs on Trailers	BP-17594		2	BP-10396			1	
Grass Cutting -- Cluster H	BP-17795	44,604.00	4	BP-19396	31,500.00	30,692.69	4	-0.0508
Janitorial, People's Court Building	BP-19393	21,372.00	15	BP-19695	18,456.00	17,399.96	13	-0.0171
Hauling of Voting Machines	BP-19994		2	BP-21295			2	
Camp Variety Bus Transportation	BP-21793	30,000.00	7	BP-22096	35,440.00	32,653.63	3	0.0153
Janitorial, Library Branches 19 & 21	BP-22293	8,010.00		S-60703	8,700.00	8,210.39		0.0011
Janitorial, Library Branches 2 & 4	BP-22393	5,939.72		S-60704	8,736.00	8,244.36		0.0170
Janitorial, Library Branches 30, 36 & 38	BP-22493	10,067.84		S-60702	12,000.00	11,324.67		0.0075
Janitorial, Library Branches 6 & 18	BP-22593	6,672.00		S-60701	8,000.00	7,341.63		0.0039
Janitorial, Library Branches 23 & 26	BP-22693	8,100.00		S-60502	8,400.00	7,363.66		-0.0035
General Charter Bus Service	BP-24093	750,000.00	18	BP-20795	750,000.00	709,916.65	17	-0.2012
Commission on Aging Nutritional Meals	BP-94025	2,523,069.12	3	BP-95025	2,161,391.00	2,047,918.39	2	-2.0449
Summer Foodservice Program for Youth	BP-95111	1,289,500.00	1	BP-96110	1,332,000.00	1,296,569.57	1	0.0377
Janitorial, Dunbar Day Care	S-30202	9,600.00	1	S-50502	7,312.56	6,873.52	2	-0.0104
Janitorial, Wyman Park MPC	S-30206	5,628.00		S-50504	7,615.86	7,172.93		0.0104
Janitorial, Govans MPC	S-30208	7,346.21		S-50503	7,312.56	6,887.27		-0.0023
Janitorial, Arena Garage	S-30302	9,600.00		S-60708	10,128.00	9,510.41		-0.0005
Total Costs		19,326,066.39			19,368,308.18	18,860,329.59		
Mean % Difference								-1.9240
Standard Deviation								0.4836
Total Number of Bids			93				76	

As can be seen from the totals, the nominal cost of the contracts covered by the ordinance increased by only $42,242, or less than one-quarter of one percent. In real terms, adjusting for inflation, there was an absolute *decrease* in costs. The fifth column of Table 2 shows the price of the most recent contracts adjusted for inflation.[14] In real terms, the total cost of these contracts declined from $19,326,066 to $18,860,329, or 2.4%.

The average contract price, weighted by its share in the total cost of the sample, declined by 1.92%. (This is shown in the last column of Table 2). This decline is statistically significant at the .001 level.[15]

This is a surprising result, given that at least some of the contractors in this sample faced an increase in their labor costs as a result of the living wage. The most likely explanation is that other factors overwhelmed the impact of these cost increases. From interviews with contractors it appears that it is a common practice to try to underbid the previous year's contract, and it may be that the competitive pressures of the bidding process were enough that contractors were forced to absorb the increased costs of the living wage. This is most likely true for the food and bus contractors, who reported that they did not adjust their bids for the increased labor costs. Most janitorial companies reported that they did in fact take the increased labor costs into account when formulating their bids, but these increases did not show up in the overall costs of the new contracts.

We cannot, of course, conclude that the living wage ordinance actually contributed to lowering the cost of the average contract. However it is worth noting that there are efficiency gains at the higher wages, and these could have lowered total costs. In telephone interviews with the contractors, many stressed the relationship between a higher wage and a lower rate of turnover. One of the larger janitorial contractors who said he always paid more than the Federal minimum states that at wages below $5.00 an hour, the problems of turnover and absenteeism were too large. If turnover is actually lower under the new wage, and contractors insist that it is, productivity increases could offset all or part of the increased labor costs. And since high rates of turnover can make it more difficult for a contractor to fulfill the contract, the higher wage can protect the city from having to award increases to contractors who cannot fulfill their obligations in the agreed upon time and dollar amount.

The number of workers impacted is fairly small, so even if contract costs had increased by the full amount of the potential increase in labor costs, the impact on Baltimore's $2 billion budget would have been very slight. However, even these very small increases in the cost of city contracts did not materialize. Furthermore, the results of this study indicate that even if the contracts covered had comprised a much larger share of the City's budget, the predictions of significant cost increases would not have been borne out.

In addition, the argument that the cost of monitoring and enforcing compliance with living wage laws would impose significant new costs on taxpayers is not supported by the evidence from Baltimore. According to Baltimore's Bureau of Management and Budget Research, the wage

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[14]The prices were adjusted by the Consumer Price Index for the time that elapsed between each pair of contracts.

[15] $t_{18} = 3.978$.

commission was awarded only $121,000 to enforce the living wage in 1996. This would amount to an increased per capita tax burden of 17 cents a year. This figure does not include any money received from fines levied on employers who fail to comply with the law, which would lower the net cost of enforcement to the City.

Impact on Contractor Employment Levels

Have contractors responded to increased labor costs by laying off workers or by failing to hire as many as they otherwise would have? The evidence here is not yet complete: (1) the majority of contractors bound by the living wage ordinance have yet to turn in payroll information to the Wage Commission and (2) pre-ordinance contractors were not required to submit payroll information. To determine whether the increased labor costs resulted in reduced employment, we interviewed those contractors who held a contract both before and after the ordinance went into effect and whose labor costs increased as a result of the ordinance. This sample consisted of 31 companies, including providers of transportation, janitorial, food and administrative services.

None of the companies interviewed reported any reduction in staff levels to compensate for the increased cost of labor resulting from the living wage requirement.

The school bus contract - actually a multiple contract with 26 companies that accounts for $14,500,000 of the total - provides the clearest example of how it is often less common in practice than in theory for employers to reduce staff in response to increased labor costs. Because the labor force for bus contracts consists of bus drivers and aides (the latter are required on special needs buses for senior citizens and the disabled), reducing staff levels would be difficult if not impossible.

According to the Baltimore Bureau of Management and Budget Research's estimates, the City's janitorial contracts have the highest percentage of costs attributable to labor. Of the two janitorial companies holding pre- and post-ordinance contracts, neither reported reducing staff levels to compensate for the increased costs. In addition, the large janitorial (school) contracts have mandatory staff levels set by the city. Staff levels for these contracts, then, could not be altered by contractors in response to the living wage requirements.

Impact on Bidding Practices

To determine whether the ordinance discouraged companies from bidding on contracts, we examined those contracts where the labor costs would be immediately increased by the ordinance.[16] Of these, 43% either had more or the same amount of bidders as the previous year and 57% had less. Although the average number of bids for these contracts declined from 6.64 to 5.42 (see Table 3), this difference was not statistically significant.

[16] Information on the number of bids made before and after the ordinance was available for 54% of the contracts.

According to Ken Dahms, janitorial contract buyer for the City of Baltimore, there has not been any decrease in bids outside of normal fluctuations in companies' bidding practices. It is perhaps worth noting that the two contracts whose labor costs for its lowest-wage workers had the highest rate of increase (55% - from $4.25 to $6.60 per hour) had an increase in the number of bidders, and the contract with the largest decline in bidders already pays workers more than the living wage.

Surprisingly, contractors interviewed about the living wage gave generally positive responses. From bus companies to temporary agencies to janitorial services, the prevailing opinion offered was that the living wage "levels the playing field" and relieves pressure on employers to squeeze labor costs in order to win low-bid contracts.

"We feel more able to compete against businesses who were drastically reducing wages in order to put in a low bid," said a manager of a bus company. In such cases, if more firms think they have a chance to win city service contracts, the number of bidders could actually increase over time as a result of the living wage hike.

Others notice a marked change in worker morale and productivity brought about by the higher wage. "You get a better quality worker, which builds a better reputation for our company," said a human resources representative of a temporary agency. And according to another manager at a bus company, "workers seem happy [and] they come to work on time because they know that at $6.10 per hour, somebody else wants the job if they don't."

Baltimore's Business Climate

The argument that businesses will leave a city as a result of the living wage ordinance is based primarily on a somewhat intangible mechanism - the idea that such ordinances create the *perception* that a locality is unfriendly to business, thus discouraging new or continued investment. The direct effects of such ordinances on wages, since they affect such a small proportion of the workforce, could not discourage investment by raising costs broadly in the local labor market. However, claims of indirect effects are asserted with great frequency, find receptive audiences in a time of intense state and local competition for investment, and therefore cannot be ignored.

In the case of Baltimore, there is no evidence that local businesses or potential investors have responded negatively to the ordinance. As noted above, even the city contractors interviewed for this study, who are directly affected, had no complaints about the ordinance. As for businesses in general, Table 3 shows the assessable base of personal property for businesses and corporations in the city of Baltimore, for the years 1990-95. This measures the value of local businesses' assets, other than real estate, for tax purposes.

As shown in the Table, the value of business property declined in real terms in the four years preceding the passage of Baltimore City Ordinance 442. It then increased sharply from 1994 to 1995, after the passage of the ordinance.[17] The experience of a single year since passage of the

[17]The declines for 1991 and 1992 can be attributed to the national recession (though it is worth noting that real declines continued until the 4.6% real jump in 1995).

ordinance provides a limited basis from which to assess the ordinance's impact. But it is clear that claims that a living wage law will drive investment from a city have found no basis of support in the actual experience of Baltimore.

Table 3: Total Assessable Personal Property Tax Base for Businesses in Baltimore City From 1990-1995

Year	Current $	Constant $
1990	$695,303,010	$695,303,010
1991	$705,676,100	$684,457,905
1992	$701,417,280	$661,153,059
1993	$697,686,606	$640,373,204
1994	$712,617,470	$636,834,200
1995	$764,257,220	$666,344,552

The Economic Debate Over Minimum Wages

The results here are consistent with a growing body of economic research that has challenged some long held notions of how labor markets function, and has influenced, most recently, the debate over raising the federal minimum wage.

According to traditional economic theory, wages are determined by an equilibrium of supply and demand in the labor market. The demand for labor is derived from the productivity of workers "at the margin," – that is, how much an additional unit of labor would contribute to the firm's revenue. In this view, an attempt to raise wages beyond the market equilibrium rate will cause increased unemployment. This results from both employers cutting back on hiring at the higher wage, and from the increased number of people who enter the labor force to seek work at the higher wage (but cannot find it).

This analysis of the effect of the minimum wage has been a mainstay of undergraduate economics textbooks for decades. However, in recent years a number of empirical studies have cast considerable doubt on the conclusion that raising the minimum wage will necessarily increase unemployment.

Most prominent among these is the study by Princeton economists David Card and Alan

Krueger,[18] which examined changes in employment at 410 fast-food restaurants in New Jersey and Pennsylvania, before and after New Jersey raised its minimum wage in 1992. The New Jersey increase was substantial – from $4.25 to $5.05 an hour, or 18.8%, and restaurants in neighboring eastern Pennsylvania faced no such increase. Their study found no significant differences in employment changes at these businesses across the border of the two states. Card and Krueger followed this study with a more comprehensive book, *Myth and Measurement*, which drove a final nail into the coffin of the textbook relationship between minimum wages and unemployment.[19] An attempt to refute Card and Krueger's results, although seized upon by opponents of increasing minimum wages,[20] was found lacking within the profession.[21]

The other part of the traditional economic theory of labor markets that has been part of the public policy debate is more explicitly ideological. The "marginal productivity theory," described above, says that workers are indeed paid according to their productivity. This has a normative implication that is difficult to avoid – that is, the market rewards people according to what they deserve, or contribute to the economy. This belief is not just the province of economists, but has been part of the popular ideological scenery since the Industrial Revolution. Proponents of a higher minimum wage have had to contend with this precept as well, but they seem to have made some headway during the most recent debate over the federal minimum wage. This is partly due to their success in challenging the conventional stereotype of minimum wage workers as teenagers from middle class families earning some extra spending money in their spare time. The most recent increase in the Federal minimum wage directly affects more than 11.8 million workers, some three-quarters of whom are adults. About 40% of those affected are the sole breadwinners for their families.[22] And these figures do not include the millions of workers earning more than $5.15 per hour whose wages are part of the "minimum wage contour," – that is, they tend to be pushed up when the minimum wage rises.

There is of course some level of the minimum wage that would actually cause employers to eliminate jobs; whether any of the living wage ordinances could reach this level remains to be seen. One major difference between some of these ordinances and minimum wage laws is that to the extent

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[18]Card and Krueger, "Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania," *American Economic Review*, Vol. 84, No. 4, pp. 772-93, 1994. Other studies of different regions in recent years reached similar conclusions: e.g. Katz and Krueger (1992), for fast-food restaurants in Texas; Spriggs and Klein (1994), for food-service businesses in Jackson, Mississippi and Greensboro, North Carolina.

[19]Card and Krueger, *Myth and Measurement: The New Economics of the Minimum Wage*. Princeton, N.J.: Princeton University Press, (1995).

[20]A major study prepared in opposition to the Chicago living wage ordinance relied on the Neumark and Wascher study (cited below) to assert that "the consensus among economists is that employment declines when the minimum wage is raised." (Tolley, Bernstein, and Lesage, p.41) See also, e.g., Richard Berman's op-ed against the federal minimum wage increase (Wall Street Journal, March 29, 1996).

[21]See Schmitt (1996) for a thorough review of Neumark and Wascher's (1995) failed attempt to refute Card and Krueger's research.

[22]See Mishel, Lawrence, Jared Bernstein, and Edith Rasell. "Who Wins With a Higher Minimum Wage?" Briefing Paper. Washington, D.C.: Economic Policy Institute, 1995.

that increased labor costs can be passed on to the city government, there would be no need for contractors to reduce employment. Of course, this could mean additional taxes for city residents. The other possibility – where there are more competitive markets and bidding practices – also cuts both ways. That is, if contractors are forced by the higher labor costs to increase productivity and therefore reduce employment, the taxpayers gain from the increased productivity.

In the case of Baltimore, there have been no additional costs nor measurable effects on employment. The results, however unexpected, are consistent with the most recent research in labor economics, in which competitive pressures, efficiency gains, or other responses can produce a labor market outcome with neither price nor employment changes following a minimum wage increase.

Conclusion

The predicted negative effects of raising wages for workers employed on city contracts have not materialized in Baltimore. The cost of the affected city contracts did not increase, and in fact decreased. Most payroll employment data for the relevant city contractors is not yet available, but interviews with contractors indicate that they did not reduce their workforce in response to the higher wage. The number of bidders for the contracts in our sample declined, but this change was not statistically significant. And finally, there is no evidence that the ordinance discouraged investment generally in Baltimore.

It will take more time, as well as further research, to determine exactly how contractors are responding to the ordinance, and how their responses affect employment, productivity, and costs to the city government. As the living wage continues to rise to $7.70 per hour over the next two years, there will be greater potential for cost increases and other effects. But for now, it is clear that in the 21 months since it was enacted by the city, the stated fears of those who oppose living wage legislation have found no basis in this case.

It also must be noted that the present analysis includes no assessment of the significant potential benefits of the living wage ordinance – substantially higher income for low-wage workers and their families, with attendant increases in their quality of life and cost savings as the demands these individuals place on federal, state and local government programs is reduced. The full extent of these benefits awaits analysis. But any future costs to the city of Baltimore that may arise from the living wage ordinance must be weighed against these benefits.

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FISCAL IMPACT STATEMENT

DATE: January 21, 1997

FROM: Alds. Civin, Kroogman, Dawson, Voigt, Krevit, McCormack, Armmand, Moakley, Reyes

ITEM: An ordinance establishing a living wage for service workers

COSTS:

1. **Initial Start-up:** Incidental use of already budgeted staff time.
2. **One-Time:** None.
3. **Annual:** Costs will vary by contract and year, depending on numerous factors, such as:

a. The number of contracts subject to the ordinance.

b. The number of employees on each such contract.

c. The number of hours each employee works on each such contract.

d. Comparison of each employee's wages and medical benefits to the standards established by the ordinance. For instance:

i. A contractor who already pays wages and medical benefits equal to or greater than those required by the ordinance would experience no increase in costs, and there would therefore be no increase in the cost of the contract to the City.

ii. In those instances where a contractor's wage and medical benefit levels were lower than those required by the ordinance, the cost to the contractor and to the City may differ, depending on certain factors. The employer might absorb some of the increase in costs, and only pass a portion of the increase on to the City. The contractor might be prompted to operate more efficiently, with a result that the increase in efficiency could entirely offset the increased costs required by the ordinance and eliminate any need for the contractor to try to obtain a higher contract amount from the City.

e. The City may control these contracting costs by evaluating carefully its need for each service in question, by reviewing the various options available to obtain those services which it decides are truly necessary or desirable, by scrutinizing thoroughly the cost and performance elements of each service option, and by choosing the option which best meets the selection criteria for each service. In short, the ordinance should encourage - if not actually force - the City to conduct critical periodic reviews of its contracting requirements and the means which may be used to satisfy them.

REVENUES: If the ordinance is successful in its efforts to increase employment of New Haven residents, to increase the share of contracts won by New Haven-based businesses, and to improve the standard of living of New Haven workers, the City should realize increases in tax collections. In addition, the City, state, and federal governments should realize reductions in costs for public assistance (homeless shelters, housing subsidies, food stamps, etc.).

SUMMARY: The City's contracting needs vary from year to year. Given this fact, the comments above, and the fact that we have incomplete information about current contracts, we cannot at this time give a precise statement of the fiscal impact of this ordinance.

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1 of 4

Cambridge Living Wage
Ordinance #1222

May 3, 1999

While we truly value our direct support workers and offer opportunities for educational advancement as well as promotional opportunities within the corporation, the Commonwealth has not provided the revenues to adjust all of the wages of our staff who are working in these vital roles. We are continually educating our state legislators about the need to increase the wages of our direct support workers and hope to have continued success at incremental adjustments which will get us closer to that $10.00/hour minimum wage.

I wholeheartedly agree with the concept behind this ordinance, however, the implementation by private non-profits like Vinfen would put us in an untenable situation. Perhaps a compromise position could be established which will allow all employers an opportunity to come up with creative solutions while allowing them to remain in business and be competitive.

Sincerely,

Gary W. Lamson
President & CEO

vinfen

1999 MAY -5 P 3:37

OFFICE OF THE CITY CLERK
CAMBRIDGE, MASSACHUSETTS

April 30, 1999

Mayor Duehay
City Hall
795 Mass. Avenue
Cambridge, MA 02139

Dear Mayor Duehay:

I recently became aware of an amendment to the Municipal Code of Cambridge titled "Cambridge Living Wage Ordinance" which requires certain employers doing business in the City of Cambridge, to establish a $10.00 per hour minimum wage. While no one would want to argue against a living wage, I am compelled to write to share with you the dilemma faced by Vinfen Corporation and similar non-profit human service agencies in Cambridge. Our revenues come almost exclusively from state contracts. For the past 10 years, we have received no cost of living adjustments to address inflationary increases in rent, utilities, food and supplies. It has only been in the past 2 years that we were granted a small cost of living increase for our direct support workers (under $30,000/year) by the legislature.

In many human service residential programs we have overnight positions which provide a means of security during the hours of roughly 11 PM – 7 AM. These individuals often have little contact with our consumers who are usually asleep during these hours. These staff would be invaluable in the event of an emergency, such as a fire, ensuring that everyone got out of the home and dealing with immediate repercussions of any emergency. These positions pay approximately $8.50/hour. Even if we had the funds to increase all of these overnight positions to $10.00/hour, we would then have an outcry from our next level of direct support workers who would also expect to get a bump in their salary. If pressured to increase wages, employers have traditionally reduced benefits or at least the employer's contribution to benefits. Vinfen currently provides an excellent benefits package for all employees working 20 hours a week or more. These benefits include medical insurance, life insurance, long-term disability insurance, a company-paid pension plan, and so on. Reducing benefits to meet a $10.00/hour mandate is not a good direction, and I'm sure the Cambridge City Council would not want to see that outcome as a direct result of trying to do the right thing.

Building Pride,
Independence,
and Community

Vinfen Corporation
950 Cambridge St.
Cambridge, MA
02141-1001
Tel: (617) 441-1800
Fax: (617) 441-1858
TTY: (617) 225-2000

Consent Communciation #12 3 5

A communciation was received from Gary W. Lamson, President & CEO, Vinfen Corporation regarding the amendment to the Municipal Code of Camridge titled "Cambridge Living Wage Ordinance.

In City Council May 10, 1999

PLACED ON FILE

Living Wage

ORDINANCE COMMITTEE HEARING

SPEAKERS IN FAVOR OF PETITON

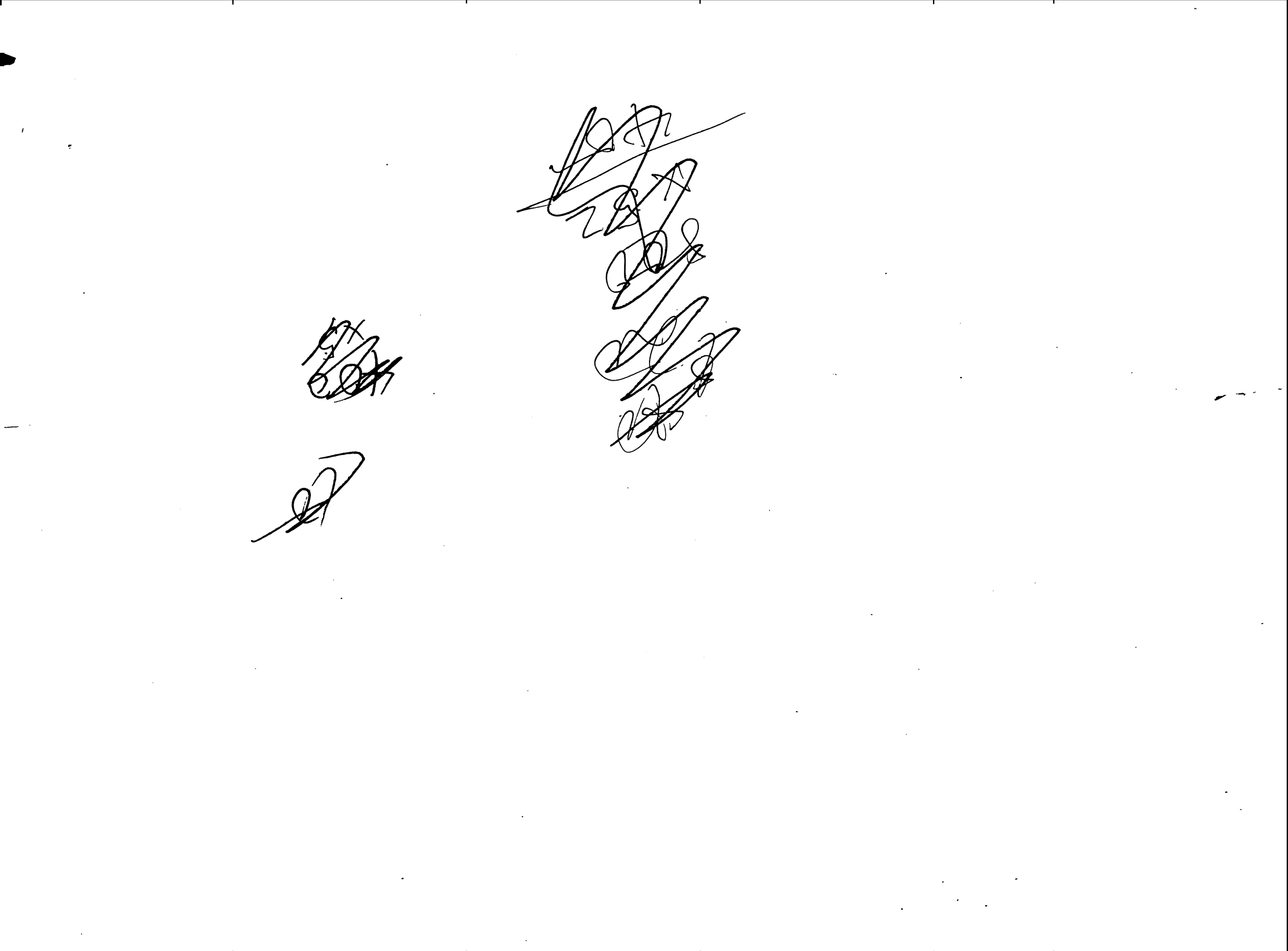
NAME	ADDRESS
Rep Alice Wolf	48 Hume Ave
Elie Yarden	143 Pleasant St.
Elaine DeRosa	4 Pleasant Place
Marjorie Decker	70 Bishop Allen Dr #2
Maureen Ridge	150 Staniford Boston
Steve Meacher	10 Laurel St Cal
Natalie Smith	10 Laurel Street
Jarrett Barrows	210 Prospect St #2

refer for report from Law Dept

service contract City n

Summer camp

Spec Ed placements



JFD SR KT AG MS KK KB

COMMITTEE MINUTES
COVER SHEET

The Ordinance Committee Committee held a public ~~meeting~~/hearing on November 24, 1998, beginning at 5:30 ~~pm~~ pm in the Sullivan Chamber/~~Aekermann Room~~ for the purpose of considering a proposed amendment to the Municipal Ordinance regarding condominium conversion.

Present at the hearing were Councillor Henrietta Davis, Chair of the Committee, ~~Mayor Francis H. Duehay~~, Vice Mayor Anthony D. Galluccio, Councillor Kathleen Leahy Born, ~~Councillor Henrietta Davis~~, Councillor Kenneth E. Reeves, Councillor Sheila T. Russell, Councillor Michael A. Sullivan, Councillor ~~Timothy J. Toomey, Jr.~~, Councillor Katherine Triantafillou, and City Clerk D. Margaret Drury. Also present were Donald Druidell, Deputy City Solicitor, Nancy Glowa, First Assistant City Solicitor, Roger Herzog, Housing Director for the Community Development Department (CDD), Elizabeth Sternberg, Housing program analyst, CDD

Councillor Davis convened the hearing and explained the purpose.

C. Reeves asked whether the ~~law~~ City Solicitor's Office ~~Dept~~ was prepared to provide an analysis

Attorney Drisdell ~~DD~~ stated that they have begun their analysis, but it is a complex ordinance, and additional research is required.

C. Russell asked if the Law Department would provide an analysis of how this proposed ordinance differs from the existing state law.

C. Davis then invited a presentation from the proponents of the amendment.

Ellen Schaeter, 17 Moody Avenue, Cambridge and Somerville Legal Services, attorney (CASLS)

introduced ~~Kevin Corman~~ Henry Corman, ~~Chief~~ resident of 45 Wedgewood Rd, Newton, Chief Counsel CASLS and ~~Kevin Bradley~~ Bill Marcotte, 19 Agassiz Street, representing the Eviction Free Zone.

Attorney
Atty Schacter stated that in 1983
the State legislature passed Ch 527 of the
Chapter
Acts of 1983. Ch 527 sets a floor of
protection for tenants in buildings being converted to
condominiums
and enables cities and towns to adopt
stronger protections through local ordinances. Ms.
Schacter outlined the goals in drafting
the proposed ordinance, and then reviewed
the proposed ordinance. The first six
pages are the required statement of
emergency.

Attorney Schacter
She noted that the definition
of "elder" is 60 rather than 62 as the
legislation
State legislature provides. In addition, the

definition of disability has been expanded to comply with ~~ADA~~ the current state of disability law.

Ms. Schaefer noted that the definition of "intent to convert" has added some criteria that in their experience with Cambridge landlord/tenant circumstances, are correlated with and do evidence intent to convert.

W/ regard to the conversion permit system, Attorney Schaefer pointed out that the provisions may apply when the vacancy rate falls below 5%. She stated that much of the documentation required to be filed

six months a ~~certificate of~~

with the Community Development Department is already required by state law ~~as part of the conversion process~~. The only additions are a list of the names & addresses of tenants and a requirement for certification that there have been no condominium conditions or [redacted] in the last

One of the key problems now is that landlords do not give the required notice of intent to convert.

Attorney Schacter ~~She~~ stated that there are two 2 ways to ~~supply the~~ meet the requirement ~~[illegible]~~ to making a provision for low income tenants. It can always be met by a 15% set aside for low income tenants; however, owners can also choose to construct a plan tailored to the needs of the particular situation.

W/ regard to the requirement to locate ~~[illegible]~~ housing or extend notice, Ms Schacter

stated that this provision is already required by the ~~[illegible]~~ state law. Ms. Schacter

said that ~~[illegible]~~ Sec. 6 (p. 22, line 4)

provides that the ~~[illegible]~~ tenant can be evicted

for cause as required in the state law, the proposed ordinance has been modified

to require that the reason be stated

(p. 23 line 3). Ms Schacter explained that the biggest barrier to

enforcement of the law is that tenants ~~ts~~ have

no place ~~[illegible]~~ to go to find out whether

the law applies to them. This law

provides an opportunity to go to an entity,

here the Community Development Department (CDD) ~~C-D-D~~ for a determination of

whether the ordinance ~~ord~~ applies to them. Ms. Schacter

noted that ~~at~~ line 10 on page p 23, there is a

provision for CDD ~~the C-D-D~~ to intervene

but intervention is not mandated.

Ms. Schacter pointed out that as set forth on page 24 line 11, in general the ordinance would be effective upon enactment, but it would not apply to units where there was already a master deed and sales of individual units. This provision is the same as in the state law.

MAS asked if what if only one unit has been sold. Ms. Schacter stated said the building would not be subject to the law if more than 50% of the units have been individually sold.

C. Davis then invited questions from the members of the Committee

Councillor Russell SK asked if there is a list of condo conversions in Cambridge and what is the source of the cost information. Atty S said that she does have a list and that information about price comes from

the ~~most~~ ~~[illegible]~~ April 1998 CDD city report ~~April~~ 1998

Atty Sch Schacker stated that the intent of the ord ordinance is not to prevent condo conversion.

It is an attempt to balance those opportunities with the need to offer reasonable notice to tenants who may face displacement because of the condo conversion. However, the CDD homeownership program has indicated that there are not very many condos affordable to low and moderate income ~~[illegible]~~ persons in Cambridge.

SR asked whether the law protects ~~other than~~ just low/mod income tenants or all tenants. Atty S stated that (~~this is required~~) by the "mandatory mennonn" state law there is protection for all tenants in buildings being converted to condominiums. However, there are greater protections for low income tenants. SR asked abt the vacancy provisions.

Ms. Schacker ~~L S~~ emphasized that this protection only applies to tenants who occupy units at the time of conversion; it would not apply to owners

SK asked abt the fact that bldgs w/ fewer than 4 units are exempt. Atty S stated that this is a matter of state law and cannot be changed.

~~SK asked abt the 90 day~~

SK asked abt the requirement to notify new tenants that the unit is going to be sold. Atty Korman stated that this is the existing state law.

SK asked abt the relocation provision. Atty Korman stated that under existing state law low income, elderly or disabled persons are entitled to relocation payments if they ~~pay~~ voluntarily leave. The amounts in the proposed ordinance have been changed to reflect 1998 economic ~~[illegible]~~ realities.

VM Galluccio stated that he looks forward to getting from the Law Department a detailed comparison of this proposal and Ch 527.

VM Galluccio AG asked if Atty Kornar and ~~Ethan~~ Schacker have drafted this ~~[illegible]~~ as employees of CASLS, and asked if there is a conflict with that activity since CASLS receives grant money from the City of Cambridge

ES ~~stated that ans'd in the affirmative~~ stated that the ordinance was drafted by them as employees of CASLS.

She explained ~~stated~~ that the City grant $ has gone exclusively to pay for representation of individual tenants facing evictions from formerly rent-controlled units

VM AG stated that as someone who has supported City funding for CASLS, it is more difficult for him to take that position when CASLS is taking ~~they are making~~ ~~[illegible]~~ controversial political stands. He suggested doing this type of work pro-bono.

UM AG stated that to him the philosophy of the ordinance is to put condo conversion in a special category. It certainly will not facilitate condominium conversion. He stated that he believes that condos ~~can~~ represent the most affordable kind of home ownership in the city

UM AG asked whether an owner who filed a master deed in 1992 is exempt.

Atty Schacter
ES said that the owner wld be exempt from the permit provisions but, as under the existing state law, wld not be exempt from the notice provisions

Atty Kurman stated that w/ respect to tenants' right to purchase at a time of sale and notice to new tenants, ~~this~~ altho some

of the time limits are different, ~~[illegible]~~ fundamentally the requirements are the same as under State law.

VM Ab stated that the Committee needs to look at the price breakdown for Condominiums. ~~[illegible]~~ He requested that the Law Department defend any pending litigation against communities that have enacted local ordinances strengthening the State law protections of Chapter 527.

Councillor Reeves

IK K stated that he has a lot of questions but he wants to get to the public comment ~~[illegible]~~. He requested that the speakers ~~[illegible]~~ discuss how the proposed ~~[illegible]~~ ordinance would affect

the situation at 329 Howard Street, where the owner first said it was a condo conversion and then said it was not.

Attorney Schorter
E S stated that this law would have given the tenants an entity to go to to find out if they were protected. The question in this case was whether the first sales were bona fide. For the tenants that have already moved out, there is nothing to do. For existing tenants, there would be a period of notice and right of first refusal. The owner does have a a right to change his or her mind, but then they cannot sell in contravention of the requirements of the law.

KR asked what if the whole bldg is sold in the middle of this. ES stated that

the same rights would exist. She said that she does not know if there would be "tacking" of the first owner's time limits or whether the calculation would start over.

C. Reeves asked how the ordinance would have affected the apartments at Harvard and Inman. Ms. Schaefer ES stated that this proposal is a "piece of the puzzle"; it is not a rent control law.

C Reeves raised a concern about the banking community's reaction. Ms. Schaefer ES stated that the basic scheme is that of the State law which has been in place since 1983; this ordinance would provide more clarity.

C. Brown stated that the City Council did talk about this proposal 3 years ago. She stated that there are some problems

of the Boston ordinance and she hopes that these problems will not be included. C. Bru stated that she would like to see a comparison of this [redacted] proposal made with ordinances enacted in [redacted] other communities. C. Bru stated that she believes that at this point the discussion really should be about the goals that the City Council (~C wants to achieve. Can we achieve the goal that we want and is it worth the social engineering.

People leaving Cambridge include tenants [redacted] being displaced and owners people who are selling out and making a lot of $; or owners who do not want to see their ability to cash out be limited.

ITD then invited public testimony

from ~~the~~ those who in favor of the proposal

7:25 William Marcotte, 19 Agassiz Street, Eviction Free Zone, stated that the proposal seeks to improve compliance and fairness. The existing state law is not enforced. This proposed ordinance tracks the state law closely but is enforceable. He urged quick action by the City Council. The need is great

~~S~~

Susan Mello, 324 Franklin Street, stated that she is speaking ~~on~~ behalf of Laity + Clergy for Affordable Housing in support of the proposed ordinance. The current state law is being ignored. Many of the most vulnerable citizens in Cambridge are

being hurt by the wave of condo conversions. The Lady + Clergy for Affordable Housing strongly supports home ownership but it has to be done wisely.

Steve Meacham, 10 Laurel Street, stated that he is here representing the Eviction Free Zone, He thanked CASLS for their important work in ~~helping~~ drafting this bill. Most of the tenants the Eviction Free Zone represents will not be protected by this ordinance. ~~bill~~ ordinance. This ~~did~~ speaks to one small slice of people in trouble in a context of widespread displacement of low and moderate people. He pointed to the case of Jean Keldys, where several units, in her building were sold at huge prices. This ordinance would have protected her + would not have prevented the owner for making large profits. The

the burden of the current lack of clarity falls completely on tenants, and especially upon the most vulnerable tenants.

C. Davis then invited testimony from those in opposition. Lenore Schlomer, 102 Inman Street, stated that she is president of Small Property Owners Association. She owns one two-unit property in Cambridge. Her property has been in her family for 3 generations & she does not want to convert to condos but she does not want to lose her right to convert or her sons' right to convert. This law will make conversion so expensive that small property owners will not be able to afford this. The owner of a four unit today will have to set aside 1 unit, 25% of the units. For all owners

of rental property, this is a backdoor form of rent control. Two-thirds of Cambridge's population are renters. In the rest of the country the proportions are exactly reversed.

Skip Schloming, 102 Inner Street

stated that there is not a condo conversion crisis. According to statistics gathered from the Assessor's Office, Over the last four years, the average is 215 condos per year, less than 1% of the rental housing units + most is taking place in two- or three- 2 or 3 unit buildings.

This is McCarthyism and thought control.

Councillor Russell SR stated that she would like a report about the costs to the City of ~~the city structure at CDD~~ administration of the proposed ordinance.

Antiopi Perlegas, 39 Hammond Street, stated that this another attempt to bury homeowners, especially small property owners. Under rent control tenants gave landlords terrible times. It was 30 years of slavery.

Linda Levine, 26 Mt Auburn Street, stated that she hopes that the City Councillors are not taking this seriously, and that the City Council will not let the Eviction Free Zone make policy for the City. She is very concerned ast the jail provision. ~~Property owners are~~

~~Very~~

Shanahan, Senior Vice President

Ed Shanahan, Sr V.P of Greater Bost Real Estate ~~Bor~~ Board, a resident of 3 Waldersill Drive, Peabody, spoke in

opposition to the proposal. The goal of Chapter Ch 527 was to ensure uniformity across the state. The ordinance before the Committee is a hybrid of what Chapter Ch 527 contains and what the City of Boston wanted to do. Judge Dane's decision is now appeal and a decision from the S J C is expected in early January. It is clearly advisable for the Cambridge City Council to wait for this decision before acting upon this proposal.

Jessie Shaw, Lexington, owner of property in ~~Cambridge~~ Cambridge; He stated that he was born in China + is happy to be in America where there are many opportunities if you work hard. Two ordinances will be divisive just like pet control was.

Lewis Robert, V.P + Gen'l Mgr of Stu Lin Realty, 925 Mass Ave, stated that

She L-H owns over 600 rental units and since the end of rent control has not converted or sold any units. They have kept the protections for handicapped and elderly ts. The ordinance would make it difficult to continue such a policy. The ord will decrease the values of properties and would mean that property owners would definitely have to ask for tax abatements.

Richard Farrington, le Frost Street stated that it is very difficult to be a good landlord. He urged the use of logic in making this decision. He has not made any of his units condominiums but he cherishes his right to do so.

Fred ~~My~~ Meyer, 83 Hammond Street,

stated that there are three 3 unstated assumptions in this proposal. He said that the 1st is that there are a lot of condo conversions going on. He urged careful statistics. The second assumption is that condo conversion is a bad thing. Assumption three is that long-term rentals are a good thing. Tenants cannot share in the appreciated value of home ownership. It is better to buy a smaller place than to rent a larger place. He suggested that ~~would~~ + those tenants ts at the corner of Harvard + Inman Street would be better off buying condominiums in East Cambridge. Some unintended consequences of this ordinance would be ~~are~~ that lls would prefer short-term students as ts; the price of

Credos ~~will~~ moved go up.

John Natale, 17 Chestnut Street, Winchester, spoke in opposition. This is deja vu all over again. He is an owner of a small rental building in East Cambridge. There will be a big negative impact on the banking industry in Cambridge. The vacancy rate will never fall below 5%. It is unrealistic, almost bizarre, that he should have to find alternative housing for tenants that have to move. He has the same tenants as in 1993; they are just paying much higher rents & they can afford the

20
4/8

Salim Kabawat, 52 Shepard Street, stated that the problem that the proponents have is the baggage of the unbearable rent control bureaucracy that property owners lived through. He disagreed with the position that there is an emergency. Adopting this ordinance will create an emergency.

Kenneth Kopelow, 60 Brattle Street, stated that he has been involved in Cambridge real estate for over 40 years, and spoke in opposition to the proposed ordinance. [redacted] He urged careful attention to the facts upon which the C-C's decision will be based.

SK asked when the SJC decision is expected. Attorney Dussault said in April the SJC decides

within
w/in 90 days of the ~~hearing~~ oral arguments ~~[illegible]~~ which took place November 3, 1998.

~~At requested that the [illegible] a legal opinion on the effect that the Boston or~~

Alex Steinberger, Clinton Street,

spoke in opposition to the proposal. He urged the Council to wait ~~[illegible]~~ for the SJC's decision on the Boston ordinance. He stated that he believes that the City statute ~~[illegible]~~ offers sufficient protection

Paul Jefferson, 27 Whitney Avenue,

spoke in opposition to the proposal. He resents having to be here. The City has other issues to deal with. Why does he have to take care of tenants. ~~Whine, Whine, Whine~~ His tax money already goes to ~~the~~ support the Cambridge Housing Authority. It is just not fair to him.

C. Russell m to keep the proposal in Committee until after the ~~Bost~~ SJC decision on the Boston ordinance. AG agreed

C. Bon agreed on the importance of ~~addi~~ more information

- number of condo conversions
- price

She stated that she would like to be sure that the ord. will not result in landlords lls renting to short term tenants. C. Bon stated that the CHA is not supported by tax funds. ~~[illegible]~~ She noted the unanimous vote of 9 City Councillors to provide $1 to the Affordable Housing Trust Fund. She pointed out that Cab has the lowest tax rate of surrounding communities. C. Bon also stated that not everyone can afford to buy a house. A good American community should have a place

for renters as well as owners,

AG stated that this ordinance ~~bid~~ punishes lls who are renting to ~~[illegible]~~ low income, elderly and disabled tenants. If the Eviction Free Zone believes that tenants in these units are vulnerable, the City Council shed take taxpayer's money $1 to help them.

It was agreed that the proposed ordinance will remain in committee.

HD noted receipt of a letter from Bennett Jones, ~~345~~ Architect, ~~[illegible]~~ 345 Brookline Street in opposition to the proposed ordinance

She stated that all here need a better understanding of the existing law. She proposed a motion incorporating all of the requests for information made at this hearing. The motion passed without objection.

HD ~~She~~ thanked all those ~~[illegible]~~ for present for their attendance.

The hearing was adjourned at 7:45 pm

For the Committee

C. Hall, Chair

1999 FEB 10 A 10:46

OFFICE OF THE CITY CLERK
CAMBRIDGE, MASSACHUSETTS

February 10, 1999

Ordinance Committee
City Clerk

RE: Testimony regarding proposed Living Wage Ordinance

It is time for the enactment of a fair and equitable Living Wage Ordinance.

I most apologize for my absence at today's hearing, but family responsibilities make it impossible for me to attend. It is possible (likely) that issues raised in this brief written statement will be discussed at this public hearing.

After review of other ordinances that were provided by the Living Wage Ordinance working committee, I question, at a minimum, the following two discriminatory qualifications:

1) granting of hardship waivers to certain not-for-profit employers

   Having been an employee of not-for-profits most of my adult life, and having served as President of the Board of a not-for-profit and as a union shop steward for a not-for-profit, I must conclude that **there should be NO specific exemptions for not-for-profits** as opposed to any other employer covered under the act. There are large and small not-for-profits, and there are extremely caring not-for-profits just as there are those who have exploited their employees for years, employees who have direct care responsibilities for the most needy in our society. Often it is the not-for-profit employer who employs large numbers of employees in direct care responsibilities for the needy, and it is the employees of these not-for-profits that suffer the worst wage and benefit situations.

   There should not be a special hardship waiver for not-for-profits, but rather a hardship waiver for any and all employers who meet specific criteria that are not subjective in nature. Hardship waivers should be granted for limited periods of time and then should be regularly reviewed.

2) Youth exceptions

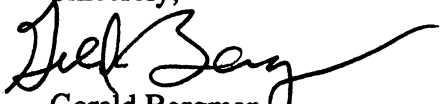
Youth should be carefully defined, and they should not be discriminated against in regard to seasonal or part-time employment. Trainees and those hired pursuant to a city, state or federally funded program should be treated equally, no matter what their ages. Youth contribute to family welfare, as do other members of the family. We must remove the notion of principal wage earner and see the family as a unit, each contributing according to his or her means. Allowing age-based exploitation is blatantly discriminatory, no matter if it is at the earliest working ages or at the latest. Would the committee suggest that seasonal or part-time employees over the age of 65 be excluded? I think not. This is more a matter of the political power of the affected group rather than fair and equitable public policy.

Other issues to be considered would be lowering the size of affected beneficiaries to those employing 10 or more. 25 seems to be a very large number of employees.

I am sure that there will be careful discussion of how this living wage ordinance will affect job availability, granting of benefits to covered employees and certain groups of employees such as those employed in our public and private health system, local churches, schools etc.

I look forward to future public hearings on this issue so that this important work can move forward. I suggest that the municipal election of 1999, only a few short months ahead, contain a public policy advisory question on this important issue. Again, the enactment of a Living wage Ordinance is long overdue. I want to thank the Living Wage organizing committee for their hard work.

Sincerely,



Gerald Bergman
82 Elm Street

Consent Communication #11

A communication was received from Gerald Bergman, transmitting his testimony regarding the proposed Living Wage Ordinance.

In City Council March 1, 1999

Referred to the petition

✳✳✳ SUCCESSFUL TX REPORT ✳✳✳

02-16-99 15:32 ID:6173494269
CAMBRIDGE CITY CLERKS OFFICE

JOB No.	----------	038
START TIME	----------	15:30
ID No.	----------	86293381
RESOLUTION	----------	STANDARD
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MACHINE ENGAGED	----------	02'21
INFORMATION	----------	OK
ERROR PAGE	----------	

OFFICE OF THE CITY CLERK
CITY OF CAMBRIDGE
(617) 349-4260
FAX (617) 349-4269
tty/TDD (617) 492-0235

D. MARGARET DRURY
CITY CLERK

DONNA P. LOPEZ
DEPUTY CITY CLERK

FAX TRANSMITTAL SHEET

DATE: Feb 16, 1999

TO: Lisa Kocian

FAX #: 629-3381

PHONE #:

 # OF PAGES: 5

FROM:

ADDITIONAL COMMENT:

CITY HALL, 795 MASSACHUSETTS AVENUE CAMBRIDGE, MASSACHUSETTS 02139

Lisa Koclain
629-3381

OFFICE OF THE CITY CLERK

CITY OF CAMBRIDGE

(617) 349-4260
FAX (617) 349-~~XXX~~ 4269
tty/TDD (617) 492-0235

D. MARGARET DRURY
CITY CLERK

DONNA P. LOPEZ
DEPUTY CITY CLERK

FAX TRANSMITTAL SHEET

DATE: Feb. 16, 1999

TO: Lisa Kocian

FAX #: 629-3381

PHONE #:

 # OF PAGES: 5

FROM:

ADDITIONAL COMMENT:

CITY OF CAMBRIDGE
CAMBRIDGE, MASSACHUSETTS 02139
TEL. 349-4300
FAX. 349-4307

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

February 9, 1999

TO: City Councillor Henrietta Davis
Chair Ordinance Committee

FROM: City Manager Robert W. Healy

SUBJECT: Living Wage

There are two quite significant differences between the proposed Cambridge Ordinance and the adopted Boston Living Wage Ordinance that the Council may wish to consider.

First, the adopted Boston wage rate is $8.23 not $10.00 and the Council may wish to consider rationale for having such a large difference. Second, the Boston Ordinance applies to contracts or grants of $100,000 rather than the $10,000 proposed Cambridge trigger. The Council may wish to consider whether the lower threshold may impede the City's ability to obtain competitive rates given the burden on contractors for small contracts.

Additionally, the Council may wish to consider whether non-profit agencies that receive relatively small grants from the City, those less than $25,000, may also be harmed by that threshold.

CITY OF CAMBRIDGE
795 MASSACHUSETTS AVENUE
CAMBRIDGE, MASSACHUSETTS 02139-3201
TEL: 617-349-4332
TDD: 617-349-4242
FAX: 617-349-4312

PERSONNEL DEPARTMENT
MICHAEL P. GARDNER
Director

MEMORANDUM

TO: Robert W. Healy
City Manager

FROM: Michael P. Gardner
Personnel Director

DATE: February 8, 1999

RE: Information Requested Concerning the Living Wage Ordinance

I have been asked to respond to several questions concerning the proposed Living Wage Ordinance.

Costs to the City of the ordinance, in terms of additional employees, etc. are difficult to precisely assess on a projective basis without any experience, but in budgeting to administer such a statute I would estimate, at least for the first year's experience under the ordinance, the following:

A Contract Compliance Officer assigned to Purchasing, Law, or the City Manager's Office to oversee all aspects of compliance with the ordinance. Given the responsibilities of the position I would recommend a salary of approximately $40,000 with wages and benefits totaling $53,566.

A $5,000 to $10,000 budget to publicize the ordinance and explain it to affected parties and potential affected parties (e.g. bidders or potential bidders on City contracts).

A $15,000 to $20,000 budget for legal services for enforcement, compliance and defense of the ordinance.

As an employer, the City will face some costs. Currently 239 of our 2032 employees (11.8%) are paid less than $10/hour. That includes human services staff (in recreation, day care, teen centers, community schools), library staff (senior substitutes and pages), Election Commission staff (assistant voter registrars), Traffic Dept. staff (parking control officers in their first year of service), some clerical staff, and City Manager staff (Positive Edge youth advocates).

The count of 239 employees represents only those currently active on the payroll. Because many of these jobs are temporary and part time, the actual number of persons employed in them per year is higher than that. During calendar 1998 approximately 525 persons were employed in positions paying less than $10.00/hour.

Using W-2 gross earnings reports for calendar 1998, I estimate that the City paid approximately $1,500,000 in wages to employees earning less than $10.00/hour. The range of wages paid varies from $5.25/hour to $9.83/hour. Because of the limitations in our current data processing system that do not allow for manipulation of the data in ways that would be most useful to this analysis, I have had to estimate the weighted average salary.

I would estimate that the weighted average salary in this group was approximately $8.00/hour. Thus the estimated cost of moving all wages to $10/hour is a 20% increase ($8.00 cf. $10.00), in total cost, or approximately $300,000. I would estimate the margin of error at roughly 15%, meaning the actual cost could vary between $255,000 and $345,000 annually, plus cost of living adjustments.

These costs do not include costs for the School Department, which are being analyzed separately.

This cost could be reduced somewhat by programs which might be restricted as youth training programs (for example library pages, currently paid $5.25 to $5.74 per hour). (Costs of the Mayor's Summer Youth Program have not been included in this analysis at all, on the assumption they would qualify for exemption).

The City has had a plan to provide employment opportunities to Senior Citizens through the Senior Center in a special program that has been the subject of Council Order. Such program was designed to pay $5.25 per hour for a maximum of 100 hours work per year. That program has been put on hold pending action on this ordinance. Other programs employing seniors through the Council on Aging would also be affected. Some seniors who like the social aspects of working are careful to coordinate earnings with Social Security limits. The ordinance does not provide an exemption for such programs. Nor does the ordinance provide any exemption for any sheltered employment program the City or its contractors might wish to participate in.

The bulk of the wage costs for employees paid under $10.00 per hour (about 65-70%) arise from programs in the Department of Human Services Programs. Many agencies with which DHSP contracts, or for which it serves as grant administrator for state or federal human services programs might be affected. Many of these programs are relatively small, in the $10,000 to $25,000 range.

The effect of the ordinance on the "9 week employee program" for temporary seasonal laborers would be to increase the cost of the program by 40%. (Currently the hourly wage for such seasonal laborers is $6.00/hour). In 1998 we spent approximately $160,000 for such employees. The extra cost (assuming the same volume of work hours) would be $64,000.

There are a number of collective bargaining issues presented by the ordinance. Three of our ten unions cover positions where some wages (at entry and early steps in the scale) are below $10.00/hour. One of these contracts is set to expire in June 1999. Because of a representation dispute (another employee organization has filed a claim at the Labor Relations Commission to represent these workers), the City is prohibited from engaging in collective bargaining with that unit at the present time. It is also an unfair labor practice for us to unilaterally raise wages during such a labor dispute. In my view we cannot enter into discussions about this Ordinance with that

unit (or its successor representative) until the representation question is settled, most likely by an employee election administered by the State Labor Relations Commission.

The other two unions have contracts with the City that do not expire until June 2000. The City could seek to reopen negotiations concerning wages under $10.00/hour. The unions are under no obligation to agree (or may wish to reopen negotiations more broadly, which we might resist). We do not have the authority to change the wages unilaterally; that is an unfair labor practice.

I believe the most appropriate implementation date for unionized employees would be at the expiration of the existing contracts, similar to the structure being proposed for other contracts between the City and third parties, such as vendors and suppliers.

Another possible effect of the ordinance will be a general desire on the part of employee organizations to raise other wages already above $10.00 per hour to avoid wage compression.

The City does not already have automatic CPI cost of living increases. The City currently pays none of its employees according to an automatic CPI wage adjustment. Price inflation is one of the factors we take into account in shaping our compensation programs.

The ordinance could be interpreted to require the introduction of such automatic wage adjustments for at least some employees in our labor agreements. Because other employees in the same bargaining units would not be subject to such provisions (might seek to have them apply), additional collective bargaining tensions (within a unit or between a unit and the City), could result Rather than set unionized wages by legislative order far into the future, I believe the better practice would be to have future wage changes tied to the collective bargaining process, as contemplated by the City Charter and G.L. c 150 E.

The ordinance may have some effect on the labor relations of some of our vendors or suppliers. To the extent that such employers are unionized, the ordinance appears to set labor policy for such employers, at least to the extent they wish to do business with the City. I believe it unlikely that any employer or employee organization would readily agree to a two-tier wage plan for its workers- one scale for work with the City and another scale for other work.

This general effect on labor policy (or wage administration in non-union organizations) may make some employers reluctant or unwilling to do business with the City. Some vendors who provide services to the City (such as our life insurance companies and health maintenance organizations) are not easily replaceable, or are replaced only after significant disruption. This could affect City collective bargaining.

Absent explicit exemption, an assurance, or agreement by crafters of the ordinance that a particular product or service (e.g., health care, or life insurance, or catering services) is exempt from the ordinance, does not finally settle the question. Any employee of such organization would, under the terms of the ordinance, appears to have the right to challenge that determination through private right of action.

The cost impact on services purchased by the City of any possible pass thorough of wage increases is, I believe, impossible to determine with any reliable accuracy.

1999 FEB 10 A 11:10
OFFICE OF THE CITY CLERK
CAMBRIDGE, MASSACHUSETTS

Memorandum

TO: Councillor Henrietta Davis, Chairperson
Committee on Ordinances

FROM: Councillor Kenneth E. Reeves

DATE: February 9, 1999

RE: Ordinance Committee Meeting on February 10

I deeply regret that I will be unable to attend the Ordinance Committee meeting on Wednesday, February 10th regarding the proposed living wage ordinance.

I am very much interested in the area under discussion, as it is a quality of life issue and I am sorry not to be there with you to join in the continuing dialogue on this proposed ordinance.

Cambridge Campaign for a Living Wage-February 10, 1999
Cities with higher or comparable wages:

San Jose, CA, November 1998: $9.50 with health benefits or **$10.75** without;

Detroit, referendum, November 1998: $8.23 with health benefits or **$10.29** without;

San Antonio, Texas, July 1998: for recipients of tax abatements, 70% of employees in new jobs created at least **$9.27** for non-durable goods and **$10.13** for durable goods;

Oakland, CA, March 1998: $8.00 with health benefits, or **$9.25** without;

New Haven, CT, April 1997: poverty level, phased up to 120% of poverty level in 5 years, (120% of current poverty level would be **$9.88**).

- **San Jose, CA (1998)** -- In November, the San Jose City Council voted to require companies holding city service contracts worth at least $20,000 to pay those employed on such contracts a wage of at least $9.50 an hour with health benefits, or $10.75 if the company does not provide benefits. In addition, the ordinance requires companies seeking these service contracts to provide assurances of good labor relations and requires certain companies awarded a new contract by the city to offer jobs to the employees of the city's former contractor. The services covered under the policy are: automotive repair and maintenance, food service, janitorial, landscaping, laundry, office/clerical, parking lot management, pest control, property maintenance, recreation, security shuttle services, street sweeping, and towing (South Bay AFL-CIO/Working Partnerships with ACORN and other groups).

- **Detroit, MI (1998)** -- At the ballot box on November 3, Detroit voters overwhelmingly approved a living wage measure that requires city service contractors or recipients of city financial assistance worth $50,000 of more to pay employees a wage equivalent to the federal poverty line for a family of four, currently $8.23 an hour (calculated at 40 hrs./50 weeks a year), or 125% of the poverty line, $10.29 an hour, if no health benefits are provided. The ordinance also requires companies to attempt to hire Detroit residents to fill any new jobs created as a result of the contract or assistance granted by the city (Metropolitan Detroit AFL-CIO with ACORN and other groups).

- **San Antonio, TX (1998)** -- In July, the San Antonio City Council passed an ordinance adopting guidelines and criteria pertaining to tax abatements that includes a requirement for beneficiaries to pay at least 70% of employees in new jobs created at least $9.27 per hour (non-durable goods manufacturing and service companies; and $10.13/hr for durable goods manufacturing). The guidelines deem retail industry facilities ineligible for tax abatements. In addition, businesses may be eligible for more tax abatement if they fill 25% of new jobs created with economically disadvantaged individuals (COPS/Metro Alliance, San Antonio Central Labor Council).

- **Oakland, CA (1998)** -- In March, the Oakland City Council unanimously approved an ordinance requiring companies or non-profits that enter into service contracts with the city worth at least $25,000 or benefit from at least $100,000 in city subsidies in a year to pay workers a minimum of $9.25 an hour ($8.00 if the firm provides health benefits). The ordinance entitles such workers to 12 paid days off per year. The ordinance also allows that a collective bargaining agreement may provide that such agreement may supersede the requirements of the living wage ordinance. (Oakland Jobs and Living Wage Campaign led by ACORN and the Alameda County Central Labor Council, including HERE, SEIU, UFCW, etc.)

- **New Haven, CT (1997)** -- In April, 1997, the Board of Aldermen passed living wage ordinance requiring city service contractors to pay their employees a wage at least equivalent to the poverty line for a family of four. The wage will be phased up to 120% of poverty over 5 years beginning July '97. The ordinance also requires such contractors to give first consideration to referrals from community based hiring halls to fill vacant service positions. (Labor/community/church coalition led by HERE Locals 34, 35, 217)

Message for Bob

12:10 — Time

10/1 — Date

WHEN YOU WERE OUT

M Mike Sullivan

Of

Area Code ____ Telephone No. 541-0777

- ☑ Telephoned
- ☑ Wants you to phone
- ☐ Will phone later
- ☐ Wants to see you
- ☐ Called to see you
- ☐ Will call back
- ☐ Returned your call

Message:

Henrietta & these are all
Vendors paid over
10,000 afor,
Calendar 97
Pretty Awesome task verifying
& receiving certified
payrolls.

Bob Healy

HD, FD, SR MS

RWH DD, Bruce Albright, ES, Jim Maloney

Ordinance

COMMITTEE MINUTES
COVER SHEET

The Ordinance Committee held a public meeting/~~hearing~~ on February 10, 1999, beginning at 5:37 ~~am~~ pm in the Sullivan Chamber/~~Ackermann Room~~ for the purpose of convening discussion on a proposed Living Wage ordinance

Present at the hearing were Councillor Henrietta Davis, Chair of the Committee, Mayor Francis H. Duehay, ~~Vice Mayor Anthony D. Galluccio, Councillor Kathleen Leahy Born, Councillor Henrietta Davis, Councillor Kenneth E. Reeves~~, Councillor Sheila T. Russell, Councillor Michael A. Sullivan, ~~Councillor Timothy J. Toomey,~~ Jr., Councillor Katherine Triantafillou, and City Clerk D. Margaret Drury.

Also present were Robert W. Healy, City Manager; Donald Driscoll, Deputy City Solicitor; Bruce Albright, Legal Counsel for the City; James Maloney, Assistant City Manager for Finance; ~~and~~ Jill Hevrdejs, Assistant City Manager for Human Services, and Ellen Semonoff, Deputy Director of Human Services

Councillor Davis convened the hearing and explained the purpose. She invited Judy Smiley, 48 Hampshire Street attorney, to begin with a brief explanation of

the proposal, and Atty Simberg did so.

C. Davis then invited RWH to make a presentation w/ regard to the information that the Committee had requested him to provide. She noted that the School Department has also submitted comments.

RWH summarized the written material that he and his staff have submitted in response to the request of the Ordinance Committee Attached. Mr. Healy noted that his cover memorandum notes two significant differences from the Boston Ordinance, the disparity in the amount of the proposed wage, and the difference in the size of the covered contracts, which is $10,000 in Boston and is proposed to be $10,000 contracts or larger in Cambridge. He requested that whatever provision is passed allows for start up time for implementation, at least 30 and

preferably 60 day. He also stated that wages for unit employees are subject to collective bargaining and cannot just be unilaterally changed. One significant issue in this regard is the CPI proposal

Mayor Dreha requested that RWH explain w/ regard to the collective bargaining issues, how the ordinance would be implemented. Mr. Healy first noted that with 195 presents a special complexity, the City cannot now bargain with ~~them~~ either entity. ~~because~~ For other units, the City can request invite reopening of collective bargaining (as can the union), and it is very likely that there will be other issues that the unions want to raise

Mayor Dreha asked whether RWH would wait for contracts to expire. RWH stated that it would

vary with the length of the contract but reopening would be required in most instances

Mayor Duehay asked about the effect on small businesses. RWH stated that he would like to see the contract amount raised to deal w/ this issue, and he noted that Ellen Semnoff, Deputy Director of Human Services is present to discuss implications for some of the nonprofit corporations that ~~the~~ with which the City Contracts

Ms. Semnoff stated that the DHS contracts w/ abt 50; large variety of amounts, from $2,000 to over $100,000. The average contract size is $20,000. Bus drivers make $2.50 an hour

Another issue is the summer camps. Many pay

their counselors under $10 per hour

C. Sullivan asked RWH about the social security issue for elderly persons. Will the larger amount put elderly part time employees at risk. RWH stated that his concern is for the elderly persons who will do work in exchange for credit on their tax bills

Michael Gardner, Duncan Regional, stated that he believes that when a social security recipient reaches a certain limit of earned income there is some reduction in benefits for additional earned income, not as much as dollar-for-dollar.

Councilor Russell asked whether the $10 per hour wage includes benefits. RWH stated that benefits are not included, so an employee who ends

INSERT 1

C. Davis then read communications from Councillor Burn and Councillor Duehay regarding their inability to attend the meeting.

Thereupon C. Davis invited public testimony on the proposal.

over 20 hours and automatically gets benefits would have to

C. Davis stated that the School Committee has indicated that it would like to review the proposal and that if there is no objection she will transmit the proposal to the School Committee on behalf of the Ordinance Committee.

Mary Delong, Soldiers at Work, 1151 Massachusetts Avenue, stated that as a small municipal employer, Soldiers at Work, supports the proposal. She drew attention to one of the exceptions, #, She wants to be sure that transitional employees in training will still be an exception. All three exceptions are

She asked whether sheltered workshops are covered, because many of the participants receive disability and would

State Representative Alice Wolf, 48 Hurd Avenue, stated that this is very important legislation. A number of other municipalities have

already adopted similar legislation. She submitted a chart "Region I, Greater Boston Table 3 The Self Sufficiency Standard for Boston"

Denise Simmons, 188 Harvard Street, member of the School Committee, expressed her support for the proposed ordinance and thanked the committee that has been working so long on this issue

Gail Emmon, ~~Exec~~ 15 Kings Way Waltham, residential addiction, Executive Director of CASPAR ~~She~~ stated that she would like to see an exemption for ~~positions~~ CASPAR's "live-in" positions which include room & board in the stipend. She noted that since wages are generally used to provide room & board, this is a logical request. If non-city related contracts were included, the proposal ~~it~~ would have a devastating effect

CASPAR has ~~approximately~~ more than 100 employees, most full time, about 15-20 part time

Joe Walsh, Pearl Street, Local 40 Carpenters Union, urged adoption. It is the right thing to do.

Michael Biasella, 291 Hurley Street spoke in support of the proposed ordinance.

Elie Yarden, 143 Pleasant Street, urged that the City Council approve the ordinance as it stands. It is a matter of giving people who work in Cambridge ought to be able to live here. The policies of this city have created a tremendous upward pressure on the cost of housing in Cambridge It takes 2 wage earners to rent a one-bedroom apartment. With regard to the issue of nonprofit agencies, there is misinformation here, a spirit of meanness. No one on social security will be harmed. There is a

clear way of providing for a decent wage when it is socially desirable. The people who are impacted by the lack of a living wage are minority persons. Mark Kevin Sykes, 160 Richdale Avenue, Local 40 Carpenters Union, spoke in support of the proposal. As a 4th year apprentice, he makes much more

Gordon Tuttle, 71 School Street, Cambridge, Local 40, Carpenters apprentice states that he makes a little more than $10 per hour & finds it very hard to survive on that amount

Dan Morgan, 64 Lowell Street, representing Harvard students & formerly in the Harvard Campaign for a Living Wage, spoke in support of the proposal and stated that this group is working to establish a living wage for Harvard employees.

Bill LaForge, 19 Worcester Street, spoke in support of the living wages and noted the connection between housing and a living wage. The minimum wage is not sufficient to support an automobile, which is very important

Steve Meachum, 10 Laurel Street, steering committee of the Eviction Free Zone, spoke in support of the ordinance and noted that the E F Z a small nonprofit, pays its employees

C. Sullivan asked why other cities use poverty level + 20%. Atty Smiley stated that $10 per hour is about that amount, but they did not want to base the wages on the poverty level.

Rep Wolf stated that some of the cities passed their ordinances years ago. Also this city has one of the

highest costs of living in the city

Bill Zamparelli, Emmons Place, Chamber of Commerce, stated that, while $10 an hour is a good goal, there are many businesses, "mom & pop operations" that have small contracts by the City, such as landscaping, who pay employees less. They are concerned about this & how the ordinance would might be too low. He also expressed concern about monopoly with respect to goods. 12A Tax agreements are a good way to bring tax $ into the city.

C. Russell ~~added~~ ~~noted~~ He suggested that the Chamber look at provisions that allow for waivers

Mayor Dreby urged the Chamber to submit any info it has about these "mom & pop"

Dave Slonaker, 237 Norfolk Street, rep of Greater Boston Labor Council of the AFL-CIO spoke in

support of the proposal. The $10 wage ~~was chosen~~ really should have been even higher. Raising the contract amount to $100,000 would exclude a lot of people who really need the increased income. He is an experienced collective bargaining negotiator. It will be absolutely no problem to get unions to agree to raise the wages of their lowest paid workers. W/ regard to the issue of wage compression, the issue is analogous to when the minimum wage is raised. There is always some wage compression but this is the price that must be paid to assist those who are

w/ regard to the CPI adjustment, there is no choice. Otherwise the wage will not keep up w/ inflation.

Councillor Trentafillon asked what the impact would be if the contract ~~[illegible]~~ [illegible]

raised to $25,000 or $50,000. Mr. Slaney said that he would have to review the list of who is impacted

C. Trul asked whether the studies showed an adverse impact on seasonal young minority employees. Mr. Slaney stated that he would need to look at the data again. He noted that the ~~[illegible]~~ study reports that the overall effect on employees is positive

Mayor Duehay stated that he has to leave at this point. He supports the $10 per hour wage & the CPI adjustment. He would like to look at the issues raised by CASPAR, the issues regarding youth employees. He believes it may be possible to raise the minimum K amount to $25,000 or $50,000. He thinks it would be possible to report this out of committee ~~while to~~ ~~w/o waiting~~ & while this information is pending.

Tom
Thurs

State Rep Jarrett Barrios, 216 Prospect Street expressed his support for the proposal. One of the root causes for the affordable housing crisis is that we as a society do not pay workers what they are worth. Cambridge can make a difference

Natalie Smith, 10 Laurel Street, staff to Campaign for a Living Wage, Eviction Free Zone, spoke in support of the new proposal. She quoted Wilma Mankiller, "think about the impact of your decisions on seven generations into the future."

Councillor Russell

Sybil Silberman, 40 Oakland Avenue, Cambridge Company, stated that her payroll would go to $100,000 to $142,000. She does not want to ask for a waiver. Childcare workers are never paid

what they deserve. She is not opposed to a living wage, but inevitably there will be this issue. Please think about it.

Marjorie Decker, 70 Bishop Allen Drive, member of CEOC board, stated that CEOC keeps it's workers a living wage. It can be done. A $10 wage will not allow employees to live in Cambridge.

Mark Sullivan, 132 Pearl Street, spoke in support of a living wage.

Judy Smiley stated that she would like to have further discussion of the City administration and the Chamber of Commerce regarding their concerns.
There has been overwhelming testimony as to the need.

Thank you

Heather Nelson, 4 Austin Park, spoke in support of the proposal. The disparity in Bush exists because of the politics, not any difference in the economics

C. Sullivan moved to go to the full CC with a favorable recommendation. The motion passed without objection on a voice vote

Adj 7:20 pm

C. Davis thanked all those present for their attendance. The meeting was adjourned at 7:20 pm.

F me C

SPEAKER **SIGN IN SHEET** in favor

SULLIVAN CHAMBER

4:00

~~5:00 to 6:00 p.m.~~

PLEASE PRINT CLEARLY

4

Name		Address
Macy Delong	Solutions at Work	1151 Mass. Ave
Gail Enman	CASPAR	48 Grove St., Somerville
Joseph T. Walsh		133 Pearl St
Michael Biasella		291 Hurley St.
Elie Yarden		143 Pleasant St
Kevin Sykes		160 Richdale Ave
Gordon D Tuttle		71 School St
Dan Morgan	64 Linnaean St	321 Currier Mail Center
Bill La Sorgi		19 Worcester, Apt 2
Steve Meacham		10 Laurel St #3
Jenny Kastner		48 Irving St.
[illegible]		48 Huron Ave
[illegible] Dennis Simmons		188 Harvard St
Bill Zamparelli		7 Emmons Pl.
Dave Slaney		233 Norfolk
Natalie Smith		10 Laurel St.
Syrl Silberman		Cambridge Camping
~~[illegible]~~ Guildence		40 Oakland Ave Avl

8 050

42,000

Natalie
didn't get
the message
She said she hates to listen
to her voicemail messages

Living Wage in Favor

Marjorie Decker
Chad Cover
Mark Sutherland
Bob Tobin.
Judy Somberg
Heather Nelson

70 Bishop Allen Dr.
Food for Free
132 Pearl St
Christ Church.
48 Antrim.
4 Austin Park

State Rep

$

$10
CPI on + board
non prof. $25 $50
report out of cover
refer to S.C.

avg wages high

Region I. Greater Boston, Table 3
The Self-Sufficiency Standard for Boston, MA-NH PMSA— Middlesex and Norfolk Counties, 1997—North and West Greater Boston

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$847	$1,885	$1,154	$307	$2,192	$1,885	$1,154
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$220	$335	$265	$188	$400	$365	$294
Taxes	$296	$689	$1,118	$802	$492	$1,352	$1,170	$858
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$3,074**	**$4,728**	**$3,635**	**$2,521**	**$5,669**	**$5,107**	**$4,015**
Hourly Self-Sufficiency Wage	**$8.11**	**$17.47**	**$26.86**	**$20.65**	**$14.32**	**$32.21**	**$14.51** *per adult*	**$11.41** *per adult*

Region I. Greater Boston, Table 4
The Self-Sufficiency Standard for Boston, MA-NH PMSA— Middlesex, Norfolk, Worcester Counties, 1997—Metro West

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$716	$1,550	$1,024	$308	$1,858	$1,550	$1,024
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$207	$302	$252	$188	$366	$332	$281
Taxes	$296	$630	$968	$743	$492	$1,203	$1,023	$801
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,871**	**$4,210**	**$3,433**	**$2,523**	**$5,153**	**$4,591**	**$3,814**
Hourly Self-Sufficiency Wage	**$8.11**	**$16.31**	**$23.92**	**$19.51**	**$14.33**	**$29.28**	**$13.04** *per adult*	**$10.84** *per adult*

Memorandum

TO: Councillor Henrietta Davis, Chairperson
Committee on Ordinances

FROM: Councillor Kenneth E. Reeves

DATE: February 9, 1999

RE: Ordinance Committee Meeting on February 10

I deeply regret that I will be unable to attend the Ordinance Committee meeting on Wednesday, February 10th regarding the proposed living wage ordinance.

I am very much interested in the area under discussion, as it is a quality of life issue and I am sorry not to be there with you to join in the continuing dialogue on this proposed ordinance.

CITY OF CAMBRIDGE
MASSACHUSETTS 02139 • 617-349-4280
FAX 617-349-4287

Kathleen Leahy Born
City Councillor

TO: **Councillor Davis**

FROM: **Kathy Born** KB
City Councillor

DATE: **February 10, 1999**

RE: **Ordinance Committee Hearing on Living Wage Ordinances**

I will be unable to attend the Ordinance Committee Meeting of February 10, 1999 because of a family obligation.

However, I want to let those assembled to know that I am in support of Living Wage Legislation. I have been involved in the drafting and passage of the Responsible Employer Ordinance. I have been active in all local trade unions, and you can count on my support in the continued efforts to achieve fair and equitable working conditions and wages for the working people of Cambridge and Massachusetts.

F: CouncillorBornMemo021099

CAMBRIDGE PUBLIC SCHOOLS

159 THORNDIKE STREET CAMBRIDGE, MASSACHUSETTS 02141

To: Robert Healy, City Manager

From: James Corny, Executive Director of Management Services

Date: 2/9/99

Subject: Response to Proposed Living Wage Ordinance

This a response to your request to provide feedback on the impact of the Proposed Living Wage Ordinance.

Wages-School Department Employees

In analyzing our salary schedules for hourly employees, we do have salary schedules with beginning steps below $10 per hour. The range of these beginning salary steps is $8.16-$9.51. The employee groups which would be effected include: full and part-time junior clerk/typist position, paraprofessionals, hourly aide positions, and cafeteria substitutes.

The cost of increasing the hourly wage to $10 for the above groups is estimated to be approximately $75,000-100,000.

Vendor Impact

Materials/Supplies- If the proposed Ordinance applies to vendors which supply products to the School Department (i.e. instructional materials, paper, textbooks, cleaning supplies, athletic supplies, food and milk supplies, and other educational supplies), we believe it would have a negative impact on our ability to meet the needs of our customers, namely; students, teachers, and administrators. This is because any cost increase to vendors which would result in higher prices would reduce the number or volume of items which could be purchased from existing resources.

Also, we believe there would be a reduction of willing bidders for these items which would reduce price competition.

In short, we recommend that very clear language be included in the Ordinance which would exempt the procurement of products or hard goods.

Services- Listed below are some examples of service related contracts which would be impacted by the Ordinance include the following;

•Special Education Contracts for Outside Placements- We spend approximately $7 million on special education tuitions for students placed in a day or residential placement. This represents over 200 contracts. The tuition rates of these contracts is established by the State Rate Setting Commission, and is not negotiable.

•Transportation Services- We provide monitors on our regular and special education buses through our bus contractors. Bus monitors either work two or four hours per day. The cost impact is estimated to be over $50,000 in order to comply with the Proposed Ordinance.

•Pre-School Contracts- Through early childhood grants funds, we contract with CEOC to provide subsidized pre-school slots for Cambridge children at approximately 24 pre-schools. The current contract amount is approximately $700,000.

Implementation Issues

It is unclear how the proposed Ordinance would deal with situations where employees of affected contractors are not exclusively serving Cambridge students. What would be the requirement under the proposed Ordinance for affected employees who service Cambridge students intermittently? This could generate a very burdensome recordkeeping requirement for vendors that might cause them to avoid doing business with Cambridge.

Also, there may be additional internal costs related to contract compliance, adverting, and enforcement of the Ordinance which are not currently budgeted.

cc: B. D'Alessandro
B. Allen
J. Costello

CITY OF CAMBRIDGE
CAMBRIDGE, MASSACHUSETTS 02139

TEL. 349-4300
FAX. 349-4307

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

February 9, 1999

TO: City Councillor Henrietta Davis
Chair Ordinance Committee

FROM: City Manager Robert W. Healy

SUBJECT: Living Wage

There are two quite significant differences between the proposed Cambridge Ordinance and the adopted Boston Living Wage Ordinance that the Council may wish to consider.

First, the adopted Boston wage rate is $8.23 not $10.00 and the Council may wish to consider rationale for having such a large difference. Second, the Boston Ordinance applies to contracts or grants of $100,000 rather than the $10,000 proposed Cambridge trigger. The Council may wish to consider whether the lower threshold may impede the City's ability to obtain competitive rates given the burden on contractors for small contracts.

Additionally, the Council may wish to consider whether non-profit agencies that receive relatively small grants from the City, those less than $25,000, may also be harmed by that threshold.

CITY OF CAMBRIDGE
795 MASSACHUSETTS AVENUE
CAMBRIDGE, MASSACHUSETTS 02139-3201
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PERSONNEL DEPARTMENT
MICHAEL P. GARDNER
Director

MEMORANDUM

TO: Robert W. Healy
City Manager

FROM: Michael P. Gardner
Personnel Director

DATE: February 8, 1999

RE: Information Requested Concerning the Living Wage Ordinance

I have been asked to respond to several questions concerning the proposed Living Wage Ordinance.

Costs to the City of the ordinance, in terms of additional employees, etc. are difficult to precisely assess on a projective basis without any experience, but in budgeting to administer such a statute I would estimate, at least for the first year's experience under the ordinance, the following:

A Contract Compliance Officer assigned to Purchasing, Law, or the City Manager's Office to oversee all aspects of compliance with the ordinance. Given the responsibilities of the position I would recommend a salary of approximately $40,000 with wages and benefits totaling $53,566.

A $5,000 to $10,000 budget to publicize the ordinance and explain it to affected parties and potential affected parties (e.g. bidders or potential bidders on City contracts).

A $15,000 to $20,000 budget for legal services for enforcement, compliance and defense of the ordinance.

As an employer, the City will face some costs. Currently 239 of our 2032 employees (11.8%) are paid less than $10/hour. That includes human services staff (in recreation, day care, teen centers, community schools), library staff (senior substitutes and pages), Election Commission staff (assistant voter registrars), Traffic Dept. staff (parking control officers in their first year of service), some clerical staff, and City Manager staff (Positive Edge youth advocates).

The count of 239 employees represents only those currently active on the payroll. Because many of these jobs are temporary and part time, the actual number of persons employed in them per year is higher than that. During calendar 1998 approximately 525 persons were employed in positions paying less than $10.00/hour.

Using W-2 gross earnings reports for calendar 1998, I estimate that the City paid approximately $1,500,000 in wages to employees earning less than $10.00/hour. The range of wages paid varies from $5.25/hour to $9.83/hour. Because of the limitations in our current data processing system that do not allow for manipulation of the data in ways that would be most useful to this analysis, I have had to estimate the weighted average salary.

I would estimate that the weighted average salary in this group was approximately $8.00/hour. Thus the estimated cost of moving all wages to $10/hour is a 20% increase ($8.00 cf. $10.00), in total cost, or approximately $300,000. I would estimate the margin of error at roughly 15%, meaning the actual cost could vary between $255,000 and $345,000 annually, plus cost of living adjustments.

These costs do not include costs for the School Department, which are being analyzed separately.

This cost could be reduced somewhat by programs which might be restricted as youth training programs (for example library pages, currently paid $5.25 to $5.74 per hour). (Costs of the Mayor's Summer Youth Program have not been included in this analysis at all, on the assumption they would qualify for exemption).

The City has had a plan to provide employment opportunities to Senior Citizens through the Senior Center in a special program that has been the subject of Council Order. Such program was designed to pay $5.25 per hour for a maximum of 100 hours work per year. That program has been put on hold pending action on this ordinance. Other programs employing seniors through the Council on Aging would also be affected. Some seniors who like the social aspects of working are careful to coordinate earnings with Social Security limits. The ordinance does not provide an exemption for such programs. Nor does the ordinance provide any exemption for any sheltered employment program the City or its contractors might wish to participate in.

The bulk of the wage costs for employees paid under $10.00 per hour (about 65-70%) arise from programs in the Department of Human Services Programs. Many agencies with which DHSP contracts, or for which it serves as grant administrator for state or federal human services programs might be affected. Many of these programs are relatively small, in the $10,000 to $25,000 range.

The effect of the ordinance on the "9 week employee program" for temporary seasonal laborers would be to increase the cost of the program by 40%. (Currently the hourly wage for such seasonal laborers is $6.00/hour). In 1998 we spent approximately $160,000 for such employees. The extra cost (assuming the same volume of work hours) would be $64,000.

There are a number of collective bargaining issues presented by the ordinance. Three of our ten unions cover positions where some wages (at entry and early steps in the scale) are below $10.00/hour. One of these contracts is set to expire in June 1999. Because of a representation dispute (another employee organization has filed a claim at the Labor Relations Commission to represent these workers), the City is prohibited from engaging in collective bargaining with that unit at the present time. It is also an unfair labor practice for us to unilaterally raise wages during such a labor dispute. In my view we cannot enter into discussions about this Ordinance with that

unit (or its successor representative) until the representation question is settled, most likely by an employee election administered by the State Labor Relations Commission.

The other two unions have contracts with the City that do not expire until June 2000. The City could seek to reopen negotiations concerning wages under $10.00/hour. The unions are under no obligation to agree (or may wish to reopen negotiations more broadly, which we might resist). We do not have the authority to change the wages unilaterally; that is an unfair labor practice.

I believe the most appropriate implementation date for unionized employees would be at the expiration of the existing contracts, similar to the structure being proposed for other contracts between the City and third parties, such as vendors and suppliers.

Another possible effect of the ordinance will be a general desire on the part of employee organizations to raise other wages already above $10.00 per hour to avoid wage compression.

The City does not already have automatic CPI cost of living increases. The City currently pays none of its employees according to an automatic CPI wage adjustment. Price inflation is one of the factors we take into account in shaping our compensation programs.

The ordinance could be interpreted to require the introduction of such automatic wage adjustments for at least some employees in our labor agreements. Because other employees in the same bargaining units would not be subject to such provisions (might seek to have them apply), additional collective bargaining tensions (within a unit or between a unit and the City), could result Rather than set unionized wages by legislative order far into the future, I believe the better practice would be to have future wage changes tied to the collective bargaining process, as contemplated by the City Charter and G.L. c 150 E.

The ordinance may have some effect on the labor relations of some of our vendors or suppliers. To the extent that such employers are unionized, the ordinance appears to set labor policy for such employers, at least to the extent they wish to do business with the City. I believe it unlikely that any employer or employee organization would readily agree to a two-tier wage plan for its workers- one scale for work with the City and another scale for other work.

This general effect on labor policy (or wage administration in non-union organizations) may make some employers reluctant or unwilling to do business with the City. Some vendors who provide services to the City (such as our life insurance companies and health maintenance organizations) are not easily replaceable, or are replaced only after significant disruption. This could affect City collective bargaining.

Absent explicit exemption, an assurance, or agreement by crafters of the ordinance that a particular product or service (e.g., health care, or life insurance, or catering services) is exempt from the ordinance, does not finally settle the question. Any employee of such organization would, under the terms of the ordinance, appears to have the right to challenge that determination through private right of action.

The cost impact on services purchased by the City of any possible pass thorough of wage increases is, I believe, impossible to determine with any reliable accuracy.

DRAFT

Cambridge Law Department
February 9, 1999

Chapter 2.121

LIVING WAGE ORDINANCE

Sections:

2.121.010	**Title and Purpose**
2.121.020	**Definitions**
2.121.030	**Living Wage**
2.121.040	**Waivers and Exceptions**
2.121.050	**Notification Requirements**
2.121.060	**Duties of covered Employers**
2.121.070	**Community Advisory Board**
2.121.080	**Enforcement**
2.121.090	**Severability**
2.121.100	**Effective Date**

2.121.010 Title and Purpose.

This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

2.121.020 Definitions.

For the purposes of this ordinance, the term:

(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department, with the advice and assistance of the appropriate department which receives the services, for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any service contract, as defined herein, ~~or subcontract~~ of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter.

(3) any service subcontract, as defined herein, of at least $10,000.

(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a ~~Beneficiary~~ recipient of Assistance, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

~~(3) Any contractor or subcontractor of a Beneficiary.~~

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

(h) "Service Contract" means a contract let to a contractor by the City of Cambridge for the furnishing of services, to or for the City, except contracts where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service contract" for the purposes of this definition.

(i) "Service Subcontract" means a subcontract primarily for the furnishing of services, to or for a recipient of Assistance, except where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service subcontract" for the purposes of this definition.

2.121.030 Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

2.121.040 Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with

this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

2.121.050 Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

2.121.060 Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

2.121.070 Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and

in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

2.121.080 Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the ~~City Solicitor~~ Applicable Department may, with the approval and assistance of the city Solicitor, issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction

with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city.

Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

2.121.090 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

2.121.100 Effective Date.

This law shall be effective on the date of February 1, 1999.

Comparison of the Draft Cambridge Living Wage Ordinance and the Boston Jobs and Living Wage Ordinance

CAMBRIDGE	BOSTON
§1 Title and Purpose.	**§1 Title and Purpose.**
§1 **Title and Purpose**—the purpose of this ordinance is to assure that employees of the City and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies, and other assistance provided by the City earn an hourly wage that is needed to support a family of four.	§1 **Title and Purpose**—the purpose of the ordinance is to assure that employees of vendors who contract with the City to provide services earn an hourly wage that is sufficient for a family of four to live at or above the federal poverty level. This ordinance is also designed to maximize access for low and moderate income Bostonians to the jobs that are created, maintained or subsidized through service contracts with the City of Boston.
§2 Definitions.	**§2 Definitions.**
§2(a) **"Applicable Department"** means the Personnel Department for employees of the City, the Purchasing Department for Covered Employers who contract or subcontract with the City, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's office for any other Person who is a Beneficiary of Assistance other than a contract or subcontractor.	§2(f) **"Designated Department"** means the City department or agency designated by the Mayor to responsible for the overall implementation, compliance, and enforcement of the ordinance.
§2(b) **"Assistance"** means (1) any grant, loan tax incentive, bond financing, subsidy, or other form of assistance valued at $10,000 or more that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, CDBG loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value, and (2) any contract or subcontract of at least $10,000 with the City of Cambridge that is	§2(a) **"Assistance"** means any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance of $100,000 or more realized by or through the authority or approval of the City, including but not limited to, industrial development bonds, CDBG loans and Federal Enhanced Enterprise Community designations awarded after the effective date of the ordinance. The forgiveness of a loan shall be regarded as Assistance. A loan shall be regarded as Assistance to the extent of any differential between the amount of the loan and the present value of the payments

made with an employer to provide services pursuant to G.L. c. 30B or other public procurement laws, awarded, renegotiated, or renewed after effective date of this Chapter.

thereunder, discounted over the life of the loan by the applicable federal rate. Assistance shall not be deemed to include leases and subleases.

§2(c) **"Beneficiary"** means (1) any person who is a recipient of Assistance and (2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of ordinance, or (3) any contractor or subcontractor of a Beneficiary.

§2(b) **"Beneficiary"** means any direct recipient of at least $100,000 of Assistance, provided that the Beneficiary is a for-profit employer of at least 25 FTE's or a not-for-profit employer of at least 100 FTE's.

§2(d) **"Covered Employer"** means the City of Cambridge or a Beneficiary of Assistance.

"Covered Employer" not defined.

§2(e) **"Covered Employee"** means (1) a person employed by the City except for persons in those positions listed in §4(h) of this ordinance (i.e., youth hired during the summer or as part of a school to work program or other related seasonal or part-time program, work-study or cooperative educational programs, and trainees who are given a stipend or wage as part of a job training program that provides other services such as room and board, case management, or job readiness services), and (2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

§2(d) **"Covered Employee"** means a person employed by a Covered Vendor who directly expends or would expend his or her time on the Service Contract with the City of Boston or on the Service Subcontract.

"Covered Vendor" not defined.	§2(e) **"Covered Vendor"** means any for-profit employer who employs at least 25 FTE's or any not-for-profit employer who employs at least 100 FTE's who has been awarded a Service Contract or Subcontract after the effective date of the ordinance. This term does not include Beneficiary as defined in the Boston ordinance.
§2(f) **"Living wage"**—has the meaning stated in Section 3.	§2(I) **"Living wage"** means the rate established by the Designated Department as the minimum hourly rate that shall be paid to a Covered Employee by a Covered Vendor pursuant to the formula set forth in Section Six of this ordinance.
"Contracting Department" not defined	§2(c) **"Contracting Department"** means any City Department that awards a Service Contract.
"First Source Hiring Agreement" not defined.	§2(g) **"First Source Hiring Agreement"** means a signed agreement between a Covered Vendor or a Beneficiary and a Referral Agency.
"Full-Time Equivalent (FTE)" not defined.	§2(h) **"Full-Time Equivalent (FTE)"** means a formula to calculate the number or employee work hours which equal one full-time position.
"Low- and moderate-income persons" not defined.	§2(j) **"Low- and moderate-income persons"** means persons with annual income that is less than 80 percent of median in BPSMSA of HUD.

"Referral Agency" not defined.	§2(l) **"Referral Agency"** means any organized job registry and referral service operated by a not-for-profit oranization that has (1) established community membership bae and record of outreach to low and moderate income Boston Communities, (2) a computerized skills bank, (3) established posting process where referrals can begin within 48 hours, (4) a governing board comprised of a majority of low and moderate income Boston residents or the majority of services provided are to low and moderate income Boston residents, (5) a proven track record of nondiscriminatory job placement, and (6) is certified as meeting requirements 1-5 by the Boston Office of Jobs and Community Services.
"Service Contract" not defined.	§2(m) **"Service Contract"** means any contract of at least $100,000 or more awarded to a vendor by the City for the furnishing of services to or for the City.
"Service Subcontract" not defined.	§2(n) **"Service Subcontract"** means a subcontract of $25,000 or more awarded to a vendor by a Covered Vendor, provided the Subcontract is paid for by funds from the Service Contract.
"Youth Program" not defined, but see Covered Employee definition above which excludes youth as defined in the Boston ordinance.	§2(o) **"Youth Program"** means any city state, or federally funded program which employs youth, as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program.
"Vendor Agreement" not defined.	§2(p) **"Vendor Agreement"** means a written agreement between the City and any Covered Vendor that is executed at the time a Service Contract is signed with the

City or a subcontract is signed with a Covered Vendor.

"Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

"Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

§3 Living Wage.

§3(a) **Applicability**—Covered Employers shall pay no less than the Living wage to their employees.

§3(b) **Amount of wage**—The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 313 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI-U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

§6 Living wage.

§6(a) **Applicability**—Covered Vendors shall pay no less than the Living Wage to Covered Employees.

§6(b) **Calculation of Living wage**—the Living Wage shall be calculated on an hourly basis and shall be no less than $8.23 from July 1, 1998 subject to adjustment each year on July 1: (1) to the hourly rate which at 40 hours of work a week for fifty weeks a year would be equal to but not less than the poverty threshold for a family of four as published by the U.S. DHHS, or (2) in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI-U) Boston-Lawrence-Salem, MA NH as published by the Bureau of Labor Statistics, United States Department of Labor applied to $8.23, or (3) 110% of the federal or the state

	minimum wage—whichever is higher.
§3(c) **No reduction in collective bargaining wage rates**--Nothing in the Chapter shall be read to require or authorize any Beneficiary to reduce wages set by a collective bargaining agreement.	**No comparable Provision.**
§3(d) **Cuts in non-wage benefits prohibited**—No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.	**No comparable provision.**
§4 Waivers and Exceptions.	**§3 Applicability, Exemptions, and Waivers.**
No comparable provision.	§3(a) **Applicability**—All of the provisions of this ordinance shall apply to all Covered Vendors as defined in this ordinance, not including the exemptions listed in subsection (b) of this section.
§4(a) **Waivers**—A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.	**No comparable provision.**
§4(b) **General Waiver**—Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.	§3(d)(i) **General Waiver**—waivers may be granted by the Designated Department where application of this ordinance to a particular form of Assistance, a Service Contract, or a Subcontract violates a specific state or federal statutory, regulatory or constitutional provision or provisions.

§4(c) **Hardship Waivers for certain no-for-profit employers**—An employer may apply to the City Manager for a specific waiver where payment of the Living wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

§3(d)(ii) **Hardship Waiver**—The Contracting Departments shall monitor, and as necessary, recommend to the Designated Department, individual or group exemptions necessary in cases in which compliance with this ordinance would cause undue economic hardship. Such waivers shall be subject to the Designated Department's approval after having held a public hearing on the request.

§4(d) **Contents (for General Waiver request)**—All General Waiver requests shall include the following: (1) the nature of the Assistance to which this Chapter applies, (2) the specific or official name of the Assistance or Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of each such provision, and (4) a factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

§3(d)(i)—All general waiver requests shall include the following: (1) the Assistance, Service Contract or Subcontract to which this ordinance applies, (2) the conflicting statutory, regulatory or constitutional provision or provisions that makes compliance with this ordinance unlawful, and a copy of each such provision, (3) an explanation of how compliance with this ordinance would violate the cited provision or provisions, and the consequences that would result if this violation were to occur. A general waiver request shall be submitted directly to the Designated Department. The Designated Department shall forward a copy of all requests to the Living Wage Advisory Committee.

§4(e) **Contents (for Hardship Waiver requests)**—All Hardship waiver requests shall include the following: (1) the nature of the Assistance to which this Chapter applies, (2) a detailed explanation of why payment of the Living wage would cause a substantial and unique hardship to the Covered Employer, and (3) a statement of proposed wages below the Living Wage.

§3(d)(ii)—all hardship waiver requests shall include the following: (1) the Service Contract or Service Subcontract to which this ordinance applies, (2) the lower wage paid by the Covered Vendor, and (3) a detailed explanation of how the payment of a Living Wage will cause undue economic hardship including supporting financial statements. All hardship waiver requests

	shall be forwarded to the Living wage Advisory Committee. Hardship waivers under this section shall not be applicable to Beneficiaries of Assistance.
§4(f) **Community Advisory Board review and recommendation regarding waiver requests**—The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to the employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may, in his or her discretion, grant a temporary hardship exemption pending the hearing before the Community Advisory Board.	§3(d)(ii) **Waiver Review**—All hardship waiver requests shall be forwarded to the Living Wage Advisory Committee.
§4(g) **Terms of exceptions**—if an employer is subject to this chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.	**No comparable provision.**
§4(h) **Exceptions**—The following positions will be excepted from the	§3(b) **Exemptions**—The following types of Assistance, Service Contracts and

requirement of payment of the Living wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows: (1) youth hired pursuant to a city, 1state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time programs; (2) work-study or cooperative educational programs; (3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Subcontracts shall be exempt from the provisions of this ordinance: (1) Construction contracts awarded by the City of Boston that are subject to the state prevailing wage law; (2) Assistance or contracts awarded to youth programs, as defined in this ordinance, provided that the contract is for stipends to youth in the program; (3) Assistance or contracts awarded to work-study or cooperative educational programs, provided that the Assistance or contract is for stipends to students in the programs; (4)Assistance and contracts awarded to vendors who provide services to the city and are awarded to vendors who provide trainees a stipend or wage as part of a job training program and provides the trainees with additional services, which may include but are not limited to room and board, case management, and job readiness services, and provided further that the trainees do not replace current City funded positions.

No comparable provision.

§3(c) **(untitled affidavit section)**— Covered Vendors and Beneficiaries of Assistance must certify in an affidavit in a form approved by the Designated Department and provided by the Contracting Department and signed by a principal officer of the Covered Vendor or Beneficiary of Assistance, that one of the Exemptions herein applies to them before they can be considered exempt. The covered Vendor or the Beneficiary of Assistance shall submit the affidavit to the Contracting Department who shall forward a copy to the Designated Department and the Living Wage Advisory Committee.

§5 Notification Requirements.

§5 **Notification Requirements**—All Applicable Department shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined in this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

§5 Notification Requirements.

§5 **Notification Requirements**—All Contracting Departments engaged in the awarding of contracts shall provide in writing, an explanation designed by the Designated Department, of the requirements of this ordinance in all requests for bids for Service Contracts with the City of Boston. All persons who have signed a Service Contract with the City of Boston shall forward a copy of such requirements to any person submitting a bid for a Subcontract on the Service Contract.

§6 Duties of Covered Employers

§6(a) **Notification Requirements**—Covered Employers shall provide each Covered Employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet shall be provided to the Covered Employer by the Applicable Department and shall include: (1) notice of the Living Wage amount, (2) a summary of the provisions of the ordinance, (3) a description of the enforcement provisions of the ordinance, (4) the name, address and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with the ordinance should be directed.

§6(b) **Contract for Assistance**—At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following: (1) the name of the program or project under which the contract or subcontract is being awarded, (2) a local

§7 Duties of Covered Vendors.

§7(a) **Notification Requirements**—Covered Vendors shall provide each covered Employee with a fact sheet about this ordinance and shall post notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Vendor by the Designated Department and shall include: (1) notice of the living wage amount, (2) a summary of the provisions of this ordinance, (3) a description of the enforcement provisions of the ordinance, (4) the name, address and phone number of a person designated by the Designated Department to which complaints of noncompliance with this ordinance should be directed.

§7(c) **Vendor Agreements**—At the time of signing a Service Contract with the city of Boston or Subcontract with a vendor, the contract with the Covered Vendor must include the following: (1) the name of the program or project under which the Contract or subcontract is being awarded,

contact name, address and phone number for the Beneficiary, (3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance, (4) a list of Covered Employees under the contract with the employees' job titles, (5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(2) a local contact name, address, and phone number for the Covered Vendor, (3) a written commitment by the Covered Vendor to pay all Covered Employees not less than the Living wage, subject to adjustment each July 1, and to comply with the provisions of this ordinance, (4) a workforce profile of Covered Employees paid for by the Service Contract or Subcontract including the employees' job titles with wage ranges, number of Covered Employees who are Boston residents, and the number of Covered Employees who are minorities and women, (5) a written narrative of the Covered Vendors' past efforts and future goals to hire low and moderate income Boston residents and train Covered Employees; the potential for advancement and raises for Covered Employees; the net increase and decrease in number of jobs or number of jobs maintained by classification that will result from the awarding of the Service Contract, (6) for Service Contracts, a list of all Services Subcontracts either awarded or that will be awarded to vendors with the funds from the service Contract. Any Covered Vendor awarded a Service Contract shall notify the Contracting Department within three (3) working days of signing a Service Subcontract with a vendor.

§6(c) **Maintenance of Payroll Records**—Each covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding

§7(b)(i) **Maintenance and Examination of Payroll Records**—Each Covered Vendor shall maintain payrolls for all Covered Employees and basic records relating thereto for a period of three years. The records shall contain the name and the address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, a copy of the social security returns, and evidence of

reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

payment thereof, a record of fringe benefit payments including contributions to approved plans, funds or programs and/or additional cash payments, and other data as may be required by the Contracting Department from time to time.

§6(d) **Applicable Department Duties**—The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

No comparable provision.

§6(e) **Covered Employer to cooperate**—the Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

§7(b)(ii)—Each Covered Vendor shall permit representatives of the Designated Department or their designees to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated.

§6(f) **City Assistance Reports**—each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year. The report shall include, for each Assistance package or contract approved during the preceding year: (1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance, (2) a description of the purpose or project for which the Assistance was awarded, (3) the name, address, and phone number of a local

§7(d) **Quarterly Reports**—Covered Vendors shall provide quarterly reports to the Designated Department of their employment activities including: (1) the job positions charged to the contract, the wage ranges of those positions, (2) the total number of Boston residents, women and minorities who are charged to the Service Contract or Subcontract. The Designated Department shall submit a summary of said reports to the City Council and Living Wage Advisory Committee within 30 working days following each quarter's end.

contact person for the Covered Employer, (4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

§7 Community Advisory Board.

§7(a) **Purpose**—the purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

§7(b) **Composition**—the Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

§8 Living wage Advisory Committee.

§8(a) **Purpose**—the purpose of the Living Wage Advisory Committee shall be to review the effectiveness of this ordinance in creating and retaining living wage jobs in Boston, to promote access to living wage jobs for low and moderate income Bostonians, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

§8(b) **Composition and Term**—the Living Wage Advisory Committee shall be comprised of seven members who shall be appointed by the Mayor: (1) one member of the committee shall be a labor union member appointed by the Mayor from a list of three nominees recommended by the Massachusetts AFL-CIO, (2) one member of the committee shall be a member of the Association of Community Organizations for reform Now (ACORN) appointed by the Mayor from a list of three nominees recommended by ACORN, (3) one member of a community-based organization operating solely within the city of Boston, (4) one member of the Greater Boston Chamber of Commerce appointed by the Mayor from a list of three nominees recommended by the Chamber, (5) one member of the Boston Chamber of Neighborhood Commerce appointed by the Mayor from a list of three nominees recommended by the Neighborhood

	Chamber. Each member of this committee shall serve a three year term.
§7(c) **Meetings**—The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.	§8(c) **Meetings**—the Living Wage Advisory Committee shall meet quarterly and in special session as required. All meetings of the Living Wage Advisory Committee shall be open to the public under the Commonwealth's Open Meeting Law. The committee shall promulgate regulations and rules which allow for public participation and testimony at hearings and meetings.
§7(d) **Conflict of Interest**—no member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.	§8(d) **Conflict of Interest**—for the purposes of this ordinance, no member of the Living Wage Advisory Committee shall participate in any proceeding concerning a Beneficiary, a Covered Vendor, a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in said individual or in the award of a Service Contract, Subcontract, or Assostance or the granting of relief to said individual.
§8 Enforcement.	**§9 Enforcement Powers.**
§8(a) **Enforcement powers**—in order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said	If necessary for the enforcement of this ordinance, the Designated Department may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records and documents relating to payroll records necessary for hearing, investigations, and proceedings. The Designated Department may apply to a court of competent jurisdiction to enforce these provisions.

court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigations, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

§8(b) **Complaint Procedures**—an employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

§10(a) **Complaints**—(1) a person or an employee who believes that he or she is a Covered Employee or who is an applicant for a position to be filled by a Covered Employee and believes that his or her employer is not complying with requirements of this ordinance applicable to the employee, may file a complaint with the Designated Department. Complaints by Covered Employees of alleged violations may be made at any time. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Vendor without the consent of the employee, (2) a complaint of non-compliance with this ordinance may be filed by any person with the Designated Department, which shall provide a copy of the complaint to each Covered Vendor against whom the complaint is made within five business days.

§8(c) **Investigations and hearings**—The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the

§10(c) **Investigations**—the Designated Department, or its designee shall investigate all complaints of non-compliance, Investigations may include routine reviews, spot checks, and

production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the Applicable Department shall give notice to the employer and conduct a hearing.

investigations pursuant to complaints. The Designated Department, or its designee, shall have the responsibility to examine promptly all payrolls for compliance upon receiving a complaint, in furtherance of any investigation.

§10(d) **Non-Compliance**—(1) if the Designated Department finds evidence that the Covered Vendor is not in compliance or has violated any of the provisions of this ordinance, the Designated Department shall order such remedial measures as required to ensure compliance herewith including, but not limited to,: ordering back-pay to Covered Employees for non-compliance with Section Six, Living Wage Payment to Employees, (2) if the Covered Vendor does not comply with the Designated Department's order within 10 working days, the Designated Department shall review the facts of the finding and may proceed with a formal hearing and investigation. If a hearing is held by the Designated Department, the Department shall review remedies and penalties with the Living Wage Advisory Committee. If the Designated Department decides not to proceed with a hearing, it shall so notify the Living Wage Advisory Committee and provide a statement af the reasons for the decision.

§10(e) **Living Wage Advisory Committee Compliance Review Hearings**—the Living Wage Advisory Committee shall determine the need for an additional public hearing an any recommendations by the designated Department. If a hearing is deemed necessary, it shall be scheduled and conducted by the Committee, in conjunction with the Designated Department, within twenty (20) business days of the Designated Department's notification to the Committee of a covered Vendor's non-compliance. The Committee

	shall file a notice of the hearing seven (7) working days before such hearing to the City Clerk, the Covered Vendor, and the complaining party or parties.
§8(d) **Remedies**—In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief: (1) fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance, (2) suspension of ongoing contract and subcontract payments, (3) ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section, and (4) any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.	§11(a) **Penalties and Remedies**--In the event that the Designated Department determines, after notice and hearing, that any Covered Vendor has failed to pay the Living Wage rate or has otherwise violated the provisions of this ordinance, the Designated Department may order any or all of the following penalties and relief: (1) fines in the amount of $300 for each Covered Employee for each day that the Covered Vendor is in violation of this ordinance, (2) the filing of a complaint with the pertinent State or Federal agency, (3) wage restitution for each affected employee, (4) suspension of ongoing contracts and subcontract payments, (5) ineligibility for future Contracts with the City for three years or until all penalties and restitution have been paid in full, (6) any other action deemed appropriate and within the discretion and authority of the city.
§8(e) **Private right of action**—any covered Employee, or any person who was formerly employed by a Beneficiary, may bring an actin to enforce the provisions of this chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a beneficiary in any court of competent jurisdiction.	**No comparable provision.**

§8(f) **Remedies herein non-exclusive**—no remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

§11(b) **Remedies herein Non-exclusive**--no remedy set forth in this ordinance is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this ordinance in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

§8(g) **Retaliation and discrimination barred**—a Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under this Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

§10(b) **Discrimination Against Covered Employees Barred**—if a Covered Vendor: discharges; reduces the compensation of; or discriminates against any Covered Employee for making a complaint to the Designated Department, otherwise asserting his or her rights under this ordinance, participating in any of its proceedings, or using any civil remedies to enforce his or her rights under this ordinance, the Covered Vendor shall be considered in violation of this ordinance. The Designated Department shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief to the employee or person and penalties for the Covered Vendor and may suspend the Contract or order the Service Contractor to suspend the Subcontract.

No comparable provision.

§12 Earned Income Credit Notification.

Covered Vendors and Beneficiaries shall inform Covered Employees earning less than twelve dollsrs ($12.00) per hour, or such other amount as determined by the Designated Department, of their possible eligibility for the state and/or federal Earned Income Credit ("EIC").

§9 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

§10 Effective Date.

This law shall be effective on the date of February 1, 1999.

No comparable provision.

§13 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

§14 Effective Date.

This ordinance shall be effective upon its passage.

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§4 First Source Hiring Agreements.

All Covered Vendors and all Beneficiaries of Assistance (hereinafter referred to as "the employer" for the purposes of this section) shall sign a First Source Hiring Agreement with one or more referral agencies or one or more Boston One Stop Career Centers which shall include the following:

(a) Prior to announcing or advertising an employment position for work which shall be performed as a result of a Service contract, Service Subcontract or Assistance created either as a result of a vacancy of an existing position or of a new employment position, the employer shall notify the referral agency about the position, including a general description and the employer's minimum requirements for qualified applicants for such position.

(b) The employer shall not make such public announcement or advertisement for a period of five (5) business days after notification to the referral agency of the

availability of such position. Such five (5) day period is hereinafter referred to as the "Advance Notice Period."

(c) the referral agency shall maintain a database of job opportunities subject to this ordinance and shall provide information on such job opportunities to all Boston residents who receive services.

(d) The Advance Notice Period shall be waived if the referral agency has no qualified candidates to refer to the Covered Vendor or Beneficiary.

(e) The Referral Agency or Career Center shall institute a tracking system and record which applicants were interviewed, which applicants were not interviewed, and which applicants were hired for the positions.

(f) the agreement does not require the employer to comply with these procedures if it fills the job vacancy or newly created position by transfer or promotion from existing staff or from a file of qualified applicants previously referred by the referral Agency or Career Center.

(g) The agreement shall not require the employer to hire any applicant referred under the terms of this agreement.

Beneficiaries who receive Assistance from the City in the amount of one million dollars ($1,000,000) or more in any twelve month period shall be required to comply with this section for five years from the date such assistance reaches the one million ($1,000,000) threshold. Beneficiaries receiving less than one million dollars but at least one hundred thousand ($100,000) of Assistance in any twelve month period shall be required to comply with this section for one year.

AFSCME Living Wage Information

Living Wage Update
May 1998

Location	Nature of Measure Name/Other Identifier	Summary of Wage & Other Key Provisions	Status/Key Dates
Albuquerque, NM	Albuquerque Living Wage Ordinance	Establish $7.73/hr. for public contractors and subsidized businesses.	Expected to be introduced fall 1997. This effort follows the original minimum wage effort that failed in December 1996 after a disqualification of signatures.
Baltimore, MD	City Living Wage Ordinance (enacted)	Requires service & prof. service contractors to pay min. rates of: $6.10, FY 1996; $6.60, FY 1997; $7.10, FY 1998; $7.70, FY 1999, subj. to Bd. of Estimates approval. Includes record keeping, reporting, enforcement & remedial provisions.	Enacted December 1994. $6.10 rate took effect July 1995, $6.60, July 1996. Hike to $7.10 approved by Bd. of Estimates, 12/96, to take effect July 1997.
Boston, MA	Living Wage Ordinance (enacted)	Requires city service contractors & subsidized businesses to pay living wage of $7.49/hr. Encourages local hiring. Requires reporting on jobs and wages. Creates an advisory committee to assist businesses.	Ordinance passed July 1997. Voted on by City Council (11-1) and signed by Mayor on August 12. Slated to take effect July 1, 1998.
Duluth, MN	City Living Wage	Requires subsidy	Enacted July 1997

	Ordinance	recipients of $25,000 or more to pay at least 90% of employees $7.25/hr (w/o health care) or $6.50 (with health care).	
Durham, NC	City Living Wage Ordinance	Requires city service contractors to pay employees liveable wage. Liveable wage is equivalent to poverty level for a family of four as defined by the Bureau of Census.	Effective for all service contracts entered into after February 1, 1998.
Jersey City, NJ	City Ordinance No. 96-063	Requires businesses contracting with city for clerical, food service, janitorial & unarmed security services to pay workers min. rate of $7.50/hr; and vacation & health benefits for full-time workers performing contract services.	Enacted June 1996
City of Los Angeles, CA	Los Angeles Living Wage Ordinance	Requires certain concessionaires & service contractors (greater than or equal to $25K) & recipients of certain subsidies (greater than or equal to $100K) to pay $7.25/hr. & health bens., or $8.50 without. Provides for paid holidays, annual & sick leave. Employers required to promote EITC among low wage workers. Includes	Passed Council (12-0, 2 members not voting) on 3/18/97. Mayor vetoed, but City Council overrode the veto.

		enforcement & remedial provisions.	
Los Angeles County, CA	Contracting Language Proposal	Requires bidders to disclose wages and benefits for lowest paid employees.	Motion passed by County Council, April, 1998.
Madison, WI (City and County)	Living Wage Campaign (developing proposal)	Require city contractors to pay workers 100% of poverty level in 1999, 105% poverty level in 2000, and 110% poverty level in 2001 (poverty level based on a family of four)	City Task Force reviewing options. County proposal likely to be introduced in June 1998.
City of Milwaukee, WI	Living Wage Ordinance	Requires certain city service contractors (greater than or equal to $5K) to pay workers performing contract services hourly wages based on poverty level for family of 3. Includes reporting, enforcement & remedial provisions.	Enacted Nov. 1995. Initial rate set at $6.05/hr. Rate indexed on March 1 of each year.
County of Milwaukee, WI	Living Wage Resolution	Requires a price floor of $6.25/hr. for contracted janitors, parking lot attendants and unarmed security guards. The wage will increase annually according to wage adjustments for county workers that have union representation.	Enacted May 1997
Milwaukee, WI School Board	Livable Wage Resolution	Requires that all MPS employees and employees of MPS contractors be paid minimum of $7.70/hr.	Enacted January 1996.

Minneapolis, MN	Recommendations of the Joint Minneapolis-St. Paul Living Wage Jobs Task Force	Recommendations of task force included: 1)businesses receiving $100K or more in city econ. dev. assistance must pay wages set at 110% of fed. pov. level for family of four, with annual indexing; 2) hiring goals for city residents; 3) preferences in assistance to businesses engaging in enumerated responsible labor relations; and 4) bars from contracting out existing public sector work unless contractors paid living wage or current city wage.	Proposal passed City Council 12-0 (1 member not voting) March 7, 1997. Also provides for coverage of city service contractors, to the extent possible, within four years. Authorizes study of whether pay rate should be 100% of poverty level if employer provides health insurance. Sets goal of 60% of new jobs set-aside for city residents. Requires development of administrative guidelines to implement Living Wage Policy.
New Haven, CT	Ordinance Establishing a Living Wage for Service Workers (enacted)	Ordinance requires city contractors to pay workers rate set at 120% of poverty level for family of four, with increases phased in over five years. First increment (100% of poverty level) to take effect July 1997, rising by 5% annually. Includes community hiring hall provision. Establishes 9-member oversight commission.	Passed by City Council, April 1997
New York, NY	City Code Amendment establishing prevailing wage	Requires businesses with certain City contracts for	NYC Council passed ordinance 7/11/96; Mayor Giuliani vetoed

	requirement for certain service contracts (enacted)	security, temporary office service, cleaning and food services to pay workers under the contracts prevailing wages for affected occupations, with occupational rates determined annually by city comptroller & estimated to range from $7.25 to $11.25/hr. Covers reporting, record keeping, enforcement & sanctions.	8/7/96; Council overrode veto 9/11/96. Comptroller developing prevailing wage list for affected occupations.
Oakland, CA	Living Wage	Require public contractors and subsidized business to pay a living wage of $8.00/hr. ($9.25 if no health benefits), encourage local hiring, require reporting requirements and citizens advisory board.	Ordinance passed March 24, 1998. City Council vote, 9-0.
Pasadena, CA	Living Wage	Two proposals pending: one for $8.50/hr with benefits; $11.00/hr without benefits; one modeled after Los Angeles -- $7.25/hr plus benefits, $8.50 without benefits. Both apply to welfare partcipants.	Still pending.
Philadelphia, PA	Living Wage	Require public contractors and subsidized businesses to pay a living wage of $7.70/ hr. and hire from the	Ordinance introduced.

		community.	
Portland, OR	Fair Wage Policy	July 1, 1998: $7.50 July 1, 1999: $8.00 Plus health benefits. Ordinance covers janitors, security guards and parking attendants. Temporary clerical workers will be added in a later ordinance.	Passed by unanimous City Council vote, April 15, 1998.
San Jose, CA	Prevailing Wage Ordinance (enacted)	Amendment to city's little Davis-Bacon prevailing wage ordinance requires service contractors with contracts of $1,000 or more to pay prevailing wages for work under the contract.	Enacted 1991.
Santa Clara County, CA	Manufacturing Personal Property Tax Rebate; Santa Clara County Growth & Job Creation Policy (enacted)	Measure provides for tax rebate of property tax levy on manufacturing equipment for businesses locating or expanding within county if certain conditions are met, incl. company pays wages at or above competitive industry wages (at least $10/hr), provides health care to all permanent employees, has history of fair labor practices & other corporate good citizen practices.	Passed by County Council September 19, 1996.
St. Paul, MN	Same as Minneapolis	Same as Minneapolis	Modified set of recommendations

			passed unanimously in St. Paul on 1/2/97; requires 110% rate where no health insurance provided, & 100% rate for businesses providing health insurance; deleted restriction on contracting out and enumeration of responsible labor practices. Mandates 60% hiring preference for city residents.
State of Maryland	Living Wage Pilot Program	Contract for cleaning state-owned World Trade Center requires payment of living wage of $6.60/hr. to employees providing contracted service; rate rises to $7.10 in 1997 and $7.70 in 1998.	Announced 7/25/96. Possible future expansion to other state contracts, depending on results of pilot.

Information provided by the AFL-CIO Public Policy Department.

Comparison of the Draft Cambridge Living Wage Ordinance and the Boston Jobs and Living Wage Ordinance

CAMBRIDGE	BOSTON
§1 Title and Purpose.	**§1 Title and Purpose.**
§1 **Title and Purpose**—the purpose of this ordinance is to assure that employees of the City and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies, and other assistance provided by the City earn an hourly wage that is needed to support a family of four.	§1 **Title and Purpose**—the purpose of the ordinance is to assure that employees of vendors who contract with the City to provide services earn an hourly wage that is sufficient for a family of four to live at or above the federal poverty level. This ordinance is also designed to maximize access for low and moderate income Bostonians to the jobs that are created, maintained or subsidized through service contracts with the City of Boston.
§2 Definitions.	**§2 Definitions.**
§2(a) **"Applicable Department"** means the Personnel Department for employees of the City, the Purchasing Department for Covered Employers who contract or subcontract with the City, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's office for any other Person who is a Beneficiary of Assistance other than a contract or subcontractor.	§2(f) **"Designated Department"** means the City department or agency designated by the Mayor to responsible for the overall implementation, compliance, and enforcement of the ordinance.
§2(b) **"Assistance"** means (1) any grant, loan tax incentive, bond financing, subsidy, or other form of assistance valued at $10,000 or more that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, CDBG loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value, and (2) any contract or subcontract of at least $10,000 with the City of Cambridge that is	§2(a) **"Assistance"** means any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance of $100,000 or more realized by or through the authority or approval of the City, including but not limited to, industrial development bonds, CDBG loans and Federal Enhanced Enterprise Community designations awarded after the effective date of the ordinance. The forgiveness of a loan shall be regarded as Assistance. A loan shall be regarded as Assistance to the extent of any differential between the amount of the loan and the present value of the payments

made with an employer to provide services pursuant to G.L. c. 30B or other public procurement laws, awarded, renegotiated, or renewed after effective date of this Chapter.

thereunder, discounted over the life of the loan by the applicable federal rate. Assistance shall not be deemed to include leases and subleases.

§2(c) **"Beneficiary"** means (1) any person who is a recipient of Assistance and (2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of ordinance, or (3) any contractor or subcontractor of a Beneficiary.

§2(b) **"Beneficiary"** means any direct recipient of at least $100,000 of Assistance, provided that the Beneficiary is a for-profit employer of at least 25 FTE's or a not-for-profit employer of at least 100 FTE's.

§2(d) **"Covered Employer"** means the City of Cambridge or a Beneficiary of Assistance.

"Covered Employer" not defined.

§2(e) **"Covered Employee"** means (1) a person employed by the City except for persons in those positions listed in §4(h) of this ordinance (i.e., youth hired during the summer or as part of a school to work program or other related seasonal or part-time program, work-study or cooperative educational programs, and trainees who are given a stipend or wage as part of a job training program that provides other services such as room and board, case management, or job readiness services), and (2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

§2(d) **"Covered Employee"** means a person employed by a Covered Vendor who directly expends or would expend his or her time on the Service Contract with the City of Boston or on the Service Subcontract.

"Covered Vendor" not defined.	§2(e) **"Covered Vendor"** means any for-profit employer who employs at least 25 FTE's or any not-for-profit employer who employs at least 100 FTE's who has been awarded a Service Contract or Subcontract after the effective date of the ordinance. This term does not include Beneficiary as defined in the Boston ordinance.
§2(f) **"Living wage"**—has the meaning stated in Section 3.	§2(I) **"Living wage"** means the rate established by the Designated Department as the minimum hourly rate that shall be paid to a Covered Employee by a Covered Vendor pursuant to the formula set forth in Section Six of this ordinance.
"Contracting Department" not defined	§2(c) **"Contracting Department"** means any City Department that awards a Service Contract.
"First Source Hiring Agreement" not defined.	§2(g) **"First Source Hiring Agreement"** means a signed agreement between a Covered Vendor or a Beneficiary and a Referral Agency.
"Full-Time Equivalent (FTE)" not defined.	§2(h) **"Full-Time Equivalent (FTE)"** means a formula to calculate the number or employee work hours which equal one full-time position.
"Low- and moderate-income persons" not defined.	§2(j) **"Low- and moderate-income persons"** means persons with annual income that is less than 80 percent of median in BPSMSA of HUD.

"Referral Agency" not defined.	§2(l) **"Referral Agency"** means any organized job registry and referral service operated by a not-for-profit oranization that has (1) established community membership bae and record of outreach to low and moderate income Boston Communities, (2) a computerized skills bank, (3) established posting process where referrals can begin within 48 hours, (4) a governing board comprised of a majority of low and moderate income Boston residents or the majority of services provided are to low and moderate income Boston residents, (5) a proven track record of nondiscriminatory job placement, and (6) is certified as meeting requirements 1-5 by the Boston Office of Jobs and Community Services.
"Service Contract" not defined.	§2(m) **"Service Contract"** means any contract of at least $100,000 or more awarded to a vendor by the City for the furnishing of services to or for the City.
"Service Subcontract" not defined.	§2(n) **"Service Subcontract"** means a subcontract of $25,000 or more awarded to a vendor by a Covered Vendor, provided the Subcontract is paid for by funds from the Service Contract.
"Youth Program" not defined, but see Covered Employee definition above which excludes youth as defined in the Boston ordinance.	§2(o) **"Youth Program"** means any city state, or federally funded program which employs youth, as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program.
"Vendor Agreement" not defined.	§2(p) **"Vendor Agreement"** means a written agreement between the City and any Covered Vendor that is executed at the time a Service Contract is signed with the

City or a subcontract is signed with a Covered Vendor.

"Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

"Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

§3 Living Wage.

§3(a) **Applicability**—Covered Employers shall pay no less than the Living wage to their employees.

§3(b) **Amount of wage**—The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 313 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI-U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

§6 Living wage.

§6(a) **Applicability**—Covered Vendors shall pay no less than the Living Wage to Covered Employees.

§6(b) **Calculation of Living wage**—the Living Wage shall be calculated on an hourly basis and shall be no less than $8.23 from July 1, 1998 subject to adjustment each year on July 1: (1) to the hourly rate which at 40 hours of work a week for fifty weeks a year would be equal to but not less than the poverty threshold for a family of four as published by the U.S. DHHS, or (2) in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI-U) Boston-Lawrence-Salem, MA NH as published by the Bureau of Labor Statistics, United States Department of Labor applied to $8.23, or (3) 110% of the federal or the state

	minimum wage—whichever is higher.
§3(c) **No reduction in collective bargaining wage rates**--Nothing in the Chapter shall be read to require or authorize any Beneficiary to reduce wages set by a collective bargaining agreement.	**No comparable Provision.**
§3(d) **Cuts in non-wage benefits prohibited**—No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.	**No comparable provision.**
§4 Waivers and Exceptions.	§3 Applicability, Exemptions, and Waivers.
No comparable provision.	§3(a) **Applicability**—All of the provisions of this ordinance shall apply to all Covered Vendors as defined in this ordinance, not including the exemptions listed in subsection (b) of this section.
§4(a) **Waivers**—A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.	**No comparable provision.**
§4(b) **General Waiver**—Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.	§3(d)(i) **General Waiver**—waivers may be granted by the Designated Department where application of this ordinance to a particular form of Assistance, a Service Contract, or a Subcontract violates a specific state or federal statutory, regulatory or constitutional provision or provisions.

§4(c) **Hardship Waivers for certain no-for-profit employers**—An employer may apply to the City Manager for a specific waiver where payment of the Living wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

§3(d)(ii) **Hardship Waiver**—The Contracting Departments shall monitor, and as necessary, recommend to the Designated Department, individual or group exemptions necessary in cases in which compliance with this ordinance would cause undue economic hardship. Such waivers shall be subject to the Designated Department's approval after having held a public hearing on the request.

§4(d) **Contents (for General Waiver request)**—All General Waiver requests shall include the following: (1) the nature of the Assistance to which this Chapter applies, (2) the specific or official name of the Assistance or Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of each such provision, and (4) a factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

§3(d)(i)—All general waiver requests shall include the following: (1) the Assistance, Service Contract or Subcontract to which this ordinance applies, (2) the conflicting statutory, regulatory or constitutional provision or provisions that makes compliance with this ordinance unlawful, and a copy of each such provision, (3) an explanation of how compliance with this ordinance would violate the cited provision or provisions, and the consequences that would result if this violation were to occur. A general waiver request shall be submitted directly to the Designated Department. The Designated Department shall forward a copy of all requests to the Living Wage Advisory Committee.

§4(e) **Contents (for Hardship Waiver requests)**—All Hardship waiver requests shall include the following: (1) the nature of the Assistance to which this Chapter applies, (2) a detailed explanation of why payment of the Living wage would cause a substantial and unique hardship to the Covered Employer, and (3) a statement of proposed wages below the Living Wage.

§3(d)(ii)—all hardship waiver requests shall include the following: (1) the Service Contract or Service Subcontract to which this ordinance applies, (2) the lower wage paid by the Covered Vendor, and (3) a detailed explanation of how the payment of a Living Wage will cause undue economic hardship including supporting financial statements. All hardship waiver requests

shall be forwarded to the Living wage Advisory Committee. Hardship waivers under this section shall not be applicable to Beneficiaries of Assistance.

§4(f) **Community Advisory Board review and recommendation regarding waiver requests**—The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to the employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may, in his or her discretion, grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

§3(d)(ii) **Waiver Review**—All hardship waiver requests shall be forwarded to the Living Wage Advisory Committee.

§4(g) **Terms of exceptions**—if an employer is subject to this chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

No comparable provision.

§4(h) **Exceptions**—The following positions will be excepted from the

§3(b) **Exemptions**—The following types of Assistance, Service Contracts and

requirement of payment of the Living wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows: (1) youth hired pursuant to a city, 1state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time programs; (2) work-study or cooperative educational programs; (3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Subcontracts shall be exempt from the provisions of this ordinance: (1) Construction contracts awarded by the City of Boston that are subject to the state prevailing wage law; (2) Assistance or contracts awarded to youth programs, as defined in this ordinance, provided that the contract is for stipends to youth in the program; (3) Assistance or contracts awarded to work-study or cooperative educational programs, provided that the Assistance or contract is for stipends to students in the programs; (4)Assistance and contracts awarded to vendors who provide services to the city and are awarded to vendors who provide trainees a stipend or wage as part of a job training program and provides the trainees with additional services, which may include but are not limited to room and board, case management, and job readiness services, and provided further that the trainees do not replace current City funded positions.

No comparable provision.

§3(c) **(untitled affidavit section)**— Covered Vendors and Beneficiaries of Assistance must certify in an affidavit in a form approved by the Designated Department and provided by the Contracting Department and signed by a principal officer of the Covered Vendor or Beneficiary of Assistance, that one of the Exemptions herein applies to them before they can be considered exempt. The covered Vendor or the Beneficiary of Assistance shall submit the affidavit to the Contracting Department who shall forward a copy to the Designated Department and the Living Wage Advisory Committee.

§5 Notification Requirements.

§5 **Notification Requirements**—All Applicable Department shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined in this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

§5 Notification Requirements.

§5 **Notification Requirements**—All Contracting Departments engaged in the awarding of contracts shall provide in writing, an explanation designed by the Designated Department, of the requirements of this ordinance in all requests for bids for Service Contracts with the City of Boston. All persons who have signed a Service Contract with the City of Boston shall forward a copy of such requirements to any person submitting a bid for a Subcontract on the Service Contract.

§6 Duties of Covered Employers

§6(a) **Notification Requirements**—Covered Employers shall provide each Covered Employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet shall be provided to the Covered Employer by the Applicable Department and shall include: (1) notice of the Living Wage amount, (2) a summary of the provisions of the ordinance, (3) a description of the enforcement provisions of the ordinance, (4) the name, address and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with the ordinance should be directed.

§6(b) **Contract for Assistance**—At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following: (1) the name of the program or project under which the contract or subcontract is being awarded, (2) a local

§7 Duties of Covered Vendors.

§7(a) **Notification Requirements**—Covered Vendors shall provide each covered Employee with a fact sheet about this ordinance and shall post notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Vendor by the Designated Department and shall include: (1) notice of the living wage amount, (2) a summary of the provisions of this ordinance, (3) a description of the enforcement provisions of the ordinance, (4) the name, address and phone number of a person designated by the Designated Department to which complaints of noncompliance with this ordinance should be directed.

§7(c) **Vendor Agreements**—At the time of signing a Service Contract with the city of Boston or Subcontract with a vendor, the contract with the Covered Vendor must include the following: (1) the name of the program or project under which the Contract or subcontract is being awarded,

contact name, address and phone number for the Beneficiary, (3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance, (4) a list of Covered Employees under the contract with the employees' job titles, (5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(2) a local contact name, address, and phone number for the Covered Vendor, (3) a written commitment by the Covered Vendor to pay all Covered Employees not less than the Living wage, subject to adjustment each July 1, and to comply with the provisions of this ordinance, (4) a workforce profile of Covered Employees paid for by the Service Contract or Subcontract including the employees' job titles with wage ranges, number of Covered Employees who are Boston residents, and the number of Covered Employees who are minorities and women, (5) a written narrative of the Covered Vendors' past efforts and future goals to hire low and moderate income Boston residents and train Covered Employees; the potential for advancement and raises for Covered Employees; the net increase and decrease in number of jobs or number of jobs maintained by classification that will result from the awarding of the Service Contract, (6) for Service Contracts, a list of all Services Subcontracts either awarded or that will be awarded to vendors with the funds from the service Contract. Any Covered Vendor awarded a Service Contract shall notify the Contracting Department within three (3) working days of signing a Service Subcontract with a vendor.

§6(c) **Maintenance of Payroll Records**—Each covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding

§7(b)(i) **Maintenance and Examination of Payroll Records**—Each Covered Vendor shall maintain payrolls for all Covered Employees and basic records relating thereto for a period of three years. The records shall contain the name and the address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, a copy of the social security returns, and evidence of

reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

payment thereof, a record of fringe benefit payments including contributions to approved plans, funds or programs and/or additional cash payments, and other data as may be required by the Contracting Department from time to time.

§6(d) **Applicable Department Duties**—The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

No comparable provision.

§6(e) **Covered Employer to cooperate**—the Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

§7(b)(ii)—Each Covered Vendor shall permit representatives of the Designated Department or their designees to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated.

§6(f) **City Assistance Reports**—each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year. The report shall include, for each Assistance package or contract approved during the preceding year: (1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance, (2) a description of the purpose or project for which the Assistance was awarded, (3) the name, address, and phone number of a local

§7(d) **Quarterly Reports**—Covered Vendors shall provide quarterly reports to the Designated Department of their employment activities including: (1) the job positions charged to the contract, the wage ranges of those positions, (2) the total number of Boston residents, women and minorities who are charged to the Service Contract or Subcontract. The Designated Department shall submit a summary of said reports to the City Council and Living Wage Advisory Committee within 30 working days following each quarter's end.

contact person for the Covered Employer, (4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

§7 Community Advisory Board.

§7(a) **Purpose**—the purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

§7(b) **Composition**—the Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

§8 Living wage Advisory Committee.

§8(a) **Purpose**—the purpose of the Living Wage Advisory Committee shall be to review the effectiveness of this ordinance in creating and retaining living wage jobs in Boston, to promote access to living wage jobs for low and moderate income Bostonians, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

§8(b) **Composition and Term**—the Living Wage Advisory Committee shall be comprised of seven members who shall be appointed by the Mayor: (1) one member of the committee shall be a labor union member appointed by the Mayor from a list of three nominees recommended by the Massachusetts AFL-CIO, (2) one member of the committee shall be a member of the Association of Community Organizations for reform Now (ACORN) appointed by the Mayor from a list of three nominees recommended by ACORN, (3) one member of a community-based organization operating solely within the city of Boston, (4) one member of the Greater Boston Chamber of Commerce appointed by the Mayor from a list of three nominees recommended by the Chamber, (5) one member of the Boston Chamber of Neighborhood Commerce appointed by the Mayor from a list of three nominees recommended by the Neighborhood

Chamber. Each member of this committee shall serve a three year term.

§7(c) **Meetings**—The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

§8(c) **Meetings**—the Living Wage Advisory Committee shall meet quarterly and in special session as required. All meetings of the Living Wage Advisory Committee shall be open to the public under the Commonwealth's Open Meeting Law. The committee shall promulgate regulations and rules which allow for public participation and testimony at hearings and meetings.

§7(d) **Conflict of Interest**—no member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

§8(d) **Conflict of Interest**—for the purposes of this ordinance, no member of the Living Wage Advisory Committee shall participate in any proceeding concerning a Beneficiary, a Covered Vendor, a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in said individual or in the award of a Service Contract, Subcontract, or Assostance or the granting of relief to said individual.

§8 Enforcement.

§8(a) **Enforcement powers**—in order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said

§9 Enforcement Powers.

If necessary for the enforcement of this ordinance, the Designated Department may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records and documents relating to payroll records necessary for hearing, investigations, and proceedings. The Designated Department may apply to a court of competent jurisdiction to enforce these provisions.

court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigations, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

§8(b) **Complaint Procedures**—an employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

§10(a) **Complaints**—(1) a person or an employee who believes that he or she is a Covered Employee or who is an applicant for a position to be filled by a Covered Employee and believes that his or her employer is not complying with requirements of this ordinance applicable to the employee, may file a complaint with the Designated Department. Complaints by Covered Employees of alleged violations may be made at any time. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Vendor without the consent of the employee, (2) a complaint of non-compliance with this ordinance may be filed by any person with the Designated Department, which shall provide a copy of the complaint to each Covered Vendor against whom the complaint is made within five business days.

§8(c) **Investigations and hearings**—The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the

§10(c) **Investigations**—the Designated Department, or its designee shall investigate all complaints of non-compliance, Investigations may include routine reviews, spot checks, and

production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the Applicable Department shall give notice to the employer and conduct a hearing.

investigations pursuant to complaints. The Designated Department, or its designee, shall have the responsibility to examine promptly all payrolls for compliance upon receiving a complaint, in furtherance of any investigation.

§10(d) **Non-Compliance**—(1) if the Designated Department finds evidence that the Covered Vendor is not in compliance or has violated any of the provisions of this ordinance, the Designated Department shall order such remedial measures as required to ensure compliance herewith including, but not limited to,: ordering back-pay to Covered Employees for non-compliance with Section Six, Living Wage Payment to Employees, (2) if the Covered Vendor does not comply with the Designated Department's order within 10 working days, the Designated Department shall review the facts of the finding and may proceed with a formal hearing and investigation. If a hearing is held by the Designated Department, the Department shall review remedies and penalties with the Living Wage Advisory Committee. If the Designated Department decides not to proceed with a hearing, it shall so notify the Living Wage Advisory Committee and provide a statement af the reasons for the decision.

§10(e) **Living Wage Advisory Committee Compliance Review Hearings**—the Living Wage Advisory Committee shall determine the need for an additional public hearing an any recommendations by the designated Department. If a hearing is deemed necessary, it shall be scheduled and conducted by the Committee, in conjunction with the Designated Department, within twenty (20) business days of the Designated Department's notification to the Committee of a covered Vendor's non-compliance. The Committee

shall file a notice of the hearing seven (7) working days before such hearing to the City Clerk, the Covered Vendor, and the complaining party or parties.

§8(d) **Remedies**—In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief: (1) fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance, (2) suspension of ongoing contract and subcontract payments, (3) ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section, and (4) any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

§11(a) **Penalties and Remedies**--In the event that the Designated Department determines, after notice and hearing, that any Covered Vendor has failed to pay the Living Wage rate or has otherwise violated the provisions of this ordinance, the Designated Department may order any or all of the following penalties and relief: (1) fines in the amount of $300 for each Covered Employee for each day that the Covered Vendor is in violation of this ordinance, (2) the filing of a complaint with the pertinent State or Federal agency, (3) wage restitution for each affected employee, (4) suspension of ongoing contracts and subcontract payments, (5) ineligibility for future Contracts with the City for three years or until all penalties and restitution have been paid in full, (6) any other action deemed appropriate and within the discretion and authority of the city.

§8(e) **Private right of action**—any covered Employee, or any person who was formerly employed by a Beneficiary, may bring an actin to enforce the provisions of this chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a beneficiary in any court of competent jurisdiction.

No comparable provision.

§8(f) **Remedies herein non-exclusive**—no remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

§11(b) **Remedies herein Non-exclusive**--no remedy set forth in this ordinance is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this ordinance in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

§8(g) **Retaliation and discrimination barred**—a Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under this Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

§10(b) **Discrimination Against Covered Employees Barred**—if a Covered Vendor: discharges; reduces the compensation of; or discriminates against any Covered Employee for making a complaint to the Designated Department, otherwise asserting his or her rights under this ordinance, participating in any of its proceedings, or using any civil remedies to enforce his or her rights under this ordinance, the Covered Vendor shall be considered in violation of this ordinance. The Designated Department shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief to the employee or person and penalties for the Covered Vendor and may suspend the Contract or order the Service Contractor to suspend the Subcontract.

No comparable provision.

§12 Earned Income Credit Notification.

Covered Vendors and Beneficiaries shall inform Covered Employees earning less than twelve dollsrs ($12.00) per hour, or such other amount as determined by the Designated Department, of their possible eligibility for the state and/or federal Earned Income Credit ("EIC").

§9 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

§10 Effective Date.

This law shall be effective on the date of February 1, 1999.

No comparable provision.

§13 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

§14 Effective Date.

This ordinance shall be effective upon its passage.

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§4 First Source Hiring Agreements.

All Covered Vendors and all Beneficiaries of Assistance (hereinafter referred to as "the employer" for the purposes of this section) shall sign a First Source Hiring Agreement with one or more referral agencies or one or more Boston One Stop Career Centers which shall include the following:

(a) Prior to announcing or advertising an employment position for work which shall be performed as a result of a Service contract, Service Subcontract or Assistance created either as a result of a vacancy of an existing position or of a new employment position, the employer shall notify the referral agency about the position, including a general description and the employer's minimum requirements for qualified applicants for such position.

(b) The employer shall not make such public announcement or advertisement for a period of five (5) business days after notification to the referral agency of the

availability of such position. Such five (5) day period is hereinafter referred to as the "Advance Notice Period."

(c) the referral agency shall maintain a database of job opportunities subject to this ordinance and shall provide information on such job opportunities to all Boston residents who receive services.

(d) The Advance Notice Period shall be waived if the referral agency has no qualified candidates to refer to the Covered Vendor or Beneficiary.

(e) The Referral Agency or Career Center shall institute a tracking system and record which applicants were interviewed, which applicants were not interviewed, and which applicants were hired for the positions.

(f) the agreement does not require the employer to comply with these procedures if it fills the job vacancy or newly created position by transfer or promotion from existing staff or from a file of qualified applicants previously referred by the referral Agency or Career Center.

(g) The agreement shall not require the employer to hire any applicant referred under the terms of this agreement.

Beneficiaries who receive Assistance from the City in the amount of one million dollars ($1,000,000) or more in any twelve month period shall be required to comply with this section for five years from the date such assistance reaches the one million ($1,000,000) threshold. Beneficiaries receiving less than one million dollars but at least one hundred thousand ($100,000) of Assistance in any twelve month period shall be required to comply with this section for one year.

AFSCME Living Wage Information

Living Wage Update
May 1998

Location	Nature of Measure Name/Other Identifier	Summary of Wage & Other Key Provisions	Status/Key Dates
Albuquerque, NM	Albuquerque Living Wage Ordinance	Establish $7.73/hr. for public contractors and subsidized businesses.	Expected to be introduced fall 1997. This effort follows the original minimum wage effort that failed in December 1996 after a disqualification of signatures.
Baltimore, MD	City Living Wage Ordinance (enacted)	Requires service & prof. service contractors to pay min. rates of: $6.10, FY 1996; $6.60, FY 1997; $7.10, FY 1998; $7.70, FY 1999, subj. to Bd. of Estimates approval. Includes record keeping, reporting, enforcement & remedial provisions.	Enacted December 1994. $6.10 rate took effect July 1995, $6.60, July 1996. Hike to $7.10 approved by Bd. of Estimates, 12/96, to take effect July 1997.
Boston, MA	Living Wage Ordinance (enacted)	Requires city service contractors & subsidized businesses to pay living wage of $7.49/hr. Encourages local hiring. Requires reporting on jobs and wages. Creates an advisory committee to assist businesses.	Ordinance passed July 1997. Voted on by City Council (11-1) and signed by Mayor on August 12. Slated to take effect July 1, 1998.
Duluth, MN	City Living Wage	Requires subsidy	Enacted July 1997

	Ordinance	recipients of $25,000 or more to pay at least 90% of employees $7.25/hr (w/o health care) or $6.50 (with health care).	
Durham, NC	City Living Wage Ordinance	Requires city service contractors to pay employees liveable wage. Liveable wage is equivalent to poverty level for a family of four as defined by the Bureau of Census.	Effective for all service contracts entered into after February 1, 1998.
Jersey City, NJ	City Ordinance No. 96-063	Requires businesses contracting with city for clerical, food service, janitorial & unarmed security services to pay workers min. rate of $7.50/hr; and vacation & health benefits for full-time workers performing contract services.	Enacted June 1996
City of Los Angeles, CA	Los Angeles Living Wage Ordinance	Requires certain concessionaires & service contractors (greater than or equal to $25K) & recipients of certain subsidies (greater than or equal to $100K) to pay $7.25/hr. & health bens., or $8.50 without. Provides for paid holidays, annual & sick leave. Employers required to promote EITC among low wage workers. Includes	Passed Council (12-0, 2 members not voting) on 3/18/97. Mayor vetoed, but City Council overrode the veto.

		enforcement & remedial provisions.	
Los Angeles County, CA	Contracting Language Proposal	Requires bidders to disclose wages and benefits for lowest paid employees.	Motion passed by County Council, April, 1998.
Madison, WI (City and County)	Living Wage Campaign (developing proposal)	Require city contractors to pay workers 100% of poverty level in 1999, 105% poverty level in 2000, and 110% poverty level in 2001 (poverty level based on a family of four)	City Task Force reviewing options. County proposal likely to be introduced in June 1998.
City of Milwaukee, WI	Living Wage Ordinance	Requires certain city service contractors (greater than or equal to $5K) to pay workers performing contract services hourly wages based on poverty level for family of 3. Includes reporting, enforcement & remedial provisions.	Enacted Nov. 1995. Initial rate set at $6.05/hr. Rate indexed on March 1 of each year.
County of Milwaukee, WI	Living Wage Resolution	Requires a price floor of $6.25/hr. for contracted janitors, parking lot attendants and unarmed security guards. The wage will increase annually according to wage adjustments for county workers that have union representation.	Enacted May 1997
Milwaukee, WI School Board	Livable Wage Resolution	Requires that all MPS employees and employees of MPS contractors be paid minimum of $7.70/hr.	Enacted January 1996.

Minneapolis, MN	Recommendations of the Joint Minneapolis-St. Paul Living Wage Jobs Task Force	Recommendations of task force included: 1)businesses receiving $100K or more in city econ. dev. assistance must pay wages set at 110% of fed. pov. level for family of four, with annual indexing; 2) hiring goals for city residents; 3) preferences in assistance to businesses engaging in enumerated responsible labor relations; and 4) bars from contracting out existing public sector work unless contractors paid living wage or current city wage.	Proposal passed City Council 12-0 (1 member not voting) March 7, 1997. Also provides for coverage of city service contractors, to the extent possible, within four years. Authorizes study of whether pay rate should be 100% of poverty level if employer provides health insurance. Sets goal of 60% of new jobs set-aside for city residents. Requires development of administrative guidelines to implement Living Wage Policy.
New Haven, CT	Ordinance Establishing a Living Wage for Service Workers (enacted)	Ordinance requires city contractors to pay workers rate set at 120% of poverty level for family of four, with increases phased in over five years. First increment (100% of poverty level) to take effect July 1997, rising by 5% annually. Includes community hiring hall provision. Establishes 9-member oversight commission.	Passed by City Council, April 1997
New York, NY	City Code Amendment establishing prevailing wage	Requires businesses with certain City contracts for	NYC Council passed ordinance 7/11/96; Mayor Giuliani vetoed

	requirement for certain service contracts (enacted)	security, temporary office service, cleaning and food services to pay workers under the contracts prevailing wages for affected occupations, with occupational rates determined annually by city comptroller & estimated to range from $7.25 to $11.25/hr. Covers reporting, record keeping, enforcement & sanctions.	8/7/96; Council overrode veto 9/11/96. Comptroller developing prevailing wage list for affected occupations.
Oakland, CA	Living Wage	Require public contractors and subsidized business to pay a living wage of $8.00/hr. ($9.25 if no health benefits), encourage local hiring, require reporting requirements and citizens advisory board.	Ordinance passed March 24, 1998. City Council vote, 9-0.
Pasadena, CA	Living Wage	Two proposals pending: one for $8.50/hr with benefits; $11.00/hr without benefits; one modeled after Los Angeles -- $7.25/hr plus benefits, $8.50 without benefits. Both apply to welfare partcipants.	Still pending.
Philadelphia, PA	Living Wage	Require public contractors and subsidized businesses to pay a living wage of $7.70/ hr. and hire from the	Ordinance introduced.

		community.	
Portland, OR	Fair Wage Policy	July 1, 1998: $7.50 July 1, 1999: $8.00 Plus health benefits. Ordinance covers janitors, security guards and parking attendants. Temporary clerical workers will be added in a later ordinance.	Passed by unanimous City Council vote, April 15, 1998.
San Jose, CA	Prevailing Wage Ordinance (enacted)	Amendment to city's little Davis-Bacon prevailing wage ordinance requires service contractors with contracts of $1,000 or more to pay prevailing wages for work under the contract.	Enacted 1991.
Santa Clara County, CA	Manufacturing Personal Property Tax Rebate; Santa Clara County Growth & Job Creation Policy (enacted)	Measure provides for tax rebate of property tax levy on manufacturing equipment for businesses locating or expanding within county if certain conditions are met, incl. company pays wages at or above competitive industry wages (at least $10/hr), provides health care to all permanent employees, has history of fair labor practices & other corporate good citizen practices.	Passed by County Council September 19, 1996.
St. Paul, MN	Same as Minneapolis	Same as Minneapolis	Modified set of recommendations

			passed unanimously in St. Paul on 1/2/97; requires 110% rate where no health insurance provided, & 100% rate for businesses providing health insurance; deleted restriction on contracting out and enumeration of responsible labor practices. Mandates 60% hiring preference for city residents.
State of Maryland	Living Wage Pilot Program	Contract for cleaning state-owned World Trade Center requires payment of living wage of $6.60/hr. to employees providing contracted service; rate rises to $7.10 in 1997 and $7.70 in 1998.	Announced 7/25/96. Possible future expansion to other state contracts, depending on results of pilot.

Information provided by the AFL-CIO Public Policy Department.

CAMBRIDGE LIVING WAGE ORDINANCE

WHEREAS, the City of Cambridge provides grants, loans, tax incentives, contracts and other forms of assistance to business that result in the subsidization, creation, or maintenance of a wide variety of employment opportunities; and
WHEREAS, the City of Cambridge has a limited amount of taxpayer resources to expend; and
WHEREAS, the use of taxpayer dollars to promote the sustenance and creation of living wage jobs will increase consumer income, decrease levels of poverty, invigorate neighborhood businesses, and reduce the need for taxpayer-funded social programs in other areas; and
WHEREAS, the City of Cambridge has paid prevailing wage rates for City public works projects and these prevailing wages are of tremendous benefit to the public workforce and their families, Cambridge neighborhoods, and the area economy; and
WHEREAS, union members, community organizations, low and moderate-income church members, and others have organized through the Cambridge Campaign for a Living Wage and proposed this policy; now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMBRIDGE:

That the Municipal Code of Cambridge is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions.
For the purposes of this ordinance, the term:
(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.
(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;
(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(3) Any contractor or subcontractor of a Beneficiary.

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or

regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.

This law shall be effective on the date of February 1, 1999.

CAMBRIDGE LIVING WAGE ORDINANCE

WHEREAS, the City of Cambridge provides grants, loans, tax incentives, contracts and other forms of assistance to business that result in the subsidization, creation, or maintenance of a wide variety of employment opportunities; and
WHEREAS, the City of Cambridge has a limited amount of taxpayer resources to expend; and
WHEREAS, the use of taxpayer dollars to promote the sustenance and creation of living wage jobs will increase consumer income, decrease levels of poverty, invigorate neighborhood businesses, and reduce the need for taxpayer-funded social programs in other areas; and
WHEREAS, the City of Cambridge has paid prevailing wage rates for City public works projects and these prevailing wages are of tremendous benefit to the public workforce and their families, Cambridge neighborhoods, and the area economy; and
WHEREAS, union members, community organizations, low and moderate-income church members, and others have organized through the Cambridge Campaign for a Living Wage and proposed this policy; now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMBRIDGE:

That the Municipal Code of Cambridge is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions.
For the purposes of this ordinance, the term:
(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.
(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;
(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(3) Any contractor or subcontractor of a Beneficiary.

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or

regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.

This law shall be effective on the date of February 1, 1999.

CAMBRIDGE LIVING WAGE ORDINANCE

WHEREAS, the City of Cambridge provides grants, loans, tax incentives, contracts and other forms of assistance to business that result in the subsidization, creation, or maintenance of a wide variety of employment opportunities; and
WHEREAS, the City of Cambridge has a limited amount of taxpayer resources to expend; and
WHEREAS, the use of taxpayer dollars to promote the sustenance and creation of living wage jobs will increase consumer income, decrease levels of poverty, invigorate neighborhood businesses, and reduce the need for taxpayer-funded social programs in other areas; and
WHEREAS, the City of Cambridge has paid prevailing wage rates for City public works projects and these prevailing wages are of tremendous benefit to the public workforce and their families, Cambridge neighborhoods, and the area economy; and
WHEREAS, union members, community organizations, low and moderate-income church members, and others have organized through the Cambridge Campaign for a Living Wage and proposed this policy; now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMBRIDGE:

That the Municipal Code of Cambridge is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions.
For the purposes of this ordinance, the term:
(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.
(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;
(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(3) Any contractor or subcontractor of a Beneficiary.

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or

regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

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All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.

This law shall be effective on the date of February 1, 1999.

CAMBRIDGE LIVING WAGE ORDINANCE

WHEREAS, the City of Cambridge provides grants, loans, tax incentives, contracts and other forms of assistance to business that result in the subsidization, creation, or maintenance of a wide variety of employment opportunities; and

WHEREAS, the City of Cambridge has a limited amount of taxpayer resources to expend; and

WHEREAS, the use of taxpayer dollars to promote the sustenance and creation of living wage jobs will increase consumer income, decrease levels of poverty, invigorate neighborhood businesses, and reduce the need for taxpayer-funded social programs in other areas; and

WHEREAS, the City of Cambridge has paid prevailing wage rates for City public works projects and these prevailing wages are of tremendous benefit to the public workforce and their families, Cambridge neighborhoods, and the area economy; and

WHEREAS, union members, community organizations, low and moderate-income church members, and others have organized through the Cambridge Campaign for a Living Wage and proposed this policy; now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMBRIDGE:

That the Municipal Code of Cambridge is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.

Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions.

For the purposes of this ordinance, the term:

(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;

(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(3) Any contractor or subcontractor of a Beneficiary.

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or

regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.

This law shall be effective on the date of February 1, 1999.

CAMBRIDGE LIVING WAGE ORDINANCE

WHEREAS, the City of Cambridge provides grants, loans, tax incentives, contracts and other forms of assistance to business that result in the subsidization, creation, or maintenance of a wide variety of employment opportunities; and
WHEREAS, the City of Cambridge has a limited amount of taxpayer resources to expend; and
WHEREAS, the use of taxpayer dollars to promote the sustenance and creation of living wage jobs will increase consumer income, decrease levels of poverty, invigorate neighborhood businesses, and reduce the need for taxpayer-funded social programs in other areas; and
WHEREAS, the City of Cambridge has paid prevailing wage rates for City public works projects and these prevailing wages are of tremendous benefit to the public workforce and their families, Cambridge neighborhoods, and the area economy; and
WHEREAS, union members, community organizations, low and moderate-income church members, and others have organized through the Cambridge Campaign for a Living Wage and proposed this policy; now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMBRIDGE:

That the Municipal Code of Cambridge is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions.
For the purposes of this ordinance, the term:
(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.
(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;
(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(3) Any contractor or subcontractor of a Beneficiary.

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or

regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.

This law shall be effective on the date of February 1, 1999.

CCM-101

City of Cambridge

Communication #8

IN CITY COUNCIL

November 16, 1998

MAYOR DUEHAY
COUNCILLOR BORN
COUNCILLOR DAVIS
VICE MAYOR GALLUCCIO
COUNCILLOR REEVES
COUNCILLOR RUSSELL
COUNCILLOR SULLIVAN
COUNCILLOR TOOMEY
COUNCILLOR TRIANTAFILLOU

WHEREAS: The City of Cambridge provides grants, loans, tax incentives, contracts and other forms of assistance to businesses that result in the subsidization, creation, or maintenance of a wide variety of employment opportunities; and

WHEREAS: The City of Cambridge has a limited amount of taxpayer resources to expend; and

WHEREAS: The use of taxpayer dollars to promote the sustenance and creation of living wage jobs will increase consumer income, decrease levels of poverty, invigorate neighborhood businesses, and reduce the need for taxpayer-funded social programs in other areas; and

WHEREAS: The City of Cambridge has paid prevailing wage rates for City public works projects and these prevailing wages are of tremendous benefit to the public workforce and their families, Cambridge neighborhoods, and the area economy; and

WHEREAS: Union members, community organizations, low and moderate-income church members, and others have organized through the Cambridge Campaign for a Living Wage and proposed this policy; now therefore be it

RESOLVED: That the City Council goes on record supporting in principle the proposed Cambridge Living Wage Ordinance at $10.00 an hour; and be it further

RESOLVED: That the City Council send the proposed Cambridge Living Wage Ordinance to the Ordinance Committee for speedy action and that the Ordinance Committee take all actions necessary to bring it back to the City council by its first meeting in January, 1999.

In City Council November 16, 1998.
Adopted by the affirmative vote of nine members.
Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:- D Margaret Drury

D. Margaret Drury
City Clerk

CAMBRIDGE CAMPAIGN for a

LIVING WAGE

c/o EFZ, 11 Inman St., Cambridge MA 02139
(617) 868-2900

November 4, 1998

Councilor Kathleen L. Born
Councilor Henrietta Davis
Mayor Francis H. Duehay
Vice Mayor Anthony D. Galluccio
Councilor Kenneth E. Reeves
Councilor Sheila T. Russell
Councilor Michael A. Sullivan
Councilor Katherine Triantafillou
Councilor Timothy J. Toomey, Jr.

Cambridge City Council
City Hall, 2nd Floor
795 Massachusetts Avenue
Cambridge, MA 02139

OFFICE OF THE CITY CLERK
CAMBRIDGE, MASSACHUSETTS
1998 NOV 12 P 12:47

Dear City Councilor:

The Cambridge Campaign for a Living Wage has been working since January of this year to craft a Living Wage Ordinance that would provide that employees of the City of Cambridge, employees of City contractors, and employees of recipients of City subsidies receive a "living wage." Since January we have gathered the support of over 35 community organizations, received input on the ordinance from members of these organizations and others, gathered information on the impact such an ordinance would have, and met with each of you.

Each one of you has told us that you support the principle of the Living Wage Ordinance.

We have finalized our draft of the Cambridge Living Wage Ordinance and are now prepared to submit it to the City Council. We understand that the proposed ordinance must go to the Ordinance Committee and we have drafted a resolution endorsing the Cambridge Living Wage Ordinance in principle and sending it to the Ordinance Committee for speedy action. We intend to submit that resolution for action at the City Council meeting of November 16, 1998.

We have enclosed a copy of the resolution as well as a copy of the proposed Cambridge Living Wage Ordinance. Please feel free to contact us should you have any questions about either.

Sincerely,

Natalie Smith, for the Cambridge Campaign for a Living Wage

Consent Communication #8

A communication was received from Natalie Smith, for the Cambridge Campaign for a Living Wage, requesting the City Council to adopt a resolution in support of the living wage in principal and refer the enclosed ordinance to the Ordinance Committee for a hearing.

In City Council November 16, 1998.

Referred to Ordinance Committee

ORDER ADOPTED

sent to C. Davis 11/18/98.

6.

City of Cambridge

In City Council January 11, 1998

The Ordinance Committee held a public hearing on December 1, 1998, beginning at 7:15 p.m. in the Sullivan chamber for the purpose of considering a proposed amendment to the Municipal Code to provide a Living Wage Ordinance.

Present at the hearing were Councillor Henrietta Davis, Chair of the Committee, Vice Mayor Anthony D. Galluccio, Councillor Kathleen Leahy Born, Councillor Sheila T. Russell, Councillor Michael A. Sullivan, Councillor Katherine Triantafillou, and City Clerk D. Margaret Drury.

Councillor Davis convened the hearing and explained the purpose and the procedure. She invited a presentation from the proponents of the amendment.

David Slaney, Norfolk Street, began the presentation. Mr. Slaney introduced Attorney Judy Somberg, 48 Antrim Street, who drafted the ordinance, to explain the ordinance.

Attorney Somberg stated that the ordinance applies to three categories. One is employees of the City, which is somewhat different from most ordinances of this type. It also applies to employees of contractors who have contracts with the City of over $10,000.00. Since these contracts must be bid under state law, there is already paperwork involved; the goal was not to add a lot of paperwork. The third category is employees of organizations receiving subsidies from the City.

Attorney Somberg explained that health insurance is not mandated because it is so very expensive in this area. There is a provision for waivers and exemptions. Exemptions are for particular jobs in such categories as youth jobs and training jobs. There is also a provision for a hardship waiver for certain non-profit employers. Ms. Somberg noted that the major enforcement contemplated is self-enforcement by employees. She stated that the City Manager should be consulted as to which city department should be involved in administration. The proposed ordinance puts it in the Personnel Department, but that is really his call. The one mandatory remedy is wage restitution; other remedies are at the City's discretion.

Attorney Somberg stated that this ordinance is in keeping with other actions of this City Council, such as the Cambridge Employment Plan. She submitted copies of two studies of the Baltimore Living Wage, one of which was just completed a year after the first study. Most of the workers affected were part-time and seasonal employees. The main effect was a more stable workforce in these categories. There were no negative effects on the city of Baltimore.

Councillor Russell stated that she supports this ordinance but she has some questions. She asked whether enforcement has been a problem in other cities with this ordinance. Attorney Somberg stated that there is a problem with compliance, but as with the Cambridge law, the laws are generally self-enforced by employees.

Councillor Davis stated that Mr. Healy has given her a printout of what vendors would be covered. It appears that about 600 vendors have contracts with the City for more than $10,000.00. Attorney Somberg stated that she has reviewed this list. Many probably do not have any employees who earn less than $10.00 per hour. Also, contracts for purchases are not involved, the law only applies to service contracts.

Councillor Triantafillou asked whether there could be a potential action against the City. Attorney Somberg stated that she supposed that it is possible but it would be a fairly convoluted course of action for an employee to take when there is a direct right of action against the contractor.

Councillor Triantafillou said that it is important to be clear about what the cost to the City will be; she believes that there will be a cost. She is willing to support this ordinance even though there is a cost but it is important to make an informed choice.

Councillor Triantafillou asked how this will affect restaurant employees, for example, employees of a food contractor who supplies the City. Ms. Somberg stated that employees who work on the contract would have to receive a living wage, not all employees of the contractor.

Councillor Triantafillou asked what effect the ordinance will have on the Health Commission. Ms. Somberg stated that the Cambridge Hospital and clinics that supply services to Cambridge residents would be subject to the living wage. People who work in the cafeteria would be affected, and some other categories of employees.

Councillor Born asked about what agencies and organizations would fall under the category of employees receiving assistance. She also asked how this ordinance interfaces with the responsible employer ordinance. Attorney Somberg stated that this ordinance is another tool but it is specific to the living wage.

Councillor Born asked how this proposal differs from the Boston ordinance. Ms. Somberg stated that one difference is the $10.00 per hour wage amount. Another is that the Boston ordinance has a focus on hiring halls. Also, the Boston ordinance only applies to large employers.

Mr. Slaney stated that the Boston ordinance also required a great deal of paperwork and reporting by employers which this ordinance does not include.

Vice Mayor Galluccio asked whether the ordinance covers employers who contract with the Cambridge Hospital.

Vice Mayor Galluccio moved that the committee receive a report on what the Law Department perceives the impacted employers to be and to what extent the Public Health Commission will be subject to this ordinance. For example, security guards at the Hospital start at $8.00 per hour with no benefits. He noted that this ordinance is also a detriment to privatization.

Vice Mayor Galluccio asked whether the proposal is intended to affect the nine-week positions that the City utilizes for unskilled labor, usually for people who have no other prospect at all. Ms. Somberg stated that temporary employees are not exempted; they are covered by the ordinance. Vice Mayor Galluccio recommended taking a closer look at this issue, because although he believes that the pay is too low, these jobs can be a very important stopgap for a desperate person.

Councillor Triantafillou asked about implementation. She asked whether the ordinance contemplated one department having hearings or several. She also asked about the retaliation and discrimination provision and how it works in conjunction with other statutes and jurisdictions such as Massachusetts Commission Against Discrimination.

Councillor Triantafillou moved that the City Manager be requested to provide the following information:

1. Does the City already have automatic CPI cost of living increases?

2. Is there any collective bargaining issue with regard to changing the terms of a collective bargaining agreement presented by this ordinance?

3. Would the City Manager provide an estimate as to the cost of implementing This ordinance in terms of additional employees, etc.?

Councillor Davis stated that $10.00 per hour seems hardly enough to be called a living wage. However, looking at the list, there seem to be potential issues, for example, special education placements across the state, the Cambridge Camping Association which hires college students seasonally and where what they are paid impacts the costs to low and moderate income families.

Ms. Somberg stated that the Campaign for a Living Wage would be interested in looking at any particular contract that raises issues that need to be addressed.

Councillor Davis then invited public comment.

Representative Alice K. Wolf, Huron Avenue, stated her strong support for the concept of a living wage and of the City Council enacting an ordinance to provide a living wage. This is a movement across the country. New York, Portland, Oregon, Baltimore and Boston have all passed living wage ordinances. It has been an effective effort in other communities. A number of these ordinances include cost-of-living increase provisions.

Elie Yarden, 143 Pleasant Street, spoke in favor of the proposed ordinance and stated that he has participated in some of the committee meetings to discuss the draft. He stated that he shares the concerns expressed by City Councillors about how this can affect various important goals, but there are consequences to the people who are performing slave labor.

Elaine DeRosa, 4 Pleasant Place, Executive Director of CEOC, stated CEOC's support for this ordinance. CEOC, a non-profit which received city assistance, pays all of its employees at least $10.00 per hour.

Marjorie Decker, 70 Bishop Allen Drive, spoke in support of the ordinance. In fact, $10.00 per hour does not bring a family out of poverty. She suggested a working group of campaign members and city staff to work out any issues.

Maureen Ridge, 150 Staniford Street, Director of Service Employees International Association, spoke in support of the living wage ordinance. She noted the special significance of such an ordinance when welfare reform in Massachusetts has just terminated the benefits of many poor residents, which will inevitably lower wages. She stated that changing collective bargaining language in this situation will not be a problem.

Steve Meacham, 10 Laurel Street, expressed the support of the Eviction Free Zone for this ordinance. He stated that the committee has met every two weeks over the past year. He noted that only fifty employers in Baltimore were found not to be in compliance with the ordinance.

Natalie Smith, 10 Laurel Street, staff person, Campaign for a Living Wage, spoke in support of the living wage ordinance. City Councillors are hired to protect their people, not to worry about how much money is in the bank at the end of the day.

State Representative-elect Jarrett Barrios, 146 Prospect Street, spoke in support of the ordinance. It truly is a moral choice and he is very happy to see the level of support by the City Council. He urged the City Council to be aggressive.

Councillor Triantafillou moved that the questions be submitted to the City Council for reports and that the matter remain in committee. The motion passed without objection.

Councillor Davis thanked those present for their attendance.

The meeting was adjourned at 8:55 p.m.

For the Committee,

Councillor Henrietta Davis
Chair

January 11, 1998

COUNCILLOR DAVIS
VICE MAYOR ANTHONY D. GALLUCCIO
KATHERINE TRIANTAFILLOU

ORDERED: That the City Manager be and hereby is requested to provide the following information to the Ordinance Committee for use in its consideration of the proposed Living Wage Ordinance:

- Costs to the City of this ordinance, in terms of additional employees, etc.
- Effect of this ordinance on the Public Health Commission.
- How the ordinance interfaces with the Responsible Employer Ordinance.
- Comparison of this ordinance and the Boston ordinance.
- Effect on 9 week employee program.
- Does the City already have automatic CPI cost of living increases.
- Description of any collective bargaining issues presented by the ordinance.

C. C. 106

6.

City of Cambridge

In City Council January 11, 1998

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Present at the hearing were Councillor Henrietta Davis, Chair of the Committee, Vice Mayor Anthony D. Galluccio, Councillor Kathleen Leahy Born, Councillor Sheila T. Russell, Councillor Michael A. Sullivan, Councillor Katherine Triantafillou, and City Clerk D. Margaret Drury.

Councillor Davis convened the hearing and explained the purpose and the procedure. She invited a presentation from the proponents of the amendment.

David Slaney, Norfolk Street, began the presentation. Mr. Slaney introduced Attorney Judy Somberg, 48 Antrim Street, who drafted the ordinance, to explain the ordinance.

Attorney Somberg stated that the ordinance applies to three categories. One is employees of the City, which is somewhat different from most ordinances of this type. It also applies to employees of contractors who have contracts with the City of over $10,000.00. Since these contracts must be bid under state law, there is already paperwork involved; the goal was not to add a lot of paperwork. The third category is employees of organizations receiving subsidies from the City.

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For the Committee,

Councillor Henrietta Davis
Chair

January 11, 1998

COUNCILLOR DAVIS
VICE MAYOR ANTHONY D. GALLUCCIO
KATHERINE TRIANTAFILLOU

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- Comparison of this ordinance and the Boston ordinance.
- Effect on 9 week employee program.
- Does the City already have automatic CPI cost of living increases.
- Description of any collective bargaining issues presented by the ordinance.

KT, ITD KB SK AG MAS

COMMITTEE MINUTES
COVER SHEET

The Ordinance Committee held a public ~~meeting~~/hearing on December 1, 1998, beginning at 7:15 ~~am~~ pm in the Sullivan Chamber/~~Ackermann Room~~ for the purpose of considering a proposed amendment to Municipal Code to provide a Living Wage Ordinance.

Present at the hearing were Councillor Henrietta Davis, , Chair of the Committee, ~~Mayor Francis H. Duehay~~, Vice Mayor Anthony D. Galluccio, Councillor Kathleen Leahy Born, ~~Councillor Henrietta Davis~~, ~~Councillor Kenneth E. Reeves~~, Councillor Sheila T. Russell, Councillor Michael A. Sullivan, Councillor ~~Timothy J. Toomey~~, Jr., Councillor Katherine Triantafillou, and City Clerk D. Margaret Drury.

~~Also present were~~

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C. Russell stated that she supports this ordinance but she has some questions. She asked whether enforcement has been a problem in other cities w/ this ordinance.

Atty Somberg stated that there is a problem w/ complaints, but as with the Cambridge law, the laws are generally self-enforced by employees.

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Atty Somberg stated that she has reviewed this list. Many probably do not have any employees who earn less

than $10 per hour. Also ~~vend~~ contracts for purchases ~~Ks~~ ~~contra~~ are not involved; the law only applies to service contracts.

KT asked whether there could be a potential action against the city. Atty S stated that she supposes that it is possible but it wld be a fairly convoluted course of action for an employee to take when ~~it~~ there is a direct right of action against the contract.

KT said that it is important to be clear ~~KT stated that she is concerned~~ about what ~~there~~ the cost to the City will be; She believes that there will be a cost. She is willing to support this ordinance even though there is a cost but it is important to make an ~~appr~~ informed choice

KT asked how this will affect restaurant employees, for example employees

of a good contract. who supplies the City Ms. J Somberg ~~Sh~~ stated that employees who work on ~~J S sto~~ the contract would have to receive a living wage, not all employees of the contractor.

KT asked what effect the ordinance will have on the Health Commission. JS stated that the Cambridge Hospital + clinics ~~would~~ be ~~subject~~ That supply services to Cambridge residents would be subject to the living wage. People who work in the cafeteria would be affected, and some other categories of employees.

KB asked abt what ~~categories~~ agencies and organizations would fall under the category of employees receiving assistance. She

also ~~KB~~ asked how this ordinance interfaces w/ the responsible employer ordinance. Atty Somberg stated that this ordinance is another tool but it specific to the language.

KB asked how this proposal differs from the Boston ordinance. Ms. Somberg JS stated that one ~~difference~~ difference is the $10 wage amount. Another is that the Boston ordinance has a focus on hiring halls. ~~It only covers assistant employers to the extent of requiring them to utilize hiring halls.~~ Also, the Boston ordinance only applies to large employers.

Mr. Slaney
Dave Slaney stated that the Boston ordinance also required a great deal of paperwork and reporting by employers which this ordinance does not include.

AG asked whether the ordinance covers employees who contract with the Cambridge Hospital

AG on report on what the Law Dept perceives the impacted employees to be and to what extent the Public Health Commission will be subject to this ordinance. For example, security guards at the Hospital start at $8 per hour w/ no benefits He noted that this ordinance is also a deterrent to privatization.

AG asked whether the proposal is intended to affect the nine-week positions that the City utilizes for unskilled labor, ~~employees~~, ~~He~~ ~~JS~~ usually for people who have no other prospect at all. JS stated that temporary employees are not exempted; they are covered by the ordinance. AG recommended taking a closer look at this issue, because although he

believes the pay is too low, these jobs can be a very important stopgap for a desperate person.

KT asked about implementation. She asked whether the ordinance encompasses one department having hearings or several. She also asked about the retaliation provision and discrimination and how it works in conjunction w/ other statutes and jurisdictions such as MCAD.

KT moved that the City Manager be requested to provide the following information:

1. Does the City already have automatic CPI COLA increases.

2. Is there any collective bargaining issue with regard re: changing the terms of a collective bargaining agreement presented by this ordinance.

3. would the City Manager provide an estimate as to the cost of implementing this ordinance in terms of additional employees, etc

HD stated that $10 per hour seems hardly enough to be called a living wage. However, looking at the list, there seem to be potential issues, for example special ed placements across the state, the Cambridge Camping Association which hires college students seasonally and where what they are paid impacts the costs to low and moderate income

J S stated that the Living Wage Campaign would be interested in looking at any particular contract that raises issues that need to be addressed

HD then invited public comment

Representative Alice K. Wolf, 1 Huron Avenue, stated her strong support for the concept of a living wage and of the City Council ~~adopting~~ enacting an ordinance to provide a living wage. This is a movement across the country. New York, Portland Oregon Baltimore and Boston have all passed living wage ordinances. It has been an effective effort in other communities. A number of these ordinances include cost-of-living increase provisions.

Elie Yarden, 143 Pleasant Street, spoke in favor of the proposed ordinance and stated that he has participated in some of the Committee meetings to discuss the draft.

He stated that he shares the concerns expressed by City Councillors about how this can affect various important goals, but there are consequences to the people who are performing "slave labor."

~~Any bureaucratic organization will use the~~

Elaine DeRosa, 4 Pleasant Place, Executive Director of CEOC, stated CEOC's support for this ordinance. CEOC, a nonprofit which receives City assistance, pays all of its ~~[illegible]~~ employees at least $10 per hour.

Marjorie Decker, 70 Bishop Allen Drive, spoke in support of the ordinance. In fact $10 per hour does not bring a family out of poverty. She suggested a working group of Campaign members and city staff to work out any issues

Maureen Ridge, 150 Stanford Street

Director of Service Employees International Association, spoke in support of the living wage ordinance, ~~and~~ she noted the ~~k~~special significance of such an ordinance ~~when~~ when welfare reform in Massachusetts has just terminated the benefits of many ~~low~~ poor residents, which will inevitably lower wages. She stated that changing collective bargain language in this situation will not be a problem.

Steve Meachum, 10 Laurel Street, expressed the support of the Eviction Free Zone for this ordinance. He stated that the committee has met every 2 weeks over the

past year. He noted that the 50 employers found to be covered in Baltimore were only the 50 found not to be in compliance

Natalie Smith, 10 Laurel Street, staff person, Campaign for a Living Wage, spoke in support of the living wage ordinance. City Councilors are hired to protect their people, not ~~to~~ worry about how much money is in the bank at the end of the day.

State Representative-elect Jarrett Bartis, 146 Prospect Street, spoke in support of the ordinance. Voting is a moral choice + he is very happy to see the level of support by the City Council

He urged the C-C to be agressive.

KT moved that the questions be submitted to the C-C for ~~action~~ reports and that the matter remain in committee ~~[illegible]~~ The motion passed w/o objection.

HD thanked those present for their attendance. ~~and~~ The meeting was adjourned at 8:55 p.m.

015

20 of 2

Cambridge Living Wage
Ordinance #1222

CHAIRMAN
MAYOR FRANCIS H. DUEHAY
VICE CHAIR
E. DENISE SIMMONS

SCHOOL COMMITTEE
CAMBRIDGE, MASSACHUSETTS 02138
OFFICE OF THE SECRETARY
Tel. (617) 349-6620 • Fax: (617) 349-6624

MEMBERS
JOSEPH G. GRASSI
ROBIN A. HARRIS
DAVID P. MAHER
SUSANA M. SEGAT
ALICE L. TURKEL

March 18, 1999

Honorable Members of the City Council
c/o D. Margaret Drury, City Clerk
City Hall
Cambridge, MA 02139

Dear Members of the City Council:

At the Regular Meeting of March 16, 1999, the School Committee voted to go on record as supporting the Living Wage Ordinance. Accordingly, I am enclosing a copy of order (#C99-110).

Very truly yours,

Claire E. Rodley

Claire E. Rodley
Secretary of the School Committee

/cr
Encl.

cc School Committee Members
Superintendent
Executive Director of Management Services
City Manager

SCHOOL COMMITTEE
[illegible]
CAMBRIDGE, MASSACHUSETTS 02138

OFFICE OF THE SECRETARY
Tel. (617) 349-6620 • Fax: (617) 349-6624

CHAIRMAN
MAYOR FRANCIS H. DUEHAY

VICE CHAIR
E. DENISE SIMMONS

MEMBERS
JOSEPH G. GRASSI
ROBIN A. HARRIS
DAVID P. MAHER
SUSANA M. SEGAT
ALICE L. TURKEL

March 18, 1999

Hi Margaret -
Voted. 3/18/99
Thought you might want the hard copy.
Claire R

Honorable M
c/o D. Marg
City Hall
Cambridge, M

Dear Membe

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Claire E. Rodley

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Secretary of the School Committee

/cr
Encl.

cc School Committee Members
Superintendent
Executive Director of Management Services
City Manager

[illegible] CITY CLERK
CAMBRIDGE, MASSACHUSETTS
1999 MAR 19 A 8:34

SCHOOL COMMITTEE
459 BROADWAY
CAMBRIDGE, MASSACHUSETTS 02138

OFFICE OF THE SECRETARY
Tel. (617) 349-6620 • Fax: (617) 349-6624

CHAIRMAN
MAYOR FRANCIS H. DUEHAY

VICE CHAIR
E. DENISE SIMMONS

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Secretary of the School Committee

/cr
Encl.

cc School Committee Members
Superintendent
Executive Director of Management Services
City Manager

1999 MAR 19 A 9:39
CITY CLERK
CAMBRIDGE, MASSACHUSETTS

C99- 110

SCHOOL COMMITTEE
454 BROADWAY
CAMBRIDGE, MASSACHUSETTS 02138

OFFICE OF THE SECRETARY
Tel. (617) 349-6620 • Fax: (617) 349-6624

CHAIRMAN
MAYOR FRANCIS H. DUEHAY

VICE CHAIR
E. DENISE SIMMONS

MEMBERS
JOSEPH G. GRASSI
ROBIN A. HARRIS
DAVID P. MAHER
SUSANA M. SEGAT
ALICE L. TURKEL

--IN SCHOOL COMMITTEE--

March 16, 1999

ORDERED:

That the School Committee inform the City Council that the School Committee wishes to go on record as supporting the Living Wage Ordinance.

A true copy:
Attest: Claire E. Rodley
Claire E. Rodley
Secretary of the School Committee

cc School Committee Members
Superintendent
Executive Director of Management Services
City Council, c/o City Clerk
City Manager

C99- 110

CHAIRMAN
MAYOR FRANCIS H. DUEHAY
VICE CHAIR
E. DENISE SIMMONS

SCHOOL COMMITTEE
CAMBRIDGE, MASSACHUSETTS 02138
OFFICE OF THE SECRETARY
Tel. (617) 349-6620 • Fax: (617) 349-6624

MEMBERS
JOSEPH G. GRASSI
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ALICE L. TURKEL

--IN SCHOOL COMMITTEE--

March 16, 1999

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Claire E. Rodley
Secretary of the School Committee

cc School Committee Members
Superintendent
Executive Director of Management Services
City Council, c/o City Clerk
City Manager

Communications and Reports
From City Officers #2.

A communication was received from Claire E. Rodley, Secretary of the School Committee transmitting an order passed by the School Committee in support of the Living Wage Ordinance.

Referred to petition

Center seeks rising stars in business

Group wants nominations for entrepreneurial awards

The Cambridge Business Development Center is accepting nominations for awards to recognize exceptional entrepreneurial companies and their supporters in the Cambridge community.

This is the first time that CBDC, a nonprofit organization dedicated to helping people start and grow successful businesses, will honor Cambridge entrepreneurial stars at an annual awards ceremony.

Nominations are being accepted for the following awards:

• CBDC's Shining Star awards will honor longtime Cambridge entrepreneurs who have been in business for a minimum of seven years. Businesses nominated must be headquartered in Cambridge. CBDC will present Shining Star awards to both a technology and a non-technology company.

• CBDC's Rising Star awards will honor Cambridge companies which have been in business for at least three years, with an impressive record of growth. These companies must have continued involvement of the company's founder in a significant capacity. Nominees must be headquartered in Cambridge. CBDC will honor both a technology and a non-technology company with Rising Star awards.

• CBDC's Supporter of Cambridge Entrepreneurship award will honor a company or individual with a long and consistent history of dedication to entrepreneurship in Cambridge.

"We want to recognize both long-lasting companies and those that have shown a meteoric rise by developing new technologies or meeting newly identified needs," said Diane Franklin, CBDC's executive director.

Finalists and winners will be chosen by a panel of judges from the lead sponsoring firms: Edwards and Angell, LLP, HighGround Inc., Imperial Bank, PricewaterhouseCoopers, and SOFTBANK Technology Ventures.

The winners will be honored during the CBDC first annual awards ceremony April 28 at the Academy of Arts and Sciences. The event, taking place from 6:30 to 8:30 p.m., includes an opportunity to network over hors d'oeuvres and cocktails before a brief presentation by Tom Scott, co-founder of Nantucket Nectars.

Nomination forms are available from CBDC and are posted online on CBDC's Web site at www.cbdc.org. Companies or individuals interested in nominating exceptional Cambridge companies must submit the nomination form to CBDC either online or via mail by Monday, March 15. CBDC also mailed nomination forms to local service provider firms, corporations and business associations.

CBDC was founded in 1992 as a business resource referral agency. It was a joint venture between Cambridge and the Central Square Business Association.

Zoning appeals board has busy agenda

The Board of Zoning Appeal will hold a public meeting Thursday, March 11, in Room 200, City Hall. The following cases will be heard.

• 7:30 p.m. Case No. 7876 — 8 Mt. Auburn St., Residence C-1 Zone. President and fellow of Harvard College, John Arciprete. Variance: To convert existing nonconforming retail space to administrative offices for an institutional use. Art. 4.000, Sec. 4.56.C.6 (Table Of Institutional Use Regulations — Other College Or University Facility).

• 7:45 p.m. Case No. 7877 — 129 Upland Road, Residence B Zone. Michael and Bonnie Kelly. Variance: To construct walkway/stairs to the garage roof, to be used as a roof deck. Art. 5.000, Sec. 5.31 (Table Of Dimensional Requirements).

• 8 p.m. Case No. 7878 — 14-16 Myrtle Ave., Residence C-1 Zone. Ron Lamarre, architect. Variance: To renovate interior and exterior of existing structure and to add a bay window and two dormers. Art. 5.000, Sec. 5.31 (Table Of Dimensional Requirements). Sec. 5.21 (Lot Area and Width). Art. 8.000, Sec. 8.22.1.H (Non-Conformance).

• 8:15 p.m., Case No. 7879 — 40 Granite St., Residence C Zone. Community Development Department, Beth Rubenstein, Variance: To use part of parking at 40 Granite St. as a Farmers Market from June through November on Saturdays. Art. 4.000, Sec. 4.36.A (Open Air Retail and Service).

• 8:30 p.m. Case No. 7880 — 19 Buckingham St., Residence A-1 Zone. Charles R. Myer. Variance: To extend an existing dormer by 5 feet, 6 inches. Art. 8.000, Sec. 8.22.1.H.2 (Total Length Of All Dormers Exceed 15'0, Non-Conforming Structure).

• 8:45 p.m. Case No. 7881 — 10 Cottage St., Residence C Zone. Mark Carroll. Variance: To construct a roof deck over the two-story portion of the third-story building. Art. 5.000, Sec. 5.31 (Table Of Dimensional Requirements).

• 9 p.m. Case No. 7882 — 10-12 Fairfield St., Residence B Zone. Bradford G. Masuret and Jennifer M. Masuret. Variance: To add a shed dormer to existing dormer. Art. 5.000, Sec. 5.31 (Table Of Dimensional Requirements).

• 9:15 p.m. Case No. 7883 — 241-255 River St., Business A/Res. C-2 Zone. River Street Trust, David Aposhian. Special permit: To provide an additional affordable housing unit in exchange for relief from eight required parking spaces. Art. 6.000, Sec. 6.35 (Reduction Of Required Parking).

Copies of this petition are on file in the office of the city clerk, City Hall. Cases can be reviewed at Inspectional Services Department, 831 Mass. Ave. Continued cases are not advertised but posted in the office board at city clerk's office.

ADDRESS	F
Regent St U-38	5
108 Magazine St	1
1105 Massachusetts Ave U-7c	2
115+ 2nd St U-119	3
165 Raymond St	5
16a Mount Auburn St	3
170 Gore St U-517	2
244 Brattle St U-31	2
285-7 Pearl St U-1	3
355 Concord St U-b	4
45 Brewster St	2
543 Putnam Ave U-3	2
76 Inman St	3
9 Ryder St U-16	1
Davenport St U-11	4
Hamilton St	5
Parker St U-14	3
1228 Cambridge St U-2	1
125 Rindge Ave U-2	1
1259 Cambridge St U-2	1
15 Cornelius Way	2
15-17 Glenwood Ave U-1	2
170 Gore St U-125	1
170 Gore St U-207	1
174 Elm St	1
18 Holworthy Pl	2
186 Walden St	3
2 Potter Park St U-3	1
243-5 Western Ave U-3	1
291 Columbia St	205,000	01/28/99	Regina D Cullen E
30 Chilton St U-2	263,500	01/28/99	Jeffrey P Somers
33-41 Walden St U-3e	132,937	01/25/99	David W Belcher
36 Seven Pines Ave	430,000	01/28/99	David Washken
36-42 Linnaean St U-6	98,000	12/24/98	Truitt A Pastreich
38 Maple Ave U-1	279,000	01/26/99	William R Howell
41 Bowdoin St U-36	239,900	01/25/99	Thomas D Neuma
51 Sherman St U-2	240,000	01/29/99	David H Moore
543 Putnam Ave U-1	219,000	01/29/99	Lawrence P D'ono
63-65 Gore St	50,000	01/25/99	Paul G Deangelis
64-66 Eustis St U-2	355,000	01/29/99	Jonathan T Floe
655 Concord Ave U-203	194,000	01/26/99	Richard J Kelly
655 Concord Ave U-501	217,900	01/28/99	Richard J Kelly
79 Allston St	380,000	01/29/99	Maria J Moreira
9 King St U-1	152,500	01/28/99	Sondra Scheir
988 Memorial Dr U-488	199,000	01/28/99	James C Sellman
St Marys Rd U-19	395,000	02/01/99	June M Campbell
10 Florence St	235,000	02/01/99	Lloyd F Smith Sr
1600 Massachusetts Ave U-606	266,000	02/08/99	Bradley L Pritchett
1760 Massachusetts Ave U-b	275,000	02/08/99	George Mc Eacher
197-9 Mount Auburn St	500,000	02/03/99	J Paul J Monagle
2307 Massachusetts Ave	110,000	02/08/99	Paul D Griffin
240 Brattle St U-1	65,000	02/01/99	Boleslaw A Wysocl
253 Norfolk St U-1.5	161,000	02/01/99	Chocolate Factory
29-33 Regent St U-1r	193,000	02/09/99	Afshan Bokhari
29-33 Regent St U-2l	180,000	02/09/99	Afshan Bokhari
29-33 Regent St U-3l	224,000	02/09/99	Afshan Bokhari
325 Franklin St U-2	479,000	02/01/99	Davenport Townho
325 Franklin St U-3	486,000	02/01/99	Davenport Townho
655 Concord Ave U-502	243,000	02/01/99	Richard J Kelly
67 Spring St	223,000	02/05/99	Matthew J Loughra
77-79 Martin St U-46	207,000	02/01/99	Betty Athanasoulas
931 Massachusetts Ave U-903	175,000	02/01/99	Lee Pil Kee

BOTTOM LINES

HR Council meets

The Human Resources Council will hold its monthly meeting Thursday, March 11, at the Royal Sonesta Hotel in Cambridge.

The program, "Linking Executive Development to Business Strategy," will be presented by Jon A. Anastasio, vice president of executive development, State Street Corporation.

In this role, Anastasio helps executives clarify and achieve their development goals, and is responsible for developing and implementing an organization-wide executive development strategy. His responsibilities include executive assessment and succession planning processes.

This program will focus on the steps State Street is taking to ensure that individual development and any organization-wide development efforts are clearly linked to the organizations' business environment and strategic direction.

The program will include the HRC Exchange from 4:30 to 5:30 p.m., networking from 5:30 to 6:30 p.m., dinner and Anastasio's presentation from 6:30 to 8:30 p.m.

The cost is $45 for members of the Human Resources Council and $55 for non-members. To register, call (781) 453-0884.

The meeting is sponsored by State Street Corporation. The Human Resources Council, a nonprofit organization, serving the Boston business community, is comprised of approximately 200 corporate human resource professionals and those that serve the personnel community in a third-party capacity.

Community investment pays off

East Cambridge Savings Bank's Cushing Square office, located in Belmont, recently was honored by the Watertown-Belmont Chamber of Commerce at its 25th anniversary annual awards dinner.

The dinner honored those who have greatly contributed to the business community. Many groups, individuals and companies had the privilege of being honored at this event. As a tradition, the chamber recognized the revitalization efforts of its large and small member businesses.

The Cushing Square office of the bank was a recipient of the Smaller Member Business Award. East Cambridge Savings Bank improved and remodeled commercial property in the Belmont community. The award acknowledged the renovations the bank has done within the past year. The bank opened its Cushing Square office in the fall 1997.

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15 McGrath Highway at the Somerville/Cambridge line (617) 628-6444 (Across from Twin City Plaza)
2153 Mystic Valley Pkwy. at the Medford/Somerville Line (781) 395-6200 (Next to Wild Harvest)
Over 100 Mix and Match Wines at $10.00, 12.00, 15.00 and 20.00 - Can't Find a Special Order? We will be glad to help You! • Competitive Everyday Prices • Great Sale Prices • Huge Selection of Imported and Domestic Beers, Wines, and Liquors
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BECKS Lt & Dk $9.99
CORONA Rg & Lt $8.99
LOWENBRAU $7.39
12 pk bottles
VINO CASATA $6.75 4 Liter
WOODBRIDGE BY R. MONDAVI
CAB. SAUV., CHARD., MERLOT 1.5 L $10.99
WHITE ZINFANDEL SAUVIGNON BLANC $8.99
SEAGRAM'S 7 $13.99 SEAGRAM'S VO $17.99 CANADIAN MIST $12.99
DEWARS $29.99 CAPTAIN MORGAN $18.99 TANQUERAY $24.99
1.75 LITERS
ABSOLUT 80°... $21.99 1.75 L
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WHDH-TV Channel 7 Reporter
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YMCA of Greater Bo
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LEGAL NOTICES

ORDINANCE #1215

LEGAL NOTICE
CITY OF CAMBRIDGE
ORDINANCE #1215
FINAL PUBLICATION NUMBER 2824
FIRST PUBLICATION IN THE CHRONICLE ON JANUARY 14, 1999.
IN THE YEAR ONE THOUSAND, NINE HUNDRED NINETY NINE
AN ORDINANCE

In amendment to an ordinance entitled "The Municipal Code of the City of Cambridge."

Be it ordained by the City Council of the City of Cambridge as follows:

Chapter 1.12 (Ordinances) of the Cambridge Municipal Code is hereby amended by striking out Section 1.12.030 (Publication and posting procedures) and substituting therefor the following new Section 1.12.030:

1.12.030 Public notice and hearing requirements

(a) For every proposed ordinance which is referred to the Ordinance Committee by the City Council, the Ordinance Committee shall hold a public hearing and shall publish notice of such hearing in at least one newspaper of the City at least seven days before the hearing.

(b) Every proposed ordinance or loan order, except emergency measures and revenue loan orders, shall be published once in full in at least one newspaper of the City, and in any additional manner that may be provided by ordinances, at least ten days before its final passage. After final passage, it shall, in the manner as before, again be published once, as amended and completed, except in the case of an emergency ordinance which shall take effect on its passage, and shall be so published at the earliest practicable moment; provided, that if any ordinance or proposed ordinance, or codification of ordinances or proposed ordinances, shall exceed in length eight octavo pages or ordinary book print, then, in lieu of the advertising required by this section, the same may be published by the City Council in a municipal bulletin or printed pamphlet, and if so published in full at least ten days before its final passage, and thereafter as amended and completed, again published in such bulletin or pamphlet, such publication shall be deemed sufficient without the newspaper publication as required in this section. (Prior code 1-4)

In City Council February 22, 1999.
Passed to be Ordained by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.

ATTEST:-
D. Margaret Drury
City Clerk

AD #785229
Cambridge Chronicle, 2/25/99

ORDINANCE #2828

LEGAL NOTICE
CITY OF CAMBRIDGE
ORDINANCE #2828
FIRST PUBLICATION NUMBER 2819
FINAL PUBLICATION IN THE CHRONICLE ON FEBRUARY 4, 1999.
IN THE YEAR ONE THOUSAND, NINE HUNDRED NINETY NINE
AN ORDINANCE

In amendment to the "Municipal Code of the City of Cambridge"

Be it ordained by the City Council of the City of Cambridge as follows:

The title of Chapter 2.84 be amended to read (add bold text; delete strikethrough text):

COORDINATING COUNCIL FOR CHILDREN, YOUTH AND FAMILY. ALSO KNOWN AS **"THE KIDS' COUNCIL"**

That to Section 2.84.030 entitled **Membership - Appointment - Term** be added:

"The Police Commissioner,"
(insert directly before "A member of the philanthropic community;")

That Sub Section D of Section 2.84.030 entitled **Membership - Appointment - Term** be modified to read (bold text replaces strikethrough text):

"City Council and School Committee members and a representative of the Mayor, if he or she so desires, shall be appointed by the City Manager with advice and recommendations from the Mayor. All other members shall be appointed by the City Manager with advice and recommendations from the **Kids' Council.** The **Kids' Council** shall consult with groups involved with children and shall advertise widely to obtain names of qualified candidates."

That Sub Section 1 of Section 2.84.070 entitled **Powers and Duties** be modified to read (bold text replaces strikethrough text):

"Encourage youth input through the creation of specific opportunities for youth to provide **their** perspectives on their lives, community and issues facing them. (Ord. 1120 (part). 1991)"

In City Council February 22, 1999.
Passed to be Ordained by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.

ATTEST:-
D. Margaret Drury
City Clerk

AD #785542
Cambridge Chronicle, 2/25/99

ORDINANCE #2822

LEGAL NOTICE
CITY OF CAMBRIDGE
FIRST PUBLICATION #2822
IN THE YEAR ONE THOUSAND, NINE HUNDRED NINETY NINE
AN ORDINANCE

In amendment to an ordinance entitled "The Municipal Code of the City of Cambridge"

Be it ordained by the City Council of the City of Cambridge as follows:

That the **Municipal Code of Cambridge** is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions
For the purposes of this ordinance, the term:
(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.
(b) "Assistance" means:
(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that any employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and
(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and
(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;

(c) "Beneficiary" means:
(1) any person who is a recipient of Assistance;
(2) any company or person that is a tenant or sub-tenant, leaseholder or subleaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and
(3) Any contractor or subcontractor of a Beneficiary.
(d) **"Covered Employer"** means the City of Cambridge or a Beneficiary of Assistance.
(e) **"Covered Employee"** means:
(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and
(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.
(f) **"Living Wage"** has the meaning stated in Section 3.
(g) **"Person"** means one or more of the following or their agents, employees, servants, representatives, and legal representative: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.
(a) Applicability. Covered Employees shall pay no less than the Living Wage to their employees.
(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI-U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.
(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.
(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.
(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.
(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.
(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.
(d) Contents. All General Waiver requests shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;
(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and
(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.
(e) Contents. All Hardship Waiver requests shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and
(3) A statement of proposed wages below the Living Wage.
(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.
(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:
(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;
(2) work-study or cooperative educational programs;
(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.
All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.
(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:
(1) notice of the Living Wage amount;
(2) a summary of the provisions of this ordinance;
(3) a description of the enforcement provisions of the ordinance;
(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.
(b) Contract for Assistance. At the time of signing, a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:
(1) the name of the program or project under which the contract or subcontract is being awarded;
(2) a local contact name, address, and phone number for the Beneficiary;
(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;
(4) a list of Covered Employees under the contract with the employees' job titles;
(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.
(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of such investigations to the Community Advisory Board.
(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.
(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year. The report shall include, for each Assistance package or contract approved during the preceding fiscal year:
(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance.
(2) a description of the purpose or project for which the Assistance was awarded;
(3) the name, address, and phone number of a local contact person for the Covered Employer;
(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.
(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at crating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.
(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.
(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.
(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.
(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.
(c) Investigations and Hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has filed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:
(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;
(2) Suspension of ongoing contract and subcontract payments;
(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and
(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.
(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.
(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.
(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.
In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.
This law shall be effective on the date of February 1, 1999.
Passeo to a second reading at the City Council meeting held on February 22, 1999 and on or after March 8, 1999 the question comes on passing to be ordained.
ATTEST:-
D. Margaret Drury, City Clerk
Cambridge Chronicle, 2/25/99

To place your legal notice call
1-800-624-7355 or fax to
781-453-6650.

Center seeks rising stars in business

Group wants nominations for entrepreneurial awards

The Cambridge Business Development Center is accepting nominations for awards to recognize exceptional entrepreneurial companies and their supporters in the Cambridge community.

This is the first time that CBDC, a nonprofit organization dedicated to helping people start and grow successful businesses, will honor Cambridge entrepreneurial stars at an annual awards ceremony.

Nominations are being accepted for the following awards:

• CBDC's Shining Star awards will honor longtime Cambridge entrepreneurs who have been in business for a minimum of seven years. Businesses nominated must be headquartered in Cambridge. CBDC will present Shining Star awards to both a technology and a non-technology company.

• CBDC's Rising Star awards will honor Cambridge companies which have been in business for at least three years, with an impressive record of growth. These companies must have continued involvement of the company's founder in a significant capacity. Nominees must be headquartered in Cambridge. CBDC will honor both a technology and a non-technology company with Rising Star awards.

• CBDC's Supporter of Cambridge Entrepreneurship award will honor a company or individual with a long and consistent history of dedication to entrepreneurship in Cambridge.

"We want to recognize both long-lasting companies and those that have shown a meteoric rise by developing new technologies or meeting newly identified needs," said Diane Franklin, CBDC's executive director.

Finalists and winners will be chosen by a panel of judges from the lead sponsoring firms: Edwards and Angell, LLP, HighGround Inc., Imperial Bank, PricewaterhouseCoopers, and SOFTBANK Technology Ventures.

The winners will be honored during the CBDC first annual awards ceremony April 28 at the Academy of Arts and Sciences. The event, taking place from 6:30 to 8:30 p.m., includes an opportunity to network over hors d'oeuvres and cocktails before a brief presentation by Tom Scott, co-founder of Nantucket Nectars.

Nomination forms are available from CBDC and are posted online on CBDC's Web site at www.cbdc.org. Companies or individuals interested in nominating exceptional Cambridge companies must submit the nomination form to CBDC either online or via mail by Monday, March 15. CBDC also mailed nomination forms to local service provider firms, corporations and business associations.

CBDC was founded in 1992 as a business resource referral agency. It was a joint venture between Cambridge and the Central Square Business Association.

Zoning appeals board has busy agenda

The Board of Zoning Appeal will hold a public meeting Thursday, March 11, in Room 200, City Hall. The following cases will be heard.

• 7:30 p.m. Case No. 7876 — 8 Mt. Auburn St., Residence C-1 Zone. President and fellow of Harvard College, John Arciprete. Variance: To convert existing nonconforming retail space to administrative offices for an institutional use. Art. 4.000, Sec. 4.56.C.6 (Table Of Institutional Use Regulations — Other College Or University Facility).

• 7:45 p.m. Case No. 7877 — 129 Upland Road, Residence B Zone. Michael and Bonnie Kelly. Variance: To construct walkway/stairs to the garage roof, to be used as a roof deck. Art. 5.000, Sec. 5.31 (Table Of Dimensional Requirements).

• 8 p.m. Case No. 7878 — 14-16 Myrtle Ave., Residence C-1 Zone. Ron Lamarre, architect. Variance: To renovate interior and exterior of existing structure and to add a bay window and two dormers. Art. 5.000, Sec. 5.31 (Table Of Dimensional Requirements). Sec. 5.21 (Lot Area and Width). Art. 8.000, Sec. 8.22.1.H (Non-Conformance).

• 8:15 p.m., Case No. 7879 — 40 Granite St., Residence C Zone. Community Development Department, Beth Rubenstein. Variance: To use part of parking at 40 Granite St. as a Farmers Market from June through November on Saturdays. Art. 4.000, Sec. 4.36.A (Open Air Retail and Service).

• 8:30 p.m. Case No. 7880 — 19 Buckingham St., Residence A-1 Zone. Charles R. Myer. Variance: To extend an existing dormer by 5 feet, 6 inches. Art. 8.000, Sec. 8.22.1.H.2 (Total Length Of All Dormers Exceed 15'0, Non-Conforming Structure).

• 8:45 p.m. Case No. 7881 — 10 Cottage St., Residence C Zone. Mark Carroll. Variance: To construct a roof deck over the two-story portion of the third-story building. Art. 5.000, Sec. 5.31 (Table Of Dimensional Requirements).

• 9 p.m. Case No. 7882 — 10-12 Fairfield St., Residence B Zone. Bradford G. Masuret and Jennifer M. Masuret. Variance: To add a shed dormer to existing dormer. Art. 5.000, Sec. 5.31 (Table Of Dimensional Requirements).

• 9:15 p.m. Case No. 7883 — 241-255 River St., Business A/Res. C-2 Zone. River Street Trust. David Aposhian. Special permit: To provide an additional affordable housing unit in exchange for relief from eight required parking spaces. Art. 6.000, Sec. 6.35 (Reduction Of Required Parking).

Copies of this petition are on file in the office of the city clerk, City Hall. Cases can be reviewed at Inspectional Services Department, 831 Mass. Ave. Continued cases are not advertised but posted in the office board at city clerk's office.

BOTTOM LINES

HR Council meets

The Human Resources Council will hold its monthly meeting Thursday, March 11, at the Royal Sonesta Hotel in Cambridge.

The program, "Linking Executive Development to Business Strategy," will be presented by Jon A. Anastasio, vice president of executive development, State Street Corporation.

In this role, Anastasio helps executives clarify and achieve their development goals, and is responsible for developing and implementing an organization-wide executive development strategy. His responsibilities include executive assessment and succession planning processes.

This program will focus on the steps State Street is taking to ensure that individual development and any organization-wide development efforts are clearly linked to the organizations' business environment and strategic direction.

The program will include the HRC Exchange from 4:30 to 5:30 p.m., networking from 5:30 to 6:30 p.m., dinner and Anastasio's presentation from 6:30 to 8:30 p.m.

The cost is $45 for members of the Human Resources Council and $55 for non-members. To register, call (781) 453-0884.

The meeting is sponsored by State Street Corporation. The Human Resources Council, a non-profit organization, serving the Boston business community, is comprised of approximately 200 corporate human resource professionals and those that serve the personnel community in a third-party capacity.

Community investment pays off

East Cambridge Savings Bank's Cushing Square office, located in Belmont, recently was honored by the Watertown-Belmont Chamber of Commerce at its 25th anniversary annual awards dinner.

The dinner honored those who have greatly contributed to the business community. Many groups, individuals and companies had the privilege of being honored at this event. As a tradition, the chamber recognized the revitalization efforts of its large and small member businesses.

The Cushing Square office of the bank was a recipient of the Smaller Member Business Award. East Cambridge Savings Bank improved and remodeled commercial property in the Belmont community. The award acknowledged the renovations the bank has done within the past year. The bank opened its Cushing Square office in the fall 1997.

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2153 Mystic Valley Pkwy. at the Medford/Somerville Line (781) 395-6200 (Next to Wild Harvest)
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REAL ESTATE TRANSACTIONS

ADDRESS	PRICE	DATE	SELLER	BUYER
Regent St U-38	535,000	01/19/99	Regent Realty Tr	Mr.& Mrs. Dwight W Webb
108 Magazine St	199,000	01/19/99	Linda Krolikowski	Mr. Gilbert E J Blais
1105 Massachusetts Ave U-7c	223,500	01/22/99	Michael A Albert	Mr.& Mrs. Guy Miasnik
115+ 2nd St U-119	305,000	01/22/99	Erik P Kondo	Ms. Ashley Swayne
165 Raymond St	526,500	01/15/99	Randolph H Burkhart	Mr. Tyler M Clements
16a Mount Auburn St	383,000	01/19/99	William J Mitchell	Mr. Judd Braverman
170 Gore St U-517	239,000	01/21/99	Penelope F Devoe	Ms. Kathy J Nelson
244 Brattle St U-31	290,000	01/19/99	Stanley J Nowak	Mr. Theodore M Smith
285-7 Pearl St U-1	359,000	01/15/99	285 Pearl St Lp	Mr. Andreas V M Knonow
355 Concord St U-b	404,500	01/15/99	Robert Benoit	Mr. Anuradha Chitrapu
45 Brewster St	2,307,500	01/15/99	45 Brewster St Tr	Mr. Richard A D'amore
543 Putnam Ave U-3	229,000	01/15/99	Lawrence P D'onofrio	Mr.& Mrs. Colin G K Owyang
76 Inman St	317,000	01/22/99	Edward B Feinman	Mr.& Mrs. Carlos E Semino
9 Ryder St U-16	105,000	01/20/99	Maria T F Lopes	Mr. Gregorios Tzovaras
Davenport St U-11	420,000	01/29/99	Davenport St Corp	Mr. Robert H Bray
Hamilton St	540,000	01/28/99	Rita L Leblanc	Mr. Jeffrey J Cummings
Parker St U-14	320,000	01/27/99	Catherine K Riessman	Ms. Patricia H David
1228 Cambridge St U-2	147,000	01/29/99	Hals Realty Tr	Ms. Sarah J Uphoff
125 Rindge Ave U-2	147,500	01/27/99	Arthur W Robichaud	Ms. Pauline L Quirion
1259 Cambridge St U-2	143,000	12/23/98	Hals Realty Tr	Ms. Jonah J Jenkins
15 Cornelius Way	229,000	01/28/99	Mei-chun Kuo	Mr. Robert D Poor
15-17 Glenwood Ave U-1	200,000	01/29/99	Robert J Slattery	Mr. Richard Colvin
170 Gore St U-125	185,000	01/25/99	Edwin C Deschamps	Mr.& Mrs. Byungho Han
170 Gore St U-207	184,000	01/28/99	Abb Realty Tr	Mr. Yang Yongguang
174 Elm St	175,000	01/28/99	Edward C Silva	Mr. Douglas W Reville
18 Holworthy Pl	230,000	01/28/99	Robert P Bittelari	Ms. Barbara Pearlman
186 Walden St	305,000	12/21/98	Steven Kandarian Ex	Mr.& Mrs. Darell W Fields
2 Potter Park St U-3	10,000	01/28/99	Thomas B Meek Iii	Ms. Melissa M Brown
243-5 Western Ave U-3	120,354	01/28/99	Melania Bruno	Mr. Michael J White
291 Columbia St	205,000	01/28/99	Regina D Cullen Ex	Ms. Melania Bruno
30 Chilton St U-2	263,500	01/28/99	Jeffrey P Somers	Mr. Todd Bowman
33-41 Walden St U-3e	132,937	01/25/99	David W Belcher	Ms. Ann M Ferraro
36 Seven Pines Ave	430,000	01/28/99	David Washken	Mr. John M Mahan
36-42 Linnaean St U-6	98,000	12/24/98	Truitt A Pastreich	Ms. Julie B Fitzgerald
38 Maple Ave U-1	279,000	01/26/99	William R Howell	Mr. Edward F Kloman
41 Bowdoin St U-36	239,900	01/25/99	Thomas D Neumann	Mr. Michael Strejcek
51 Sherman St U-2	240,000	01/29/99	David H Moore	Mr. Frederick P Carret
543 Putnam Ave U-1	219,000	01/29/99	Lawrence P D'onofrio	Mr. Shola D Friedensohn
63-65 Gore St	50,000	01/25/99	Paul G Deangelis	Mr. Daniel R Walsh
64-66 Eustis St U-2	355,000	01/29/99	Jonathan T Floe	Mr. Steven A Fischer
655 Concord Ave U-203	194,000	01/26/99	Richard J Kelly	Ms. Maria O Georgakarakou
655 Concord Ave U-501	217,900	01/28/99	Richard J Kelly	Mr. Kenneth R Griffiths
79 Allston St	380,000	01/29/99	Maria J Moreira	Mr. Michael J Bellomo
9 King St U-1	152,500	01/28/99	Sondra Scheir	Ms. Cathleen D Mc Cormick
988 Memorial Dr U-488	199,000	01/28/99	James C Sellman	Mr. Robert Brustein
St Marys Rd U-19	395,000	02/01/99	June M Campbell	Mr.& Mrs. Clinton T Newman
10 Florence St	235,000	02/01/99	Lloyd F Smith Sr	Mr. Michael R Grover
1600 Massachusetts Ave U-606	266,000	02/08/99	Bradley L Pritchett	Ms. Elaine Hawley
1760 Massachusetts Ave U-b	275,000	02/08/99	George Mc Eachern	Ms. Jeanne E Oster
197-9 Mount Auburn St	500,000	02/03/99	J Paul J Monagle	Mr.& Mrs. James H Monagle
2307 Massachusetts Ave	110,000	02/08/99	Paul D Griffin	Mr.& Mrs. Christopher Griffin
240 Brattle St U-1	65,000	02/01/99	Boleslaw A Wysocki	Ms. Jennifer D Mc Donough
253 Norfolk St U-1.5	161,000	02/01/99	Chocolate Factory	Mr.& Mrs. John J Gleason
29-33 Regent St U-1r	193,000	02/09/99	Afshan Bokhari	Mr. Ian Kline
29-33 Regent St U-2l	180,000	02/09/99	Afshan Bokhari	Ms. Suzanne Moore
29-33 Regent St U-3l	224,000	02/09/99	Afshan Bokhari	Mr. Carlos Sluzki
325 Franklin St U-2	479,000	02/01/99	Davenport Townhouse	Ms. Diane M Hudson
325 Franklin St U-3	486,000	02/01/99	Davenport Townhouse	Mr.& Mrs. Fred Staible
655 Concord Ave U-502	243,000	02/01/99	Richard J Kelly	Ms. Colleen Cody
67 Spring St	223,000	02/05/99	Matthew J Loughran	Mr. Joel G Menezes
77-79 Martin St U-46	207,000	02/01/99	Betty Athanasoulas	Mr.& Mrs. Peter Wright
931 Massachusetts Ave U-903	175,000	02/01/99	Lee Pil Kee	Mr. Jae Heung Park

YMCA of Greater Boston, YMCA Management Resource Center, Children's Hospital in collaboration with Community Newspaper Company presents the 3rd Annual

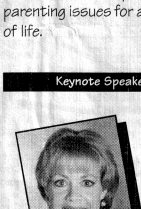
PARENTING CONFERENCE

Saturday, March 20, 1999
8 a.m. – 4:00 p.m.
World Trade Center
Boston, Massachusetts

Exhibit Hall devoted to Family services
Bookstore
Child Care for children 18 months to 10 years old
Transportation from YMCA of Greater Boston branches
For more information and a brochure call us at 781-935-3270 ext. 360
Register Online @ www.ymcaboston.org (Click on Current Events)
Register by March 1, 1999 for the lowest admission rate!

Become a more knowledgeable, less stressed parent! Choose from 19 workshops covering parenting issues for all stages of life.

Keynote Speaker



Katy Abel
WHDH-TV Channel 7 Reporter
7 NEWS Parenting/Education Reporter
Host 7 NBC's "Boston Common"
Columnist Boston Parents' Paper

Partial List of Workshops offered:
- What is Adolescence and What Can Parents Do About It?
- Adults and Children in Organized Sports: Who Wins, Who Loses?
- Food for Thought: Prevention and Intervention for Eating Disorders
- Child Passenger Safety
- Choosing a Quality After School Care Program
- Wiggles, Fidgets and Daydreams: All About ADHD
- The Internet for Parents Parenting Resources on the Net

Join us for a lunchtime panel:
"Advocating for the Whole Child: Spirit, Mind and Body"
A lively discussion featuring experts in education, medicine, public policy, and spirituality.

Children's Hospital • Boston
YMCA of Greater Boston Keeping Families Strong
parentandbaby

LEGAL NOTICES

BILLING BIDS

LEGAL NOTICE
CITY OF CAMBRIDGE
PURCHASING DEPARTMENT

Sealed bids will be received at the Office of the Purchasing Agent, Room 303, City Hall, Cambridge, Mass. 02139-3219, until 11:00 A.M. **MARCH 11, 1999** at which time and place they will be publicly opened and read for furnishing the following to the City of Cambridge:

AMBULANCE BILLING SERVICE
ENGINEERING SERVICE FOR INSPECTION OF CONSTRUCTION MATERIALS

The City of Cambridge reserves the right to waive any minor informalities or to reject any or all bids if it is in the City's best interest to do so.

Specifications may be obtained at the Office of the Purchasing Agent.

Each bid must be in a sealed envelope marked "Bid for (Commodity/Service)" and addressed to Gail A. Cohen, Purchasing Agent.

Gail A. Cohen
Purchasing Agent

AD #785227
Cambridge Chronicle, 2/25/99

CANFIELD ESTATE

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
MIDDLESEX DIVISION
DOCKET NO. 86P4305AD
ADMINISTRATION WITHOUT SURETIES

Estate of Kathleen Canfield
late of Cambridge
in the County of Middlesex
NOTICE

A petition has been presented in the above-captioned matter praying that Paul D. Canfield of Raymond in the State of New Hampshire be appointed administrator of said estate without giving surety on his bond.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 in the forenoon on March 12, 1999.

WITNESS Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the ninth day of February in the year of our Lord one thousand nine hundred and ninety nine.

Marie A. Gardin
Acting Register of Probate Court

AD #782071
Cambridge Chronicle, 2/25/99

ESTEVER GUARDIANSHIP

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
MIDDLESEX, SS DIVISION
DOCKET NO. 98P5413GI
GUARDIANSHIP - MENTALLY ILL WITH SURETIES
NOTICE

To Josephine Estever of Cambridge in said county and heirs apparent or presumptive:

A petition as amended has been presented in the above-captioned matter alleging that said Josephine Estever is a mentally ill person and praying that Mary T. O'Donnell of Arlington in the county of Middlesex -or some other suitable person - be appointed her guardian; with the further authority to treat with antipsychotic medication in accordance with the treatment plan

IF you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said court at Cambridge, on or before March 19, 1999.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the twenty first day of January in the year of our Lord one thousand nine hundred and ninety nine.

Marie A. Gardin
Acting Register of Probate Court

AD #781296
Cambridge Chronicle, 2/25/99

FRESH POND TRUST

LEGAL NOTICE
PUBLIC NOTICE

The annual return of the Fresh Pond Trust is available at the address noted below for inspection during normal business hours by any citizen who so requests within 180 days after publication of this notice of availability.

The Fresh Pond Trust
213 Concord Avenue
Cambridge, Ma 02138

Randolph Slaughter, Trustee
Telephone (617) 547-6056

AD #782301
Cambridge Chronicle, 2/25/99

INTERSOLV NOTICE

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
MIDDLESEX, SS.
SUPERIOR COURT 99-55

TO: All known creditors of Intersolv User Group Inc., a private non-profit corporation organized and existing pursuant to Chapter 180 of the Massachusetts General Laws, all persons interested in the said Intersolv User Group Inc., and the Commissioner of Corporations.

Whereas a petition has been begun by Intersolv User Group Inc., a private, non-profit corporation organized and existing pursuant to Chapter 180 of the Massachusetts General Laws, wherein the said Intersolv User Group Inc., alleges that September 18, 1998 a special meeting of the members voted by a majority vote of the quorum of members then present to authorize this petition for dissolution.

And that the said Intersolv User Group Inc., prays, among other things, for the dissolution of the said Intersolv User Group Inc., under G.L. (Ter.Ed.) Chapter 155, Section 50.

Wherefore, upon the foregoing petition, it is ordered by the court that the said Intersolv User Group Inc., notify all persons interested to appear before our said Court sitting without juries in courtroom 9B thereof, at the Court House at Cambridge, in the County of Middlesex, on Monday, March 29, 1999 A.D. at 9:30 o'clock in the forenoon by causing to be published once a week for three successive weeks in the Cambridge Chronicle a newspaper published in Cambridge in the County of Middlesex, an attested copy hereof, the last publication to be fourteen days at least before the said mentioned day, and by causing an attested copy hereof to be sent by certified mail or registered mail to the Commissioner of Corporations.

By the Court (Neel, J.)

Linda A. Gouveia
Deputy Assistant Clerk
Entered: January 26, 1999

AD #773538
Cambridge Chronicle, 2/11, 2/18, 2/25/99

ORDINANCE #1215

LEGAL NOTICE
CITY OF CAMBRIDGE
ORDINANCE #1215
FINAL PUBLICATION NUMBER 2824
FIRST PUBLICATION IN THE CHRONICLE ON JANUARY 14, 1999.
IN THE YEAR ONE THOUSAND, NINE HUNDRED NINETY NINE
AN ORDINANCE

In amendment to an ordinance entitled "The Municipal Code of the City of Cambridge."

Be it ordained by the City Council of the City of Cambridge as follows:

Chapter 1.12 (Ordinances) of the Cambridge Municipal Code is hereby amended by striking out Section 1.12.030 (Publication and posting procedures) and substituting therefor the following new Section 1.12.030:

1.12.030 Public notice and hearing requirements

(a) For every proposed ordinance which is referred to the Ordinance Committee by the City Council, the Ordinance Committee shall hold a public hearing and shall publish notice of such hearing in at least one newspaper of the City at least seven days before the hearing.

(b) Every proposed ordinance or loan order, except emergency measures and revenue loan orders, shall be published once in full in at least one newspaper of the City, and in any additional manner that may be provided by ordinances, at least ten days before its final passage. After final passage, it shall, in the manner as before, again be published once, as amended and completed, except in the case of an emergency ordinance which shall take effect on its passage, and shall be so published at the earliest practicable moment; provided, that if any ordinance or proposed ordinance, or codification of ordinances or proposed ordinances, shall exceed in length eight octavo pages or ordinary book print, then, in lieu of the advertising required by this section, the same may be published by the City Council in a municipal bulletin or printed pamphlet, and if so published in full at least ten days before its final passage, and thereafter as amended and completed, again published in such bulletin or pamphlet, such publication shall be deemed sufficient without the newspaper publication as required in this section. (Prior code 1-4)

In City Council February 22, 1999.
Passed to be Ordained by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.

ATTEST:-
D. Margaret Drury
City Clerk

AD #785229
Cambridge Chronicle, 2/25/99

ORDINANCE #2828

LEGAL NOTICE
CITY OF CAMBRIDGE
ORDINANCE #2828
FIRST PUBLICATION NUMBER 2819
FINAL PUBLICATION IN THE CHRONICLE ON FEBRUARY 4, 1999.
IN THE YEAR ONE THOUSAND, NINE HUNDRED NINETY NINE
AN ORDINANCE

In amendment to the "Municipal Code of the City of Cambridge"

Be it ordained by the City Council of the City of Cambridge as follows:

The title of Chapter 2.84 be amended to read (add bold text; delete strikethrough text):

COORDINATING COUNCIL FOR CHILDREN, YOUTH AND FAMILY, ALSO KNOWN AS **"THE KIDS' COUNCIL"**

That to Section 2.84.030 entitled **Membership - Appointment - Term** be added:

"The Police Commissioner,"
(insert directly before "A member of the philanthropic community;")

That Sub Section D of Section 2.84.030 entitled **Membership - Appointment - Term** be modified to read (bold text replaces strikethrough text):

"City Council and School Committee members and a representative of the Mayor, if he or she so desires, shall be appointed by the City Manager with advice and recommendations from the Mayor. All other members shall be appointed by the City Manager with advice and recommendations from the **Kids' Council.** The **Kids' Council** shall consult with groups involved with children and shall advertise widely to obtain names of qualified candidates."

That Sub Section 1 of Section 2.84.070 entitled **Powers and Duties** be modified to read (bold text replaces strikethrough text):

"Encourage youth input through the creation of specific opportunities for youth to provide **their** perspectives on their lives, community and issues facing them. (Ord. 1120 (part). 1991)"

In City Council February 22, 1999.
Passed to be Ordained by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.

ATTEST:-
D. Margaret Drury
City Clerk

AD #785542
Cambridge Chronicle, 2/25/99

ORDINANCE #2822

LEGAL NOTICE
CITY OF CAMBRIDGE
FIRST PUBLICATION #2822
IN THE YEAR ONE THOUSAND, NINE HUNDRED NINETY NINE
AN ORDINANCE

In amendment to an ordinance entitled "The Municipal Code of the City of Cambridge"

Be it ordained by the City Council of the City of Cambridge as follows:

That the **Municipal Code of Cambridge** is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions
For the purposes of this ordinance, the term:

(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:
(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that any employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and
(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter; and the lease of city owned land or buildings below market value; and
(3) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;

(c) "Beneficiary" means:
(1) any person who is a recipient of Assistance;
(2) any company or person that is a tenant or sub-tenant, leaseholder or subleaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and
(3) Any contractor or subcontractor of a Beneficiary.

(d) **"Covered Employer"** means the City of Cambridge or a Beneficiary of Assistance.

(e) **"Covered Employee"** means:
(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and
(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) **"Living Wage"** has the meaning stated in Section 3.

(g) **"Person"** means one or more of the following or their agents, employees, servants, representatives, and legal representative: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.
(a) Applicability. Covered Employees shall pay no less than the Living Wage to their employees.
(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI-U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.
(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.
(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.
(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.
(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.
(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.
(d) Contents. All General Waiver requests shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;
(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and
(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.
(e) Contents. All Hardship Waiver requests shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and
(3) A statement of proposed wages below the Living Wage.
(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.
(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:
(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;
(2) work-study or cooperative educational programs;
(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.
All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.
(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:
(1) notice of the Living Wage amount;
(2) a summary of the provisions of this ordinance;
(3) a description of the enforcement provisions of the ordinance;
(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.
(b) Contract for Assistance. At the time of signing, a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:
(1) the name of the program or project under which the contract or subcontract is being awarded;
(2) a local contact name, address, and phone number for the Beneficiary;
(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;
(4) a list of Covered Employees under the contract with the employees' job titles;
(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.
(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.
(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.
(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year. The report shall include, for each Assistance package or contract approved during the preceding fiscal year:
(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance.
(2) a description of the purpose or project for which the Assistance was awarded;
(3) the name, address, and phone number of a local contact person for the Covered Employer;
(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.
(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at crating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.
(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.
(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.
(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.
(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.
(c) Investigations and Hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has filed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief;
(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;
(2) Suspension of ongoing contract and subcontract payments;
(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and
(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.
(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.
(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.
(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.
In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.
This law shall be effective on the date of February 1, 1999.
Passed to a second reading at the City Council meeting held on February 22, 1999 and on or after March 8, 1999 the question comes on passing to be ordained.
ATTEST:-
D. Margaret Drury, City Clerk
Cambridge Chronicle, 2/25/99

To place your legal notice call
1-800-624-7355 or fax to
781-453-6650.

DEATHS

DEATHS, from page 10

Tewksbury, with burial at Tewksbury Cemetery. Arrangements were made by the Tewksbury Funeral Home.

Theresa Vaudo
Homemaker

Theresa (Greco) Vaudo died on April 26, 1999 at home in Somerville. She was 74.

Mrs. Vaudo was born in Cambridge and was educated in the Cambridge schools. She was a longtime resident of Somerville and worked as a homemaker.

She was the wife of the late Louis Vaudo; mother of Deborah, Lynda and Raymond Vaudo, all of Somerville; and sister of Nick Greco and his wife Judy of Ohio, and Mary Vaudo and her husband Salvatore of Stoneham. She is also survived by many nephews, nieces, and great-grandnephews and great-grandnieces.

A Funeral Mass was held on April 29 at St. Anthony's Church in Somerville, with burial at Holy Cross Cemetery in Malden. Arrangements were made by the Cota-Struzziero Funeral Home in Somerville.

Donations in Mrs. Vaudo's memory may be made to the American Cancer Society, 654 Beacon St., Boston, Mass., 02215.

Sarah A. Walker
Tufts employee

Sarah A. (Davis) Walker died on April 26, 1999 in Florida. She was 82.

Mrs. Walker was born in Somerville on Aug. 4, 1916. She was employed by Tufts University.

She was the wife of the late Russell I. Walker; and mother of Marylou Cosgrove of Florida and Suzanne Jelley of Maine. She is also survived by seven grandchildren and 10 great-grandchildren.

A Funeral Mass was held on April 30 at St. Ann's Church in Somerville, with burial at Puritan Lawn Memorial Park in Peabody. Arrangements were made by the Doherty Funeral Home in Somerville.

Linda E. Archer
Cambridge resident

Linda Eileen Archer died on April 27, 1999. She was 47.

Ms. Archer was born in Cambridge, daughter of the late Rev. John B. and Ursula M. (Miller) Archer, and attended Cambridge schools. She graduated with degrees from Free Bible Institute in Pennsylvania and the Victory Bible Training Center where Rev. Jonathan Del Turco, pastor of International Family Church, formerly Faith Fellowship Ministries, presides.

She was a member of the International Family Church and more recently the Pentecostal Tabernacle Church.

She was the sister of Roderick B. of California, Roland C. of Connecticut, Edmund G. of Somerville, and Audrey E. Archer of Taunton. She is also survived by many other relatives and friends.

Funeral services were held on May 1 at the Pentecostal Tabernacle Church in Cambridge, with burial at Cambridge Cemetery. Arrangements were made by the A. J. Spears Funeral Home in Cambridge.

George E. Rollins
Former Somerville resident

George E. Rollins died on April 24, 1999 in Florida. He was 85.

Mr. Rollins was a former resident of Somerville, Medford and New Hampshire. He was an Air Force veteran of World War II and a member of the Air Force Reserves for many years.

He was the husband of Dorothy Rollins of Barefoot Bay, Fla.; and father of George of Florida and Sue Kern of New Hampshire. He is also survived by four grandchildren.

Burial will be in Florida at a later date. Arrangements were made by the Fountainhead Memorial Funeral Home in Palm Bay, Fla.

Donations in Mr. Rollins' memory may be made to the American Cancer Society, 6983 North Wicham Road, Melbourne, FL 32940.

Joseph L. Bouchard
Truck driver

Joseph L. Bouchard died on May 2, 1999 at Lawrence Memorial Hospital in Medford after a lengthy illness. He was 81.

Mr. Bouchard was born in Fall River, son of the late Gregoire J. and Melvina (Petrin) Bouchard. He lived in Medford for the past 23 years, formerly of Somerville. He retired in 1975 as a truck driver with Branch Motor Company for 20 years.

He was the husband of Evelyn (Maltacea) Bouchard, and father of James Wakely of Medford, Michael Wakely of California, Sandra Davin of Methuen, Marcia Hillson of Melrose, Gregory Bouchard of Woburn, Doreen Caliri of Woburn, Daniel Bouchard of Medford, Lisa Layton of Medford, and the late Marilyn Morin. He is also survived by 32 grandchildren and 23 great-grandchildren.

A Funeral Mass was held on May 5 at St. Francis of Assisi Church in Medford, with burial at Oak Grove Cemetery in Medford. Arrangements were made by the Dello Russo Funeral Home in Medford.

Donations in Mr. Bouchard's memory may be made to the American Lung Association, 1505 Commonwealth Ave., Boston, MA 02135.

Memorial Day parade begins on Common

The Cambridge Veterans' Organization and the city's Department of Veterans' Services will hold their annual Memorial Day parade and observance Monday, May 31.

The parade will begin at the Cambridge Common at 9:30 a.m. and proceed through Harvard Square, down Mt. Auburn Street, and conclude at the Cambridge Cemetery on Coolidge Avenue. Cambridge Mayor Frank H. Duehay and Vice Mayor Anthony Galluccio will serve as parade commentators.

Parade participants will include veterans groups, elected officials, honor guards including police and fire units, bands, drills teams and youth groups. The parade will be televised live on Cambridge municipal Channel 1.

Following the parade, a Memorial Day observance will be held in the Cambridge Cemetery. Duehay will extend the city's greetings and Paul Spera, past national commander, Veterans of Foreign Wars, will deliver the memorial address. This year, the Veterans of Foreign Wars organization is celebrating its 100th anniversary.

In addition, the observance will feature Cambridge resident and gospel legend Ruth Hamilton.

A collation, hosted by the VFW Mt. Auburn Post 8818, 688 Huron Ave., will follow the day's events.

The public is invited to all events and activities. For more information, call the Cambridge Veterans' Department at 349-4761.

Flags, graves

On Saturday, May 29, the city's Department of Veterans' Services, veterans groups, North Cambridge Boy Scouts, and various elected officials will decorate graves in the veterans' section of Cambridge Cemetery with an American flag.

The Veterans' Department cannot decorate those graves located in private lots.

Flags will be available for family and friends at the following locations: Cambridge Department of Veterans' Services, 51 Inman St., Monday to Friday, 8:30 a.m. to 5 p.m., May 17-21 and May 24-28; Cambridge Cemetery, 76 Coolidge Ave., main office, Monday to Friday, 7 a.m. to 3 p.m., May 17-21 and May 24-28, and Saturday and Sunday, May 29 and 30, at the cemetery entrance, from 1 to 6 p.m.; Mt. Auburn Cemetery, 580 Mt. Auburn St., main gate house, Monday to Friday, May 24-28, 8:30 a.m. to 4:30 p.m., and Saturday, May 29, 8:30 a.m. to 12:30 p.m.; North Cambridge Cemetery (St. John's Catholic Cemetery), 244 Rindge Ave., can be picked up at the United American Veterans No. 30, 1 Cedar St., May 24-29, 4 to 6 p.m.

For more information, call the Cambridge Veterans' Department at 349-4761 or the Cambridge Cemetery at 349-4890.

Est. 1905
T.H. McVEY MONUMENTS
MONUMENTS • MARKERS
EXPERT CEMETERY LETTERING
LANDSCAPE STONE
· Bluestone · Fieldstone
· Wallstone · Cobblestone
662 ARSENAL STREET
(OPPOSITE ARSENAL MALL PARKING GARAGE)
WATERTOWN • (617) 923-8866

LEGAL NOTICES

A & E BIDS
LEGAL NOTICE
CAMBRIDGE HOUSING AUTHORITY
REQUEST FOR A&E PROPOSALS
The Cambridge Housing Authority (CHA) is requesting proposals from qualified architectural and engineering firms registered in Massachusetts for the revitalization of the John F. Kennedy Apartments (MA 3-4) under the Department of Housing and Urban Development's HOPE VI program. The scope of services includes programming as well as full design and construction administration services. The construction budget is $5.2 million; the fee for services will be negotiated prior to designation of the most qualified respondent.

The Request for Proposals (RFP) will be available on Wednesday, **May 5, 1999 after 2:00 pm.** To obtain a copy of the RFP, please call Donna Gallant at (617) 520-6253 or come to the Cambridge Housing Authority, Office of Planning and Development, 675 Massachusetts Avenue, 2nd floor, Cambridge, MA 02139 between the hours of 8:30-5:00 PM. A preproposal conference will be held Wednesday, **May 12, at 10:00 am** at the John F. Kennedy Apartments located at 55 Essex Street in Cambridge. Deadline for proposal submissions is Friday, **May 21, 1999 at 5:00 pm.** If mailing proposals, send to: Cambridge Housing Authority, Office of Planning and Development, 675 Massachusetts Avenue, 2nd floor, Cambridge, MA 02139 ATTN: Terry Lurie.

The CHA encourages all respondents to aggressively pursue Section 3 participation under this contract. In addition, MBE/WBE participation is also strongly advised.

AD #842641
Cambridge Chronicle, 5/6/99

CAMPBELL ESTATE
LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL ADMINISTRATION WITH THE WILL ANNEXED WITHOUT SURETIES
MIDDLESEX DIVISION
DOCKET NO. 99P1841 AA
Estate of Hannah C. Campbell
late of Cambridge
in the County of Middlesex
NOTICE
A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will and codicil of said deceased may be proved and allowed and that Rebecca M. Luppold of Lempster in the State of New Hampshire or some other suitable person be appointed administratrix with the will annexed of said estate.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 in the forenoon on May 18, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge the 15th day of April in the year of our Lord one thousand nine hundred and ninety nine.

Marie A. Gardin
Acting Register of Probate

AD #843027
Cambridge Chronicle, 5/6/99

CARUSO ESTATE
LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL
WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P2058EP
ESTATE OF MARIA J. CARUSO, a/k/a MARIA JOSEPHINE CARUSO late of CAMBRIDGE IN THE COUNTY OF MIDDLESEX
NOTICE
A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that FRANK CARUSO of Cambridge, FRANK R. CARUSO of North Billerica and MARIE A. CARUSO of Billerica in the County of Middlesex be appointed executors without giving surety on their bonds.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on June 4, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the twenty-ninth day of April in the year of our Lord one thousand nine hundred ninety-nine.

Marie A. Gardin
Acting Register of Probate Court

AD#843106
Cambridge Chronicle 5/6/99

GAJEWSKI ESTATE
LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL
WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P1764EP

Estate of Harriet T. Gajewski also known as Harriet Gajewski late of Cambridge in the County of Middlesex
NOTICE
A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that Genevieve I. Gajewski of Cambridge in the County of Middlesex be appointed executrix without giving surety on her bond.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on May 28, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the twelfth day of April in the year of our Lord one thousand nine hundred ninety-nine.

Marie A. Gardin
Acting Register of Probate Court

AD#843370
Cambridge Chronicle 5/6/99

JUNE 16 AUCTION
LEGAL NOTICE
CAMBRIDGE SELF STORAGE
445 CONCORD AVENUE
CAMBRIDGE, MA 02138
(617) 876-5060
NOTICE IS HEREBY GIVEN THAT THE CAMBRIDGE SELF STORAGE WILL SELL AT PUBLIC AUCTION ON JUNE 16, 1999 AT 11:00 A.M. PERSONAL PROPERTY HERETOFORE STORED WITH THE UNDERSIGNED BY:

Unit #4013
Mary Cronin
Contains: Bags, Boxes, Rug, and Furniture

Unit #2090
Ericka Greer
Contain: Boxes, Plastic totes.

AD #842642
Cambridge Chronicle, 5/6, 5/13/99

KEPES ESTATE
LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL AND CODICIL
WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P2017EP
Estate of Juliet Kepes late of Cambridge in the County of Middlesex
NOTICE
A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will and codicil of said deceased may be proved and allowed and that Gerald A. Berlin and Fleet Bank of Boston in the County of Suffolk be appointed executors without giving surety on their bond.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on June 1, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the twenty-sixth day of April in the year of our Lord one thousand nine hundred ninety-nine.

Marie A. Gardin
Acting Register of Probate Court

AD#843109
Cambridge Chronicle 5/6/99

KORNETSKY ESTATE
LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL
WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P1754EP
ESTATE OF Milton Kornetsky
LATE OF Florida but leaving Assets in Cambridge
IN THE COUNTY OF MIDDLESEX
NOTICE
A petition has been presented in the above captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that Sylvia Kornetsky of Margate in the State of Florida be appointed executrix without giving surety on her bond.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on May 20, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the fifteenth day of April in the year of our Lord one thousand nine hundred ninety nine.

Marie A. Gardin
Acting Register of Probate Court

AD #843021
Cambridge Chronicle, 5/6/99

PUBLICATION NO. 2836
LEGAL NOTICE
CITY OF CAMBRIDGE
FIRST PUBLICATION NO. 2836
CALENDAR ITEM NO. 7
IN CITY COUNCIL
MAY 3, 1999
ORDERED: That the following amounts are appropriated for the purposes described below:

Amount $1,000,000
Purpose Design phase/Harvard Square sewer

Amount $2,400,000
Purpose Construction of New Street sewer pump station and flood remediation improvements

Amount $5,550,000
Purpose Cherry Street flood relief project (Phase I)

ORDERED: That to meet these appropriations, the Treasurer with the approval of the City Manager is authorized to borrow $8,900,000 under Chapter 44 of the General Laws.

Passed to a second reading at the City Council meeting held on May 3, 1999 and on or after May 17, 1999 the question comes on adoption.

ATTEST:- D. Margaret Drury
City Clerk

AD #843020
Cambridge Chronicle, 5/6/99

PUBLICATION #2835
LEGAL NOTICE
CITY OF CAMBRIDGE
FIRST PUBLICATION NO. 2835
CALENDAR ITEM NO. 6
IN CITY COUNCIL
MAY 3, 1999
ORDERED: That the following amounts are appropriated for the purposes described below:

Amount $750,000
Purpose
Design and construction of various street improvements to provide traffic calming

Amount $500,000
Purpose
Reconstruction of Lafayette Square and South Massachusetts Avenue; and be it further

ORDERED: That to meet these appropriations, the Treasurer with the approval of the City Manager is authorized to borrow $1,250,000 under Chapter 44 of the General Laws.

Passed to a second reading at the City Council meeting held on May 3, 1999 and on or after May 17, 1999 the question comes on adoption.

ATTEST: D. Margaret Drury
City Clerk

AD #842649
Cambridge Chronicle, 5/6/99

RENOVATION BIDS
LEGAL NOTICE
SECTION 00030
INVITATION TO BID
The City of Cambridge, Massachusetts, the Awarding Authority, invites sealed bids for the project: **Additions and Renovations to the M.E. Fitzgerald Elementary School.**

The Project includes both new additions and renovations to the existing school, along with associated sitework. Estimated cost is approximately $14,600,000.

Bidding procedures shall be in accordance with M.G.L. c. 149, SS44A-44J, as most recently amended, and all other applicable laws.

Sealed sub-bids for the trades designated below will be received at the Office of the Purchasing Agent, Room 303, City Hall, 795 Massachusetts Avenue, Cambridge, MA 02139 until Thursday, June 10, 1999, at 3:30PM at which time all sub-bids will be publicly opened and read aloud. The trades for which filed sub-bids are required are:

04200 - Masonry
05090 - Miscellaneous & Ornamental Iron
07100 - Waterproofing, Dampproofing and Caulking
07500 - Roofing and Flashing
08500 - Metal Windows
08800 - Glass and Glazing
09200 - Lathing & Plastering
09300 - Tile
09400 - Terrazzo
09500 - Acoustical Tile
09650 - Resilient Flooring and Base
09900 - Painting
14000 - Elevators
15400 - Plumbing
15600 - Heating, Ventilating and Air Conditioning
16100 - Electrical

Sealed bids for the General Contract will be received at the Office of the Purchasing Agent, Room 303, City Hall, 795 Massachusetts Avenue, Cambridge, MA 02139 until Thursday, June 24, 1999, at 3:30PM at which time all general bids will be publicly opened and read aloud.

General bidders must be prequalified by the Massachusetts Division of Capital Planning and Operations (DCPO) for the category of General Contracting. General bids shall be accompanied by a Certificate of Eligibility (DCPO Form CQ7) for the category, and an Update Statement (DCPO Form CQ3).

All general bid and all filed sub-bids shall be on a form provided by the Awarding Authority and accompanied by a bid deposit in an amount not less than five (5) percent of the value of the bid. Bid deposits shall be in the form of a bid bond, certified check, or a treasurer's or cashier's check issued by a responsible bank or trust company, payable to the City of Cambridge.
(Bid Bonds shall be a) in a form satisfactory to the Awarding Authority, b) with a surety company qualified to do business in the Commonwealth and, c) conditioned upon the faithful performance by the principal of the agreements contained in the bid.

Contract Documents will be available form 8:30AM to 5:00PM, Monday through Friday, at the Purchasing Department, City Hall, 795 Massachusetts Avenue, Room 211A, Cambridge, MA 02139 from Friday, May 14, 1999 upon receipt of the City of Cambridge of a plan deposit of $200.00 per set in the form of a certified, treasurer's of cashier's check payable to the City of Cambridge. Deposits for Contract Documents are fully refundable upon return of the documents in good condition within thirty days after the opening of General Bids. Otherwise the deposit shall be the property of the City of Cambridge.

There will be a non-refundable mailing fee of $25.00 for each set of documents requested to be mailed.

The successful general bidder will be required to furnish a Performance Bond and a Labor and Material (Payment) Bond each in the amount of one hundred percent (100%) of the contract sum. Bonds shall be obtained from a surety licensed to do business in the Commonwealth of Massachusetts and the form shall be satisfactory to the City of Cambridge.

No less than the minimum wage rates as set forth in the schedule contained in the Contract Documents must be paid on this project.

Contract Documents may be examined, at the following locations after 12:00 noon on Friday, May 14, 1999:

1. The City of Cambridge, Purchasing Department
(see address above)

2. F.W. Dodge Plan Room/Scan Microfilm
24 Hartwell Avenue
Lexington, Massachusetts 02173

3. Construction Market Data
75 Second Avenue, Suite 320
Needham, Massachusetts 02194

A pre-bid conference will be held at 3:30 PM on Friday, May 28, 1999 at the Fitzgerald School, 70 Rindge Avenue, Cambridge, Massachusetts to respond to questions.
Attention of all bidders and sub-bidders is specifically directed to the programs and ordinances of the City of Cambridge concerning; Supplemental Equal Employment Opportunity, Anti-Discrimination, and Affirmative Action Program; Minority Business Enterprise Program; Cambridge Employment Plan concerning minority/women/resident hiring; and the Cambridge Responsible Employer Plan, which are integral portions of the conditions of the contract with which each contractor and sub-contractor must comply.

The Awarding Authority will reject general bids and filed sub-bids when required to do so by the above-referenced General Laws. In addition, the Awarding Authority reserves the right to waive any informalities in bidding and to reject any and all general bids if it deems it to be in the public interest to do so. Also, the Awarding Authority reserves the right to reject any sub-bid if it determines that such sub-bid does not represent the bid of a person competent to perform the work as specified or that less than three such sub-bids were received and that the prices are not reasonable for acceptance without further competition.

AD #842646
Cambridge Chronicle, 5/6/99

To place your legal notice call 1-800-624-7355 or fax to 781-453-6650.

LEGAL NOTICES

ORDINANCE #1222
LEGAL NOTICE
CITY OF CAMBRIDGE
ORDINANCE NO. 1222
FINAL PUBLICATION NUMBER 2838
FIRST PUBLICATION IN THE CHRONICLE ON FEBRUARY 25, 1999
IN THE YEAR ONE THOUSAND, NINE HUNDRED NINETY NINE
AN ORDINANCE

In amendment to an Ordinance entitled the "Cambridge Municipal Code"

Be it ordained by the City Council of the City of Cambridge as follows:

Chapter 2.121
LIVING WAGE ORDINANCE
Sections:
2.121.010 Title and Purpose
2.121.020 Definitions
2.121.030 Living Wage
2.121.040 Waivers and Exceptions
2.121.050 Notification Requirements
2.121.060 Duties of covered Employers
2.121.070 Community Advisory Board
2.121.080 Enforcement
2.121.090 Severability
2.121.100 Effective Date

2.121.010 Title and Purpose.

This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

2.121.020 Definitions.

For the purposes of this ordinance, the term:
(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department, with the advice and assistance of the appropriate department which receives the services, for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:
(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and
(2) any service contract, as defined herein, of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter.
(3) any service subcontract, as defined herein, of at least $10,000.

(c) "Beneficiary" means:
(1) any person who is a recipient of Assistance;
(2) any company or person that is a tenant or sub-tenant, leaseholder or subleaseholder of a recipient of Assistance, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:
(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 2.121.040(j) of this ordinance; and
(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance, except for persons in those positions listed in Section 2.121.040(j) of this ordinance..
(f) "Living Wage" has the meaning stated in Section 2.121.030.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

(h) "Service Contract" means a contract let to a contractor by the City of Cambridge for the furnishing of services, to or for the City, except contracts where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service contract" for the purposes of this definition.

(i) "Service Subcontract" means a subcontract primarily for the furnishing of services, to or for a recipient of Assistance, except where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service subcontract" for the purposes of this definition.

2.121.030 Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

2.121.040 Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer, who has a contract with the City of Cambridge which is not subject to the provisions of G.L. c. 30B, may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial hardship to the Covered Employer.

(d) Chapter 30B contract waivers. Prior to issuing an invitation for bids for a procurement contract subject to the provisions of G.L. c. 30B, any Applicable Department may apply to the City Manager for a waiver of the application of the Living Wage to the contract where payment of the Living Wage by a Covered Employer would make it inordinately expensive for the City to contract for the services or would result in a significant loss of services, because the contracted work cannot be segregated from the other work of the Covered Employer.

(e) General Waiver Request Contents. All General Waiver requests shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;
(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and
(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(f) Hardship Waiver Request Contents. All Hardship Waiver requests shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) A detailed explanation of why payment of the Living Wage would cause a substantial hardship to the Covered Employer; and
(3) A statement of proposed wages below the Living Wage.

(g) Chapter 30B Contract Waiver Request Contents. A Chapter 30B contract waiver request shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) A detailed explanation of why the contracted work cannot be segregated from the other work of the bidding Covered Employers thereby making the cost of the contract with the payment of the Living Wage inordinately expensive or would result in a significant loss of services;

(h) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 2.121.070 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship waiver pending the hearing before the Community Advisory Board. For Chapter 30B contract waivers, the Community Advisory Board shall make its recommendation to the City Manager no more than thirty days after it is notified of the request for a Chapter 30B contract waiver.

(i) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(j) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:
(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;
(2) work-study or cooperative educational programs;
(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.
(4) persons working in a recognized supported employment program that provides workers with additional services, which may include, but are not limited to, room and board, case management, counseling, or job coaching;
(5) positions where housing is provided by the employer;
(6) employees who are exempt from federal or state minimum wage requirements; and
(7) individuals employed by the City of Cambridge where the employment of such individuals is intended primarily to provide a benefit or subsidy to such individuals, although the City is compensating them for work performed.

2.121.050 Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

2.121.060 Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:
(1) notice of the Living Wage amount;
(2) a summary of the provisions of this ordinance;
(3) a description of the enforcement provisions of the ordinance;
(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:
(1) the name of the program or project under which the contract or subcontract is being awarded;
(2) a local contact name, address, and phone number for the Beneficiary;
(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;
(4) a list of Covered Employees under the contract with the employees' job titles;
(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall conduct investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:
(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;
(2) a description of the purpose or project for which the Assistance was awarded;
(3) the name, address, and phone number of a local contact person for the Covered Employer;
(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

2.121.070 Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, a Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

2.121.080 Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the Applicable Department may, with the approval and assistance of the City Solicitor, issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty the applicable Department shall give notice to the employer and conduct a hearing. If at any time during these proceedings, the employer voluntarily makes restitution of the wages not paid to the employee making the complaint and to any similarly situated employees, by paying all back wages owed plus interest at the average prior year Massachusetts passbook savings bank rate, or otherwise remedies the violation alleged if the violation involves matters other than wages, then the Applicable Department shall thereafter dismiss the complaint against the employer.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department may order any or all of the following penalties and relief:
(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance, except if the violation was not knowing and willful, then the total fine shall not exceed the amount of back wages plus interest owed;
(2) Suspension of ongoing contract and subcontract payments;
(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and
(4) Any other action deemed appropriate and within the discretion and authority of the city.
Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing, order appropriate relief as set out in paragraphs (c) and (d) herein

2.121.090 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

2.121.100 Effective Date.

This law shall be effective sixty (60) after final passage.

In City Council May 3, 1999.
Passed to be Ordained as Amended aby a yea and nay vote:- Yeas 9; Nays 0; Absent 0.
ATTEST:-
D. Margaret Drury
City Clerk

AD#843500
Cambridge Chronicle, 5/6/99

WOLONGEVICZ ESTATE
LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL ADMINISTRATION WITH THE
WILL ANNEXED WITH SURETIES
MIDDLESEX DIVISION
DOCKET NO. 99P1868AD

Estate of Albina A. Wolongevicz
late of Cambridge
in the County of Middlesex
NOTICE

A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that Thomas R. Wolongevicz of Cambridge in the County of Middlesex or some other suitable person be appointed administrator with the will annexed of said estate.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 in the forenoon on May 18, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the 15th day of April in the year of our Lord one thousand nine hundred and ninety nine.

Marie A. Gardin
Acting Register of Probate

AD #842647
Cambridge Chronicle, 5/6/99

TURNBULL ESTATE
LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P1931EP

Estate of Carol May Turnbull late of Cambridge in the County of Middlesex
NOTICE

A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that David Turnbull of Cambridge in the County of Middlesex and Lowell D. Turnbull of Chevy Chase, MD be appointed executors without giving surety on bond.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on May 27, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the 22nd day of April in the year of our Lord one thousand nine hundred ninety-nine.

Marie A. Gardin
Acting Register of Probate Court

AD#843107
Cambridge Chronicle 5/6/99

PUBLICATION #2837
LEGAL NOTICE
CITY OF CAMBRIDGE
FIRST PUBLICATION NO. 2837
CALENDAR ITEM NO. 8
IN CITY COUNCIL
MAY 3, 1999

ORDERED: That the following amounts are appropriated for the purposes described below:

Amount $1,000,000
Purpose Design phase/War Memorial project

Amount $2,100,000
Purpose Remodeling, reconstructing and making extraordinary repairs, including original equipment and site improvements incidental thereto, to the Taylor Square Fire Station

Amount $2,240,000
Purpose Remodeling, reconstructing and making extraordinary repairs, including original equipment and site improvements incidental thereto, to various City buildings

Amount $5,305,000
Purpose Remodeling, reconstructing and making extraordinary repairs, including original equipment and site improvements incidental thereto, to various school buildings

Amount $3,240,000
Purpose Improvements to Cambridge Street

Amount $3,850,000
Purpose Reconstruction and improvements to Russell Field

Amount $3,000,000
Purpose Installation of a track and other improvements to Danehy Park

Amount $1,000,000
Purpose Acquisition of land as a site for the West Cambridge Youth Center

Amount $2,500,000
Purpose Remodeling, reconstructing and making extraordinary repairs, including original equipment and site improvements incidental thereto, to the Gately Center; and be it further

ORDERED: That to meet these appropriations, the Treasurer with the approval of the City Manager is authorized to borrow $24,235,000 under Chapter 44 of the General Laws or, to the extent that the school remodeling projects are eligible for state school construction grants, under Chapter 645 of the Acts of 1948 as amended.

Passed to a second reading at the City Council meeting held on May 3, 1999 and on or after May 17, 1999 the question comes on adoption.

ATTEST:- D. Margaret Drury
City Clerk

AD #843022
Cambridge Chronicle, 5/6/99

DEMEKE SUMMONS
LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
PROBATE AND FAMILY COURT DEPARTMENT
MIDDLESEX DIVISION
DOCKET NO. 99D1140DV1
SUMMONS BY PUBLICATION

Belachew Demeke, Plaintiff(s) v.
Almaz Kidanemariam, Defendant(s)
To the above named Defendant(s):
A Complaint has been presented to this Court by the Plaintiff(s) Belachew Demeke, seeking a Divorce

You are required to serve upon Belachew Demeke - plaintiff(s) - for plaintiff(s) - whose address is 50 Bishop Allen Drive #6 Cambridge 02139 Ma your answer on or before July 6, 1999, 19. If you fail to do so, the court will proceed to the hearing and adjudication of this action. You are also required to file a copy of your answer in the office of the Register of this Court at Cambridge.

Witness, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, this 7th day of April, 1999.

Marie A. Gardin
Acting Register of Probate Court

AD #824642
Cambridge Chronicle, 4/29, 5/6, 5/13/99

CUSTODIAL BIDS
LEGAL NOTICE
CAMBRIDGE PUBLIC SCHOOLS
PURCHASING DEPARTMENT
INVITATION TO BID

Sealed bids will be received at the Purchasing Department of the Cambridge Public Schools, 159 Thorndike Street, Cambridge, MA 02141 until 2:00 p.m. on Friday, May 14, 1999. At that time they will be publicly opened and read for furnishing the following to the Cambridge Public Schools:

CUSTODIAL SUPPLIES

The Cambridge Public Schools reserves the right to waive any minor informalities or reject, in whole or in part, any or all bids if it is in the Department's best interest to do so.

Specifications and bid forms may be obtained from the Purchasing Department at the above address (telephone #617-349-6410.

Each bid must be in a sealed envelope clearly marked with the words "Custodial Supplies to be opened at 2:00 p.m. on May 14, 1999". Each bid must be addressed to the Purchasing Department at the address above.

Cambridge is an Affirmative Action/Equal Opportunity Purchaser.

James M. Conry, Executive Director for Management Services

AD #836552
Cambridge Chronicle, 4/29, 5/6/99

DEATHS, from page 10

Tewksbury, with burial at Tewksbury Cemetery. Arrangements were made by the Tewksbury Funeral Home.

Theresa Vaudo
Homemaker

Theresa (Greco) Vaudo died on April 26, 1999 at home in Somerville. She was 74.

Mrs. Vaudo was born in Cambridge and was educated in the Cambridge schools. She was a longtime resident of Somerville and worked as a homemaker.

She was the wife of the late Louis Vaudo; mother of Deborah, Lynda and Raymond Vaudo, all of Somerville; and sister of Nick Greco and his wife Judy of Ohio, and Mary Vaudo and her husband Salvatore of Stoneham. She is also survived by many nephews, nieces, and great-grandnephews and great-grandnieces.

A Funeral Mass was held on April 29 at St. Anthony's Church in Somerville, with burial at Holy Cross Cemetery in Malden. Arrangements were made by the Cota-Struzziero Funeral Home in Somerville.

Donations in Mrs. Vaudo's memory may be made to the American Cancer Society, 654 Beacon St., Boston, Mass., 02215.

Sarah A. Walker
Tufts employee

Sarah A. (Davis) Walker died on April 26, 1999 in Florida. She was 82.

Mrs. Walker was born in Somerville on Aug. 4, 1916. She was employed by Tufts University.

She was the wife of the late Russell I. Walker; and mother of Marylou Cosgrove of Florida and Suzanne Jelley of Maine. She is also survived by seven grandchildren and 10 great-grandchildren.

A Funeral Mass was held on April 30 at St. Ann's Church in Somerville, with burial at Puritan Lawn Memorial Park in Peabody. Arrangements were made by the Doherty Funeral Home in Somerville.

Linda E. Archer
Cambridge resident

Linda Eileen Archer died on April 27, 1999. She was 47.

Ms. Archer was born in Cambridge, daughter of the late Rev. John B. and Ursula M. (Miller) Archer, and attended Cambridge schools. She graduated with degrees from Free Bible Institute in Pennsylvania and the Victory Bible Training Center where Rev. Jonathan Del Turco, pastor of International Family Church, formerly Faith Fellowship Ministries, presides.

She was a member of the International Family Church and more recently the Pentecostal Tabernacle Church.

She was the sister of Roderick B. of California, Roland C. of Connecticut, Edmund G. of Somerville, and Audrey E. Archer of Taunton. She is also survived by many other relatives and friends.

Funeral services were held on May 1 at the Pentecostal Tabernacle Church in Cambridge, with burial at Cambridge Cemetery. Arrangements were made by the A. J. Spears Funeral Home in Cambridge.

George E. Rollins
Former Somerville resident

George E. Rollins died on April 24, 1999 in Florida. He was 85.

Mr. Rollins was a former resident of Somerville, Medford and New Hampshire. He was an Air Force veteran of World War II and a member of the Air Force Reserves for many years.

He was the husband of Dorothy Rollins of Barefoot Bay, Fla.; and father of George of Florida and Sue Kern of New Hampshire. He is also survived by four grandchildren.

Burial will be in Florida at a later date. Arrangements were made by the Fountainhead Memorial Funeral Home in Palm Bay, Fla.

Donations in Mr. Rollins' memory may be made to the American Cancer Society, 6983 North Wicham Road, Melbourne, FL 32940.

Joseph L. Bouchard
Truck driver

Joseph L. Bouchard died on May 2, 1999 at Lawrence Memorial Hospital in Medford after a lengthy illness. He was 81.

Mr. Bouchard was born in Fall River, son of the late Gregoire J. and Melvina (Petrin) Bouchard. He lived in Medford for the past 23 years, formerly of Somerville.

He retired in 1975 as a truck driver with Branch Motor Company for 20 years.

He was the husband of Evelyn (Maltacea) Bouchard, and father of James Wakely of Medford, Michael Wakely of California, Sandra Davin of Methuen, Marcia Hillson of Melrose, Gregory Bouchard of Woburn, Doreen Caliri of Woburn, Daniel Bouchard of Medford, Lisa Layton of Medford, and the late Marilyn Morin. He is also survived by 32 grandchildren and 23 great-grandchildren.

A Funeral Mass was held on May 5 at St. Francis of Assisi Church in Medford, with burial at Oak Grove Cemetery in Medford. Arrangements were made by the Dello Russo Funeral Home in Medford.

Donations in Mr. Bouchard's memory may be made to the American Lung Association, 1505 Commonwealth Ave., Boston, MA 02135.

Memorial Day parade begins on Common

The Cambridge Veterans' Organization and the city's Department of Veterans' Services will hold their annual Memorial Day parade and observance Monday, May 31.

The parade will begin at the Cambridge Common at 9:30 a.m. and proceed through Harvard Square, down Mt. Auburn Street, and conclude at the Cambridge Cemetery on Coolidge Avenue. Cambridge Mayor Frank H. Duehay and Vice Mayor Anthony Galluccio will serve as parade commentators.

Parade participants will include veterans groups, elected officials, honor guards including police and fire units, bands, drills teams and youth groups. The parade will be televised live on Cambridge municipal Channel 1.

Following the parade, a Memorial Day observance will be held in the Cambridge Cemetery. Duehay will extend the city's greetings and Paul Spera, past national commander, Veterans of Foreign Wars, will deliver the memorial address. This year, the Veterans of Foreign Wars organization is celebrating its 100th anniversary.

In addition, the observance will feature Cambridge resident and gospel legend Ruth Hamilton.

A collation, hosted by the VFW Mt. Auburn Post 8818, 688 Huron Ave., will follow the day's events.

The public is invited to all events and activities. For more information, call the Cambridge Veterans' Department at 349-4761.

Flags, graves

On Saturday, May 29, the city's Department of Veterans' Services, veterans groups, North Cambridge Boy Scouts, and various elected officials will decorate graves in the veterans' section of Cambridge Cemetery with an American flag.

The Veterans' Department cannot decorate those graves located in private lots.

Flags will be available for family and friends at the following locations: Cambridge Department of Veterans' Services, 51 Inman St., Monday to Friday, 8:30 a.m. to 5 p.m., May 17-21 and May 24-28; Cambridge Cemetery, 76 Coolidge Ave., main office, Monday to Friday, 7 a.m. to 3 p.m., May 17-21 and May 24-28, and Saturday and Sunday, May 29 and 30, at the cemetery entrance, from 1 to 6 p.m.; Mt. Auburn Cemetery, 580 Mt. Auburn St., main gate house, Monday to Friday, May 24-28, 8:30 a.m. to 4:30 p.m., and Saturday, May 29, 8:30 a.m. to 12:30 p.m.; North Cambridge Cemetery (St. John's Catholic Cemetery), 244 Rindge Ave., can be picked up at the United American Veterans No. 30, 1 Cedar St., May 24-29, 4 to 6 p.m.

For more information, call the Cambridge Veterans' Department at 349-4761 or the Cambridge Cemetery at 349-4890.

Est. 1905
T.H. McVey Monuments
Monuments • Markers
Expert Cemetery Lettering
Landscape Stone
· Bluestone · Fieldstone
· Wallstone · Cobblestone
662 Arsenal Street
(Opposite Arsenal Mall Parking Garage)
Watertown • (617) 923-8866

Legal Notices

A & E BIDS

LEGAL NOTICE
CAMBRIDGE HOUSING AUTHORITY
REQUEST FOR A&E PROPOSALS

The Cambridge Housing Authority (CHA) is requesting proposals from qualified architectural and engineering firms registered in Massachusetts for the revitalization of the John F. Kennedy Apartments (MA 3-4) under the Department of Housing and Urban Development's HOPE VI program. The scope of services includes programming as well as full design and construction administration services. The construction budget is $5.2 million; the fee for services will be negotiated prior to designation of the most qualified respondent.

The Request for Proposals (RFP) will be available on Wednesday, **May 5, 1999 after 2:00 pm.** To obtain a copy of the RFP, please call Donna Gallant at (617) 520-6253 or come to the Cambridge Housing Authority, Office of Planning and Development, 675 Massachusetts Avenue, 2nd floor, Cambridge, MA 02139 between the hours of 8:30-5:00 PM. A pre-proposal conference will be held Wednesday, **May 12, at 10:00 am** at the John F. Kennedy Apartments located at 55 Essex Street in Cambridge. Deadline for proposal submissions is Friday, **May 21, 1999 at 5:00 pm.** If mailing proposals, send to Cambridge Housing Authority, Office of Planning and Development, 675 Massachusetts Avenue, 2nd floor, Cambridge, MA 02139 ATTN: Terry Lurie.

The CHA encourages all respondents to aggressively pursue Section 3 participation under this contract. In addition, MBE/WBE participation is also strongly advised.

AD #842641
Cambridge Chronicle, 5/6/99

CAMPBELL ESTATE

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL ADMINISTRATION WITH THE WILL ANNEXED WITHOUT SURETIES
MIDDLESEX DIVISION
DOCKET NO. 99P1841 AA

Estate of Hannah C. Campbell
late of Cambridge
in the County of Middlesex

NOTICE

A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will and codicil of said deceased may be proved and allowed and that Rebecca M. Luppold of Lempster in the State of New Hampshire or some other suitable person be appointed administratrix with the will annexed of said estate.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 in the forenoon on May 18, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge the 15th day of April in the year of our Lord one thousand nine hundred and ninety nine.

Marie A. Gardin
Acting Register of Probate

AD #843027
Cambridge Chronicle, 5/6/99

CARUSO ESTATE

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P2058EP

ESTATE OF MARIA J. CARUSO, a/k/a MARIA JOSEPHINE CARUSO late of CAMBRIDGE IN THE COUNTY OF MIDDLESEX

NOTICE

A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that FRANK CARUSO of Cambridge, FRANK R. CARUSO of North Billerica and MARIE A. CARUSO of Billerica in the County of Middlesex be appointed executors without giving surety on their bonds.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on June 4, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the twenty-ninth day of April in the year of our Lord one thousand nine hundred ninety-nine.

Marie A. Gardin
Acting Register of Probate Court

AD#843106
Cambridge Chronicle 5/6/99

GAJEWSKI ESTATE

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P1764EP

Estate of Harriet T. Gajewski also known as Harriet Gajewski late of Cambridge in the County of Middlesex

NOTICE

A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that Genevieve I. Gajewski of Cambridge in the County of Middlesex be appointed executrix without giving surety on her bond.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on May 28, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the twelfth day of April in the year of our Lord one thousand nine hundred ninety-nine.

Marie A. Gardin
Acting Register of Probate Court

AD#843370
Cambridge Chronicle 5/6/99

JUNE 16 AUCTION

LEGAL NOTICE
CAMBRIDGE SELF STORAGE
445 CONCORD AVENUE
CAMBRIDGE, MA 02138
(617) 876-5060

NOTICE IS HEREBY GIVEN THAT THE CAMBRIDGE SELF STORAGE WILL SELL AT PUBLIC AUCTION ON JUNE 16, 1999 AT 11:00 A.M. PERSONAL PROPERTY HERETOFORE STORED WITH THE UNDERSIGNED BY:

Unit #4013
Mary Cronin
Contains: Bags, Boxes, Rug, and Furniture

Unit #2090
Ericka Greer
Contain: Boxes, Plastic totes,

AD #842642
Cambridge Chronicle, 5/6, 5/13/99

KEPES ESTATE

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL AND CODICIL WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P2017EP

Estate of Juliet Kepes late of Cambridge in the County of Middlesex

NOTICE

A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will and codicil of said deceased may be proved and allowed and that Gerald A. Berlin and Fleet Bank of Boston in the County of Suffolk be appointed executors without giving surety on their bond.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on June 1, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the twenty-sixth day of April in the year of our Lord one thousand nine hundred ninety-nine.

Marie A. Gardin
Acting Register of Probate Court

AD#843109
Cambridge Chronicle 5/6/99

KORNETSKY ESTATE

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P1754EP

ESTATE OF Milton Kornetsky
LATE OF Florida but leaving Assets in Cambridge
IN THE COUNTY OF MIDDLESEX

NOTICE

A petition has been presented in the above captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that Sylvia Kornetsky of Margate in the State of Florida be appointed executrix without giving surety on her bond.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on May 20, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the fifteenth day of April in the year of our Lord one thousand nine hundred ninety nine.

Marie A. Gardin
Acting Register of Probate Court

AD #843021
Cambridge Chronicle, 5/6/99

PUBLICATION NO. 2836

LEGAL NOTICE
CITY OF CAMBRIDGE
FIRST PUBLICATION NO. 2836
CALENDAR ITEM NO. 7
IN CITY COUNCIL
MAY 3, 1999

ORDERED: That the following amounts are appropriated for the purposes described below:

Amount $1,000,000
Purpose Design phase/Harvard Square sewer

Amount $2,400,000
Purpose Construction of New Street sewer pump station and flood remediation improvements

Amount $5,550,000
Purpose Cherry Street flood relief project (Phase I)

ORDERED: That to meet these appropriations, the Treasurer with the approval of the City Manager is authorized to borrow $8,900,000 under Chapter 44 of the General Laws.

Passed to a second reading at the City Council meeting held on May 3, 1999 and on or after May 17, 1999 the question comes on adoption.

ATTEST: D. Margaret Drury
City Clerk

AD #843020
Cambridge Chronicle, 5/6/99

PUBLICATION #2835

LEGAL NOTICE
CITY OF CAMBRIDGE
FIRST PUBLICATION NO. 2835
CALENDAR ITEM NO. 6
IN CITY COUNCIL
MAY 3, 1999

ORDERED: That the following amounts are appropriated for the purposes described below:

Amount $750,000
Purpose
Design and construction of various street improvements to provide traffic calming

Amount $500,000
Purpose
Reconstruction of Lafayette Square and South Massachusetts Avenue; and be it further

ORDERED: That to meet these appropriations, the Treasurer with the approval of the City Manager is authorized to borrow $1,250,000 under Chapter 44 of the General Laws.

Passed to a second reading at the City Council meeting held on May 3, 1999 and on or after May 17, 1999 the question comes on adoption.

ATTEST: D. Margaret Drury
City Clerk

AD #842649
Cambridge Chronicle, 5/6/99

RENOVATION BIDS

LEGAL NOTICE
SECTION 00030
INVITATION TO BID

The City of Cambridge, Massachusetts, the Awarding Authority, invites sealed bids for the project: **Additions and Renovations to the M.E. Fitzgerald Elementary School.**

The Project includes both new additions and renovations to the existing school, along with associated sitework. Estimated cost is approximately $14,600,000.

Bidding procedures shall be in accordance with M.G.L. c. 149, SS44A-44J, as most recently amended, and all other applicable laws.

Sealed sub-bids for the trades designated below will be received at the Office of the Purchasing Agent, Room 303, City Hall, 795 Massachusetts Avenue, Cambridge, MA 02139 until Thursday, June 10, 1999, at 3:30PM at which time all sub-bids will be publicly opened and read aloud. The trades for which filed sub-bids are required are:

04200 - Masonry
05500 - Miscellaneous & Ornamental Iron
07100 - Waterproofing, Dampproofing and Caulking
07500 - Roofing and Flashing
08500 - Metal Windows
08800 - Glass and Glazing
09200 - Lathing & Plastering
09300 - Tile
09400 - Terrazzo
09500 - Acoustical Tile
09650 - Resilient Flooring and Base
09900 - Painting
14000 - Elevators
15400 - Plumbing
15600 - Heating, Ventilating and Air Conditioning
16100 - Electrical

Sealed bids for the General Contract will be received at the Office of the Purchasing Agent, Room 303, City Hall, 795 Massachusetts Avenue, Cambridge, MA 02139 until Thursday, June 24, 1999, at 3:30PM at which time all general bids will be publicly opened and read aloud.

General bidders must be prequalified by the Massachusetts Division of Capital Planning and Operations (DCPO) for the category of General Contracting. General bids shall be accompanied by a Certificate of Eligibility (DCPO Form CQ7) for the category, and an Update Statement (DCPO Form CQ3).

All general bid and all filed sub-bids shall be on a form provided by the Awarding Authority and accompanied by a bid deposit in an amount not less than five (5) percent of the value of the bid. Bid deposits shall be in the form of a bid bond, certified check, or a treasurer's or cashier's check issued by a responsible bank or trust company, payable to the City of Cambridge.
(Bid Bonds shall be a) in a form satisfactory to the Awarding Authority, b) with a surety company qualified to do business in the Commonwealth and, c) conditioned upon the faithful performance by the principal of the agreements contained in the bid.

Contract Documents will be available form 8:30AM to 5:00PM, Monday through Friday, at the Purchasing Department, City Hall, 795 Massachusetts Avenue, Room 211A, Cambridge, MA 02139 from Friday, May 14, 1999 upon receipt of the City of Cambridge of a plan deposit of $200.00 per set in the form of a certified, treasurer's of cashier's check payable to the City of Cambridge. Deposits for Contract Documents are fully refundable upon return of the documents in good condition within thirty days after the opening of General Bids. Otherwise the deposit shall be the property of the City of Cambridge.

There will be a non-refundable mailing fee of $25.00 for each set of documents requested to be mailed.

The successful general bidder will be required to furnish a Performance Bond and a Labor and Material (Payment) Bond each in the amount of one hundred percent (100%) of the contract sum. Bonds shall be obtained from a surety licensed to do business in the Commonwealth of Massachusetts and the form shall be satisfactory to the City of Cambridge.

No less than the minimum wage rates as set forth in the schedule contained in the Contract Documents must be paid on this project.

Contract Documents may be examined, at the following locations after 12:00 noon on Friday, May 14, 1999:

1. The City of Cambridge, Purchasing Department
(see address above)

2. F.W. Dodge Plan Room/Scan Microfilm
24 Hartwell Avenue
Lexington, Massachusetts 02173

3. Construction Market Data
75 Second Avenue, Suite 320
Needham, Massachusetts 02194

A pre-bid conference will be held at 3:30 PM on Friday, May 28, 1999 at the Fitzgerald School, 70 Rindge Avenue, Cambridge, Massachusetts to respond to questions.
Attention of all bidders and sub-bidders is specifically directed to the programs and ordinances of the City of Cambridge concerning; Supplemental Equal Employment Opportunity, Anti-Discrimination, and Affirmative Action Program; Minority Business Enterprise Program; Cambridge Employment Plan concerning minority/women/resident hiring; and the Cambridge Responsible Employer Plan, which are integral portions of the conditions of the contract with which each contractor and sub-contractor must comply.

The Awarding Authority will reject general bids and filed sub-bids when required to do so by the above-referenced General Laws. In addition, the Awarding Authority reserves the right to waive any informalities in bidding and to reject any and all general bids if it deems it to be in the public interest to do so. Also, the Awarding Authority reserves the right to reject any sub-bid if it determines that such sub-bid does not represent the bid of a person competent to perform the work as specified or that less than three such sub-bids were received and that the prices are not reasonable for acceptance without further competition.

AD #842646
Cambridge Chronicle, 5/6/99

To place your legal notice call 1-800-624-7355 or fax to 781-453-6650.

Legal Notices

ORDINANCE #1222

LEGAL NOTICE
CITY OF CAMBRIDGE
ORDINANCE NO. 1222
FINAL PUBLICATION NUMBER 2838
FIRST PUBLICATION IN THE CHRONICLE ON FEBRUARY 25, 1999
IN THE YEAR ONE THOUSAND, NINE HUNDRED NINETY NINE
AN ORDINANCE

In amendment to an Ordinance entitled the "Cambridge Municipal Code"

Be it ordained by the City Council of the City of Cambridge as follows:

Chapter 2.121
LIVING WAGE ORDINANCE
Sections:
2.121.010 Title and Purpose
2.121.020 Definitions
2.121.030 Living Wage
2.121.040 Waivers and Exceptions
2.121.050 Notification Requirements
2.121.060 Duties of covered Employers
2.121.070 Community Advisory Board
2.121.080 Enforcement
2.121.090 Severability
2.121.100 Effective Date

2.121.010 Title and Purpose.

This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

2.121.020 Definitions.

For the purposes of this ordinance, the term:
(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department, with the advice and assistance of the appropriate department which receives the services, for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:
(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and
(2) any service contract, as defined herein, of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter.
(3) any service subcontract, as defined herein, of at least $10.000.

(c) "Beneficiary" means:
(1) any person who is a recipient of Assistance;
(2) any company or person that is a tenant or sub-tenant, leaseholder or subleaseholder of a recipient of Assistance, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:
(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 2.121.040(j) of this ordinance; and
(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance, except for persons in those positions listed in Section 2.121.040(j) of this ordinance.
(f) "Living Wage" has the meaning stated in Section 2.121.030.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

(h) "Service Contract" means a contract let to a contractor by the City of Cambridge for the furnishing of services, to or for the City, except contracts where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service contract" for the purposes of this definition.

(i) "Service Subcontract" means a subcontract primarily for the furnishing of services, to or for a recipient of Assistance, except where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service subcontract" for the purposes of this definition.

2.121.030 Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

2.121.040 Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer, who has a contract with the City of Cambridge which is not subject to the provisions of G.L. c. 30B, may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial hardship to the Covered Employer.

(d) Chapter 30B contract waivers. Prior to issuing an invitation for bids for a procurement contract subject to the provisions of G.L. c. 30B, any Applicable Department may apply to the City Manager for a waiver of the application of the Living Wage to the contract where payment of the Living Wage by a Covered Employer would make it inordinately expensive for the City to contract for the services or would result in a significant loss of services, because the contracted work cannot be segregated from the other work of the Covered Employer.

(e) General Waiver Request Contents. All General Waiver requests shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;
(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and
(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(f) Hardship Waiver Request Contents. All Hardship Waiver requests shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) A detailed explanation of why payment of the Living Wage would cause a substantial hardship to the Covered Employer; and
(3) A statement of proposed wages below the Living Wage.

(g) Chapter 30B Contract Waiver Request Contents. A Chapter 30B contract waiver request shall include the following:
(1) The nature of the Assistance to which this Chapter applies;
(2) A detailed explanation of why the contracted work cannot be segregated from the other work of the bidding Covered Employers thereby making the cost of the contract with the payment of the Living Wage inordinately expensive or would result in a significant loss of services;

(h) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 2.121.070 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship waiver pending the hearing before the Community Advisory Board. For Chapter 30B contract waivers, the Community Advisory Board shall make its recommendation to the City Manager no more than thirty days after it is notified of the request for a Chapter 30B contract waiver.

(i) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(j) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:
(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;
(2) work-study or cooperative educational programs;
(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.
(4) persons working in a recognized supported employment program that provides workers with additional services, which may include, but are not limited to, room and board, case management, counseling, or job coaching:
(5) positions where housing is provided by the employer;
(6) employees who are exempt from federal or state minimum wage requirements; and
(7) individuals employed by the City of Cambridge where the employment of such individuals is intended primarily to provide a benefit or subsidy to such individuals, although the City is compensating them for work performed.

2.121.050 Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

2.121.060 Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:
(1) notice of the Living Wage amount;
(2) a summary of the provisions of this ordinance;
(3) a description of the enforcement provisions of the ordinance;
(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract shall include the following:
(1) the name of the program or project under which the contract or subcontract is being awarded;
(2) a local contact name, address, and phone number for the Beneficiary;
(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;
(4) a list of Covered Employees under the contract with the employees' job titles;
(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:
(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;
(2) a description of the purpose or project for which the Assistance was awarded;
(3) the name, address, and phone number of a local contact person for the Covered Employer;
(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

2.121.070 Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, a Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

2.121.080 Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the Applicable Department may, with the approval and assistance of the City Solicitor, issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents, and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements given orally or made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty the applicable Department shall give notice to the employer and conduct a hearing. If at any time during these proceedings, the employer voluntarily makes restitution of the wages not paid to the employee making the complaint and to any similarly situated employees, by paying all back wages owed plus interest at the average prior year Massachusetts passbook savings bank rate, or otherwise remedies the violation alleged if the violation involves matters other than wages, then the Applicable Department shall thereafter dismiss the complaint against the employer.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department may order any or all of the following penalties and relief:
(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance, except if the violation was not knowing and willful, then the total fine shall not exceed the amount of back wages plus interest owed;
(2) Suspension of ongoing contract and subcontract payments;
(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and
(4) Any other action deemed appropriate and within the discretion and authority of the city.
Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing, order appropriate relief as set out in paragraphs (c) and (d) herein

2.121.090 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

2.121.100 Effective Date.

This law shall be effective sixty (60) after final passage.

In City Council May 3, 1999.
Passed to be Ordained as Amended aby a yea and nay vote:- Yeas 9; Nays 0; Absent 0.
ATTEST:-
D. Margaret Drury
City Clerk

AD#843500
Cambridge Chronicle, 5/6/99

WOLONGEVICZ ESTATE

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COUNT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL ADMINISTRATION WITH THE
WILL ANNEXED WITH SURETIES
MIDDLESEX DIVISION
DOCKET NO. 99P1868AD

Estate of Albina A. Wolongevicz
late of Cambridge
in the County of Middlesex
NOTICE

A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that Thomas R. Wolongevicz of Cambridge in the County of Middlesex or some other suitable person be appointed administrator with the will annexed of said estate.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 in the forenoon on May 18, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the 15th day of April in the year of our Lord one thousand nine hundred and ninety nine.

Marie A. Gardin
Acting Register of Probate

AD #842647
Cambridge Chronicle, 5/6/99

TURNBULL ESTATE

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
THE PROBATE AND FAMILY COURT DEPARTMENT
PROBATE OF WILL
WITHOUT SURETIES
MIDDLESEX, SS DIVISION
DOCKET NO. 99P1931EP

Estate of Carol May Turnbull late of Cambridge in the County of Middlesex
NOTICE

A petition has been presented in the above-captioned matter praying that a certain instrument purporting to be the last will of said deceased may be proved and allowed and that David Turnbull of Cambridge in the County of Middlesex and Lowell D. Turnbull of Chevy Chase, MD be appointed executors without giving surety on bond.

If you desire to object to the allowance of said petition, you or your attorney must file a written appearance in said Court at Cambridge on or before 10:00 a.m. in the forenoon on May 27, 1999.

In addition you must file a written affidavit of objections to the petition, stating the specific facts and grounds upon which the objection is based, within (30) days after the return day (or such other time as the Court, on motion with notice to the petitioner, may allow) in accordance with Probate Rule 16.

WITNESS, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, the 22nd day of April in the year of our Lord one thousand nine hundred ninety-nine.

Marie A. Gardin
Acting Register of Probate Court

AD#843107
Cambridge Chronicle 5/6/99

PUBLICATION #2837

LEGAL NOTICE
CITY OF CAMBRIDGE
FIRST PUBLICATION NO. 2837
CALENDAR ITEM NO. 8
IN CITY COUNCIL
MAY 3, 1999

ORDERED: That the following amounts are appropriated for the purposes described below:

Amount $1,000,000
Purpose Design phase/War Memorial project

Amount $2,100,000
Purpose Remodeling, reconstructing and making extraordinary repairs, including original equipment and site improvements incidental thereto, to the Taylor Square Fire Station

Amount $2,240,000
Purpose Remodeling, reconstructing and making extraordinary repairs, including original equipment and site improvements incidental thereto, to various City buildings

Amount $5,305,000
Purpose Remodeling, reconstructing and making extraordinary repairs, including original equipment and site improvements incidental thereto, to various school buildings

Amount $3,240,000
Purpose Improvements to Cambridge Street

Amount $3,850,000
Purpose Reconstruction and improvements to Russell Field

Amount $3,000,000
Purpose Installation of a track and other improvements to Danehy Park

Amount $1,000,000
Purpose Acquisition of land as a site for the West Cambridge Youth Center

Amount $2,500,000
Purpose Remodeling, reconstructing and making extraordinary repairs, including original equipment and site improvements incidental thereto, to the Gately Center; and be it further

ORDERED: That to meet these appropriations, the Treasurer with the approval of the City Manager is authorized to borrow $24,235,000 under Chapter 44 of the General Laws or, to the extent that the school remodeling projects are eligible for state school construction grants, under Chapter 645 of the Acts of 1948 as amended.

Passed to a second reading at the City Council meeting held on May 3, 1999 and on or after May 17, 1999 the question comes on adoption.

ATTEST:- D. Margaret Drury
City Clerk

AD #843022
Cambridge Chronicle, 5/6/99

DEMEKE SUMMONS

LEGAL NOTICE
COMMONWEALTH OF MASSACHUSETTS
THE TRIAL COURT
PROBATE AND FAMILY COURT DEPARTMENT
MIDDLESEX DIVISION
DOCKET NO. 99D1140DV1
SUMMONS BY PUBLICATION

Belachew Demeke, Plaintiff(s) v.
Almaz Kidanemariam, Defendant(s)
To the above named Defendant(s):
A Complaint has been presented to this Court by the Plaintiff(s) Belachew Demeke, seeking a Divorce

You are required to serve upon Belachew Demeke - plaintiff(s) - for plaintiff(s) - whose address is 50 Bishop Allen Drive #6 Cambridge 02139 Ma your answer on or before July 6, 1999, 19. If you fail to do so, the court will proceed to the hearing and adjudication of this action. You are also required to file a copy of your answer in the office of the Register of this Court at Cambridge.

Witness, Sheila E. McGovern, Esquire, First Justice of said Court at Cambridge, this 7th day of April, 1999.

Marie A. Gardin
Acting Register of Probate Court

AD #824642
Cambridge Chronicle, 4/29, 5/6, 5/13/99

CUSTODIAL BIDS

LEGAL NOTICE
CAMBRIDGE PUBLIC SCHOOLS
PURCHASING DEPARTMENT
INVITATION TO BID

Sealed bids will be received at the Purchasing Department of the Cambridge Public Schools, 159 Thorndike Street, Cambridge, MA 02141 until 2:00 p.m. on Friday, May 14, 1999. At that time they will be publicly opened and read for furnishing the following to the Cambridge Public Schools:

CUSTODIAL SUPPLIES

The Cambridge Public Schools reserves the right to waive any minor informalities or reject, in whole or in part, any or all bids if it is in the Department's best interest to do so.

Specifications and bid forms may be obtained from the Purchasing Department at the above address (telephone #617-349-6410.

Each bid must be in a sealed envelope clearly marked with the words "Custodial Supplies to be opened at 2:00 p.m. on May 14, 1999". Each bid must be addressed to the Purchasing Department at the address above.

Cambridge is an Affirmative Action/Equal Opportunity Purchaser.

James M. Conry, Executive Director for Management Services

AD #836552
Cambridge Chronicle, 4/29, 5/6/99

ORDINANCE NO. 1222

Final Publication Number 2838. First Publication in the Chronicle on February 25, 1999.

City of Cambridge

In the Year One Thousand, Nine Hundred Ninety Nine

AN ORDINANCE

In amendment to an Ordinance entitled the "Cambridge Municipal Code"

Be it ordained by the City Council of the City of Cambridge as follows:

Chapter 2.121

LIVING WAGE ORDINANCE

Sections:

2.121.010	**Title and Purpose**
2.121.020	**Definitions**
2.121.030	**Living Wage**
2.121.040	**Waivers and Exceptions**
2.121.050	**Notification Requirements**
2.121.060	**Duties of covered Employers**
2.121.070	**Community Advisory Board**
2.121.080	**Enforcement**
2.121.090	**Severability**
2.121.100	**Effective Date**

2.121.010 Title and Purpose.

This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

2.121.020 Definitions.

For the purposes of this ordinance, the term:

(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department, with the advice and assistance of the appropriate department which receives the services, for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any service contract, as defined herein, of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter.

(3) any service subcontract, as defined herein, of at least $10,000.

(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a recipient of Assistance, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or

developed as a result of Assistance, after the effective date of this Chapter; and

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 2.121.040(j) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance, except for persons in those positions listed in Section 2.121.040(j) of this ordinance..

(f) "Living Wage" has the meaning stated in Section 2.121.030.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

(h) "Service Contract" means a contract let to a contractor by the City of Cambridge for the furnishing of services, to or for the City, except contracts where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service contract" for the purposes of this definition.

(i) "Service Subcontract" means a subcontract primarily for the furnishing of services, to or for a recipient of Assistance, except where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service subcontract" for the purposes of this definition.

2.121.030 Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce

wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

2.121.040 Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer, who has a contract with the City of Cambridge which is not subject to the provisions of G.L. c. 30B, may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial hardship to the Covered Employer.

(d) Chapter 30B contract waivers. Prior to issuing an invitation for bids for a procurement contract subject to the provisions of G.L. c. 30B, any Applicable Department may apply to the City Manager for a waiver of the application of the Living Wage to the contract where payment of the Living Wage by a Covered Employer would make it inordinately expensive for the City to contract for the services or would result in a significant loss of services, because the contracted work cannot be segregated from the other work of the Covered Employer.

(e) General Waiver Request Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(f) Hardship Waiver Request Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(g) Chapter 30B Contract Waiver Request Contents. A Chapter 30B contract waiver request shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why the contracted work cannot be segregated from the other work of the bidding Covered Employers thereby making the cost of the contract with the payment of the Living Wage inordinately expensive or would result in a significant loss of services;

(h) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 2.121.070 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship waiver pending the hearing before the Community Advisory Board. For Chapter 30B contract waivers, the Community Advisory Board shall make its recommendation to the City Manager no more than thirty days after it is notified of the request for a Chapter 30B contract waiver.

(i) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(j) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

(4) persons working in a recognized supported employment program that provides workers with additional services, which may include, but are not limited to, room and board, case management, counseling, or job coaching:

(5) positions where housing is provided by the employer;

(6) employees who are exempt from federal or state minimum wage requirements; and

(7) individuals employed by the City of Cambridge where the employment of such individuals is intended primarily to provide a benefit or subsidy to such individuals, although the City is compensating them for work performed.

2.121.050 Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

2.121.060 Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours

worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

2.121.070 Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific

instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, a Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

2.121.080 Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the Applicable Department may, with the approval and assistance of the City Solicitor, issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty the applicable Department shall give notice to the employer and conduct a hearing. If at any time during these proceedings, the employer voluntarily makes restitution of the wages not paid to the employee making the complaint and to any similarly situated employees, by paying all back wages owed plus interest at the average prior year Massachusetts passbook savings bank rate, or otherwise remedies

the violation alleged if the violation involves matters other than wages, then the Applicable Department shall thereafter dismiss the complaint against the employer.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance, except if the violation was not knowing and willful, then the total fine shall not exceed the amount of back wages plus interest owed;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city.

Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing, order appropriate relief as set out in paragraphs (c) and (d) herein

2.121.090 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

2.121.100 Effective Date.

This law shall be effective sixty (60) after final passage.

In City Council May 3, 1999.
Passed to be Ordained as Amended by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.

ATTEST:-

D. Margaret Drury
City Clerk

FIRST PUBLICATION #2822

City of Cambridge

In the Year One Thousand, Nine Hundred Ninety Nine

AN ORDINANCE

In amendment to an ordinance entitled "The Municipal Code of the City of Cambridge"

Be it ordained by the City Council of the City of Cambridge as follows:

That the Municipal Code of Cambridge is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions.
For the purposes of this ordinance, the term:
(a) **"Applicable Department"** means the Personnel Department for employees of the City of Cambridge, the Purchasing Department for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.
(b) **"Assistance"** means:
(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and
(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;
(c) **"Beneficiary"** means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(3) Any contractor or subcontractor of a Beneficiary.

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or

regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.

This law shall be effective on the date of February 1, 1999.

Passed to a second reading at the
City Council meeting held on February 22, 1999
and on or after March 8, 1999 the question
comes on passing to be ordained.

ATTEST:-

D. Margaret Drury
City Clerk

C.C. 106

City of Cambridge

In City Council February 22, 1999

The Ordinance Committee held a public meeting on February 10, 1999, beginning at 5:37 p.m. in the Sullivan Chamber for the purpose of continuing discussion on a proposed Living Wage Ordinance.

Present at the hearing were Councillor Henrietta Davis, Chair of the Committee, Mayor Francis H. Duehay, Councillor Sheila T. Russell, Councillor Michael A. Sullivan, Councillor Katherine Triantafillou, and City Clerk D. Margaret Drury. Also present were Robert W. Healy, City Manager; Donald Drisdell, Deputy City Solicitor; Birge Albright, Legal Counsel for the City of Cambridge; James Maloney, Assistant City Manager for Finance; Jill Herold, Assistant City Manager for Human Services, and Ellen Semonoff, Deputy Director of Human Services.

Councillor Davis convened the hearing and explained the purpose. She invited Judy Somberg, 48 Hampshire Street, attorney, to begin with a brief explanation of the proposal, and Attorney Somberg did so.

Councillor Davis then invited Mr. Robert W. Healy, City Manager, to make a presentation with regard to the information that the committee had requested him to provide. She noted that the School Department has also submitted comments.

Mr. Healy summarized the written material that he and his staff have submitted in response to the request of the Ordinance Committee. Attached. Mr. Healy stated that his cover memorandum notes two significant differences from the Boston Ordinance, the disparity in the amount of the proposed wage, and the difference in the size of the covered contracts, which is $100,000 in Boston and is proposed to be $10,000 contracts and larger in Cambridge. He requested that whatever provision is passed allows for start-up time for implementation, at least 30 and preferably 60 days. He also stated that wages for union employees are subject to collective bargaining and cannot just be unilaterally changed. One significant issue in this regard is the CPI proposal.

Mayor Duehay requested that Mr. Healy explain, with regard to the collective bargaining issues, how the ordinance would be implemented. Mr. Healy first noted that Local 195 presents a special complexity, the City cannot now bargain with either entity. For other unions, the City can request reopening of collective bargaining as can the union, and it is very likely that there will be other issues that the unions want to raise at any re-opened bargaining.

Committee Report #5

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B C

A report from Councillor Henrietta Davis, Chair of the Ordinance Committee, for a hearing held on February 10, 1999 for the purpose of continuing discussion on a proposed Living Wage Ordinance.

In City Council February 22, 1999

Report Accepted
Passed to a 2nd Reading
Order Adopted.

Mr. Duehay asked whether Mr. Healy would wait for contracts to expire. Mr. Healy stated that it would vary with the length of the contract, but reopening would be required in most instances.

Mayor Duehay asked about the effect on small businesses. Mr. Healy stated that he would like to see the contract amount raised to deal with this issue and he noted that Ellen Semonoff, Deputy Director of Human Services, is present to discuss implications for some of the non-profit corporations with which the City contracts.

Ms. Semonoff stated that the Department of Human Services contracts with about 50 non-profits; there is a large variety in the contract amounts, from $2,000.00 to over $100,000.00. The average contract size is $20,000.00. The Department of Human Services also has contracts with agencies who provide a small amount of services for the City and also provide services for other agencies, such as bus drivers who make $7.50 an hour. They also pick up elderly persons for the Department of Human Services along with clients of many other agencies, which will not be requiring their paying $10.00 per hour. Another issue is the summer camps. Many pay their counselors under $10.00 per hour.

Councillor Sullivan asked Mr. Healy about the social security issue for elderly persons. Will the larger amount put elderly part-time employees at risk? Mr. Healy stated that his concern is for the elderly persons who will do work in exchange for credit on their tax bills.

Michael Gardner, Director of Personnel, stated that he believes that when a social security recipient reaches a certain limit of earned income, there is some reduction in benefits for additional earned income, not as much as dollar-per-dollar.

Councillor Russell asked whether the $10.00 per hour wage includes benefits. Mr. Healy stated that benefits are not included, so an employee who works over 20 hours and automatically gets benefits will receive the $10.00 per hour plus the benefits.

Councillor Davis stated that the School Committee has indicated that it would like to review the proposal and that if there is no objection she will transmit the proposal to the School Committee on behalf of the Ordinance Committee.

Councillor Davis then read communications from Councillor Born and Mayor Duehay regarding their inability to attend the meeting.

Thereupon Councillor Davis invited public testimony on the proposal.

Macy Delong, Solutions at Work, 1151 Massachusetts Avenue, stated that as a small non-profit employer, Solutions at Work, she supports the proposal. She drew attention to one of the exceptions, H. She wants to be sure that transitional employees in training will still be an exception. All three exceptions are important. She asked whether sheltered workshops are covered, because many of the participants receive disability payments which they would lose is they were paid $10.00 per hour.

State Representative Alice Wolf, 48 Huron Avenue, stated that this is a very important legislation. A number of other municipalities have already adopted similar legislation. She submitted a chart "Region I, Greater Boston Table 3 - The Self Sufficiency Standard for Boston."

Denise Simmons, 188 Harvard Street, member of the School Committee, expressed her support for the proposed ordinance and thanked the committee that has been working so long on this issue.

Gail Enman, residential address 15 Kings Way, Waltham, Executive Director of CASPAR stated that she would like to see an exemption for CASPAR's "live-in" positions which include room and board in the stipend. She noted that since wages are generally used to provide room and board, this is a logical request. If non-city related contracts were included, the proposal would have a devastating effect. CASPAR has more than 100 employees, most full-time, about 15 - 20 people are part-time.

Joe Walsh, Pearl Street, Local 40 Carpenter Union, urged adoption. It is the right thing to do.

Michael Biasella, 291 Hurley Street, spoke in support of the proposed ordinance.

Elie Yarden, 143 Pleasant Street, urged that the City Council approve the ordinance as it stands. It is a matter of policy - people who work in Cambridge ought to be able to live here. The policies of this city have created a tremendous upward pressure on the cost of housing in Cambridge. It takes two wage earners to rent a one-bedroom apartment. With regard to the issue of non-profit agencies, there is misinformation here, a spirit of meanness. No one on social security will be harmed. There is a clear way in the ordinance for providing for a lower wage when it is socially desirable. The people who are impacted by the lack of a living wage are non-white persons; it is an issue of race and class.

Kevin Sykes, 160 Richdale Avenue, Local 40 Carpenters Union, spoke in support of the proposal. As a fourth year apprentice, he makes much more than $10.00 per hour and finds it very hard to live on what he makes.

Gordon Tuttle, 71 School Street, Cambridge, Local 40, carpenters apprentice, states that he makes a little more than $10.00 per hour and finds it very hard to survive on that amount.

Dan Morgan, 64 Linnaean Street, representing Harvard students and faculty in the Harvard Campaign for a Living Wage, spoke in support of the proposal and stated that this group is working to establish a living wage for Harvard employees.

Bill LaForge, 19 Worcester Street, spoke in support of the living wage and noted the connection between housing and a living wage. The minimum wage is not sufficient to support an automobile, which is very significant.

Steve Meacham, 10 Laurel Street, steering committee of the Eviction Free Zone, spoke in support of the ordinance and noted that the Eviction Free Zone, a small non-profit, pays all its employees at least $10.00 per hour.

Councillor Sullivan asked why other cities use poverty level + 20%. Attorney Somberg stated that $10.00 per hour is about that amount, but they did not want to base the wages on the poverty level.

Representative Wolf stated that some of the cities passed their ordinances years ago. Also, this city has one of the highest costs of living in the country.

Bill Zamparelli, Emmons Place, Chamber of Commerce, stated that while $10.00 an hour is a good goal, there are many businesses, "mom & pop" operations, that have small contracts with the city, such as snow plowing, and pay employees less. The Chamber is concerned about this and thinks the contract amount might be too low. He also expressed concern about non-profits with respect to grants. He stated that 121A tax agreements are a good way to bring tax money into the city.

Councillor Russell suggested that the Chamber look at provisions that allow for waivers. Mayor Duehay urged the Chamber to submit any information it has about these "mom & pop" operations.

Dave Slaney, 237 Norfolk Street, representative of Greater Boston Labor Council of the AFL-CIO, spoke in support of the proposal. The $10.00 wage really should have been even higher. Raising the contract amount to $100,000.00 would exclude a lot of people who really need the increased income. He is an experienced collective bargaining negotiator. It will be absolutely no problem to get unions to agree to raise the wages of their lowest paid workers. With regard to the issue of wage compression, the issue is analogous to when the minimum wage is raised. There is always some wage compression but this is the price that must be paid to assist those who are desperately in need of a living wage. With regard to the CPI adjustment, there is no choice. Otherwise, the wage will not keep up with inflation.

Councillor Triantafillou asked what the impact would be if the contract limitations were raised to $25,000.00 or $50,000.00. Mr. Slaney said that he would have to review the list of who is impacted.

Councillor Triantafillou asked whether the studies showed an adverse impact on seasonal young minority employees. Mr. Slaney stated that he would need to look at the data again. He noted that the study reports that the overall effect on employees is positive.

At this point Mayor Duehay stated that he had to leave. He said that he supports the $10.00 per hour wage and the CPI adjustment. He would like to look at the issues raised by CASPAR and the issues regarding youth employees. He believes it may be possible to raise the minimum amount to $25,00.00 or $50,000.00. He thinks it would possible to report this out of committee while this information is pending.

State Representative Jarrett Barrios, 216 Prospect Street, expressed his support for the proposal. One of the root causes for the affordable housing crisis is that we as a society do not pay workers what they are worth. Cambridge can make a difference.

Natalie Smith, 10 Laurel Street, staff to Campaign for a Living Wage, Eviction Free Zone, spoke in support of the proposal. She quoted Wilma Mankiller, "think about the impact of your decisions on seven generations into the future."

Syrll Silberman, 40 Oakland Avenue, Cambridge Camping, stated that her payroll would go from $100,000.00 to $142,000.00. She does not want to ask for a waiver. Childcare workers are never paid what they deserve. She is not opposed to a living wage, but inevitably there will be this issue. Please think about it.

Marjorie Decker, 70 Bishop Allen Drive, member of CEOC board, stated that CEOC pays its workers a living wage. It can be done. A $10.00 wage will not allow employees to live in Cambridge.

Mark Sullivan, 132 Pearl Street, spoke in support of the living wage.

Judy Somberg stated that she would like to have further discussion with the city administration and with the Chamber of Commerce regarding their concerns. There has been overwhelming testimony as to the need.

Heather Nelson, 4 Austin Park, spoke in support of the proposal. The disparity in Boston exists because of the politics, not any difference in the economics.

Councillor Sullivan moved that the proposed amendment be forwarded to the full City Council with a favorable recommendation. The motion passed without objection on a voice vote.

Councillor Davis thanked all those present for their attendance. The meeting was adjourned at 7:20 p.m.

For the Committee,

Councillor Henrietta Davis
Chair

C.C. 106

6.

City of Cambridge

In City Council January 11, 1998

The Ordinance Committee held a public hearing on December 1, 1998, beginning at 7:15 p.m. in the Sullivan chamber for the purpose of considering a proposed amendment to the Municipal Code to provide a Living Wage Ordinance.

Present at the hearing were Councillor Henrietta Davis, Chair of the Committee, Vice Mayor Anthony D. Galluccio, Councillor Kathleen Leahy Born, Councillor Sheila T. Russell, Councillor Michael A. Sullivan, Councillor Katherine Triantafillou, and City Clerk D. Margaret Drury.

Councillor Davis convened the hearing and explained the purpose and the procedure. She invited a presentation from the proponents of the amendment.

David Slaney, Norfolk Street, began the presentation. Mr. Slaney introduced Attorney Judy Somberg, 48 Antrim Street, who drafted the ordinance, to explain the ordinance.

Attorney Somberg stated that the ordinance applies to three categories. One is employees of the City, which is somewhat different from most ordinances of this type. It also applies to employees of contractors who have contracts with the City of over $10,000.00. Since these contracts must be bid under state law, there is already paperwork involved; the goal was not to add a lot of paperwork. The third category is employees of organizations receiving subsidies from the City.

Attorney Somberg explained that health insurance is not mandated because it is so very expensive in this area. There is a provision for waivers and exemptions. Exemptions are for particular jobs in such categories as youth jobs and training jobs. There is also a provision for a hardship waiver for certain non-profit employers. Ms. Somberg noted that the major enforcement contemplated is self-enforcement by employees. She stated that the City Manager should be consulted as to which city department should be involved in administration. The proposed ordinance puts it in the Personnel Department, but that is really his call. The one mandatory remedy is wage restitution; other remedies are at the City's discretion.

Attorney Somberg stated that this ordinance is in keeping with other actions of this City Council, such as the Cambridge Employment Plan. She submitted copies of two studies of the Baltimore Living Wage, one of which was just completed a year after the first study. Most of the workers affected were part-time and seasonal employees. The main effect was a more stable workforce in these categories. There were no negative effects on the city of Baltimore.

Councillor Russell stated that she supports this ordinance but she has some questions. She asked whether enforcement has been a problem in other cities with this ordinance. Attorney Somberg stated that there is a problem with compliance, but as with the Cambridge law, the laws are generally self-enforced by employees.

Councillor Davis stated that Mr. Healy has given her a printout of what vendors would be covered. It appears that about 600 vendors have contracts with the City for more than $10,000.00. Attorney Somberg stated that she has reviewed this list. Many probably do not have any employees who earn less than $10.00 per hour. Also, contracts for purchases are not involved, the law only applies to service contracts.

Councillor Triantafillou asked whether there could be a potential action against the City. Attorney Somberg stated that she supposed that it is possible but it would be a fairly convoluted course of action for an employee to take when there is a direct right of action against the contractor.

Councillor Triantafillou said that it is important to be clear about what the cost to the City will be; she believes that there will be a cost. She is willing to support this ordinance even though there is a cost but it is important to make an informed choice.

Councillor Triantafillou asked how this will affect restaurant employees, for example, employees of a food contractor who supplies the City. Ms. Somberg stated that employees who work on the contract would have to receive a living wage, not all employees of the contractor.

Councillor Triantafillou asked what effect the ordinance will have on the Health Commission. Ms. Somberg stated that the Cambridge Hospital and clinics that supply services to Cambridge residents would be subject to the living wage. People who work in the cafeteria would be affected, and some other categories of employees.

Councillor Born asked about what agencies and organizations would fall under the category of employees receiving assistance. She also asked how this ordinance interfaces with the responsible employer ordinance. Attorney Somberg stated that this ordinance is another tool but it is specific to the living wage.

Councillor Born asked how this proposal differs from the Boston ordinance. Ms. Somberg stated that one difference is the $10.00 per hour wage amount. Another is that the Boston ordinance has a focus on hiring halls. Also, the Boston ordinance only applies to large employers.

Mr. Slaney stated that the Boston ordinance also required a great deal of paperwork and reporting by employers which this ordinance does not include.

Vice Mayor Galluccio asked whether the ordinance covers employers who contract with the Cambridge Hospital.

Vice Mayor Galluccio moved that the committee receive a report on what the Law Department perceives the impacted employers to be and to what extent the Public Health Commission will be subject to this ordinance. For example, security guards at the Hospital start at $8.00 per hour with no benefits. He noted that this ordinance is also a detriment to privatization.

Vice Mayor Galluccio asked whether the proposal is intended to affect the nine-week positions that the City utilizes for unskilled labor, usually for people who have no other prospect at all. Ms. Somberg stated that temporary employees are not exempted; they are covered by the ordinance. Vice Mayor Galluccio recommended taking a closer look at this issue, because although he believes that the pay is too low, these jobs can be a very important stopgap for a desperate person.

Councillor Triantafillou asked about implementation. She asked whether the ordinance contemplated one department having hearings or several. She also asked about the retaliation and discrimination provision and how it works in conjunction with other statutes and jurisdictions such as Massachusetts Commission Against Discrimination.

Councillor Triantafillou moved that the City Manager be requested to provide the following information:

1. Does the City already have automatic CPI cost of living increases?

2. Is there any collective bargaining issue with regard to changing the terms of a collective bargaining agreement presented by this ordinance?

3. Would the City Manager provide an estimate as to the cost of implementing This ordinance in terms of additional employees, etc.?

Councillor Davis stated that $10.00 per hour seems hardly enough to be called a living wage. However, looking at the list, there seem to be potential issues, for example, special education placements across the state, the Cambridge Camping Association which hires college students seasonally and where what they are paid impacts the costs to low and moderate income families.

Ms. Somberg stated that the Campaign for a Living Wage would be interested in looking at any particular contract that raises issues that need to be addressed.

Councillor Davis then invited public comment.

Representative Alice K. Wolf, Huron Avenue, stated her strong support for the concept of a living wage and of the City Council enacting an ordinance to provide a living wage. This is a movement across the country. New York, Portland, Oregon, Baltimore and Boston have all passed living wage ordinances. It has been an effective effort in other communities. A number of these ordinances include cost-of-living increase provisions.

Elie Yarden, 143 Pleasant Street, spoke in favor of the proposed ordinance and stated that he has participated in some of the committee meetings to discuss the draft. He stated that he shares the concerns expressed by City Councillors about how this can affect various important goals, but there are consequences to the people who are performing slave labor.

Elaine DeRosa, 4 Pleasant Place, Executive Director of CEOC, stated CEOC's support for this ordinance. CEOC, a non-profit which received city assistance, pays all of its employees at least $10.00 per hour.

Marjorie Decker, 70 Bishop Allen Drive, spoke in support of the ordinance. In fact, $10.00 per hour does not bring a family out of poverty. She suggested a working group of campaign members and city staff to work out any issues.

Maureen Ridge, 150 Staniford Street, Director of Service Employees International Association, spoke in support of the living wage ordinance. She noted the special significance of such an ordinance when welfare reform in Massachusetts has just terminated the benefits of many poor residents, which will inevitably lower wages. She stated that changing collective bargaining language in this situation will not be a problem.

Steve Meacham, 10 Laurel Street, expressed the support of the Eviction Free Zone for this ordinance. He stated that the committee has met every two weeks over the past year. He noted that only fifty employers in Baltimore were found not to be in compliance with the ordinance.

Natalie Smith, 10 Laurel Street, staff person, Campaign for a Living Wage, spoke in support of the living wage ordinance. City Councillors are hired to protect their people, not to worry about how much money is in the bank at the end of the day.

State Representative-elect Jarrett Barrios, 146 Prospect Street, spoke in support of the ordinance. It truly is a moral choice and he is very happy to see the level of support by the City Council. He urged the City Council to be aggressive.

Councillor Triantafillou moved that the questions be submitted to the City Council for reports and that the matter remain in committee. The motion passed without objection.

Councillor Davis thanked those present for their attendance.

The meeting was adjourned at 8:55 p.m.

For the Committee,

Councillor Henrietta Davis
Chair

January 11, 1998

COUNCILLOR DAVIS
VICE MAYOR ANTHONY D. GALLUCCIO
KATHERINE TRIANTAFILLOU

ORDERED: That the City Manager be and hereby is requested to provide the following information to the Ordinance Committee for use in its consideration of the proposed Living Wage Ordinance:

- Costs to the City of this ordinance, in terms of additional employees, etc.
- Effect of this ordinance on the Public Health Commission.
- How the ordinance interfaces with the Responsible Employer Ordinance.
- Comparison of this ordinance and the Boston ordinance.
- Effect on 9 week employee program.
- Does the City already have automatic CPI cost of living increases.
- Description of any collective bargaining issues presented by the ordinance.

C/C. 106

City of Cambridge

MASSACHUSETTS

In City Council 5-3, 1999

ITD

Unfinished Bus # 34 Living Wage Ordenance

YEA	NAY	ABSENT	PRESENT	
✓				Ms. Kathleen L. Born
✓				Ms. Henrietta Davis
✓				V. Mayor Anthony Galluccio
✓				Mr. Kenneth E. Reeves
✓				Ms. Sheila T. Russell
✓				Mr. Michael A. Sullivan
✓				Mr. Timothy J. Toomey, Jr.
✓				Ms. Katherine Triantafillou
✓				Mayor Francis H. Duehay

9 0 0 0

MS mo for vote 9-0
RF 0-9

5-3-99
HD m substitin UV/9
On ordination 9-0-0
MS m s. UV/9
R.F 0-9

DRAFT

Cambridge Law Department
April 29, 1999

Chapter 2.121

LIVING WAGE ORDINANCE

Sections:

2.121.010	**Title and Purpose**
2.121.020	**Definitions**
2.121.030	**Living Wage**
2.121.040	**Waivers and Exceptions**
2.121.050	**Notification Requirements**
2.121.060	**Duties of covered Employers**
2.121.070	**Community Advisory Board**
2.121.080	**Enforcement**
2.121.090	**Severability**
2.121.100	**Effective Date**

2.121.010 Title and Purpose.

This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

2.121.020 Definitions.

For the purposes of this ordinance, the term:

(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department, with the advice and assistance of the appropriate department which receives the services, for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any service contract, as defined herein, ~~or subcontract~~ of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter.

(3) any service subcontract, as defined herein, of at least $10,000.

(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a ~~Beneficiary~~ recipient of Assistance, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

~~(3) Any contractor or subcontractor of a Beneficiary.~~

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section ~~4(h)~~ 2.121.040(j) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance, except for persons in those positions listed in Section 2.121.040(j) of this ordinance..

(f) "Living Wage" has the meaning stated in Section ~~3~~ 2.121.030.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

(h) "Service Contract" means a contract let to a contractor by the City of Cambridge for the furnishing of services, to or for the City, except contracts where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service contract" for the purposes of this definition.

(i) "Service Subcontract" means a subcontract primarily for the furnishing of services, to or for a recipient of Assistance, except where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service subcontract" for the purposes of this definition.

2.121.030 Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

2.121.040 Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer, who has a contract with the City of Cambridge which is not subject to the provisions of G.L. c. 30B, may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial ~~and unique~~ hardship to the Covered Employer.

(d) Chapter 30B contract waivers. Prior to issuing an invitation for bids for a procurement contract subject to the provisions of G.L. c. 30B, any Applicable Department may apply to the City Manager for a waiver of the application of the Living Wage to the contract where payment of the Living Wage by a Covered Employer would make it inordinately expensive for the City to contract for the services or would result in a significant loss of services, because the contracted work

cannot be segregated from the other work of the Covered Employer.

(de) General Waiver Request Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(ef) Hardship Waiver Request Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial ~~and unique~~ hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(g) Chapter 30B Contract Waiver Request Contents. A Chapter 30B contract waiver request shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why the contracted work cannot be segregated from the other work of the bidding Covered Employers thereby making the cost of the contract with the payment of the Living Wage inordinately expensive or would result in a significant loss of services;

(fh) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section ~~7~~ 2.121.070 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship ~~exemption~~ waiver pending the hearing before the Community Advisory Board. For Chapter 30B contract waivers, the Community Advisory Board shall make its recommendation to the City Manager

no more than thirty days after it is notified of the request for a Chapter 30B contract waiver.

(gi) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(hj) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

(4) persons working in a recognized supported employment program that provides workers with additional services, which may include, but are not limited to, room and board, case management, counseling, or job coaching;

(5) positions where housing is provided by the employer;

(6) employees who are exempt from federal or state minimum wage requirements;, And

(7) individuals employed by the City of Cambridge where the employment of such individuals is intended primarily to provide a benefit or subsidy to such individuals, although the City is compensating them for work performed.

2.121.050 Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

2.121.060 Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered

Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

2.121.070 Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, ~~and~~ Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate

family has a direct or indirect financial interest in the outcome of said proceeding.

2.121.080 Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the ~~City Solicitor~~ Applicable Department may, with the approval and assistance of the City Solicitor, issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty ~~or restitution~~ the applicable Department shall give notice to the employer and conduct a hearing. If at any time during these proceedings, the employer voluntarily makes restitution of the wages not paid to the employee making the complaint and to any similarly situated employees, by paying all back wages owed plus interest at the average prior year Massachusetts passbook savings bank rate, or otherwise

remedies the violation alleged if the violation involves matters other than wages, then the Applicable Department shall thereafter dismiss the complaint against the employer.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department ~~shall order wage restitution for each affected employee and in addition~~ may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance, except if the violation was not knowing and willful, then the total fine shall not exceed the amount of back wages plus interest owed;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city.

Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing, order appropriate relief as set out in paragraphs (c) and (d) herein, ~~including restitution, and reinstatement of a discharged employee with back pay to the date of violation.~~

2.121.090 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

2.121.100 Effective Date.

This law shall be effective ~~on the date of February 1, 1999~~ sixty (60) after final passage.

C. C. 106

City of Cambridge

MASSACHUSETTS

In City Council 5-3, 1997

Charter Rights # 1, 5, 8, 9, 10, 12, 13, 14, 15, 16

YEA	NAY	ABSENT	PRESENT	
✓				Ms. Kathleen L. Born
✓				Ms. Henrietta Davis
✓				V. Mayor Anthony Galluccio
✓				Mr. Kenneth E. Reeves
✓				Ms. Sheila T. Russell
✓				Mr. Michael A. Sullivan
✓				Mr. Timothy J. Toomey, Jr.
✓				Ms. Katherine Triantafillou
✓				Mayor Francis H. Duehay

9 0 0 0

FIRST PUBLICATION #2822

City of Cambridge

In the Year One Thousand, Nine Hundred Ninety Nine

AN ORDINANCE

In amendment to an ordinance entitled "The Municipal Code of the City of Cambridge"

Be it ordained by the City Council of the City of Cambridge as follows:

That the Municipal Code of Cambridge is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions.
For the purposes of this ordinance, the term:
(a) **"Applicable Department"** means the Personnel Department for employees of the City of Cambridge, the Purchasing Department for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.
(b) **"Assistance"** means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;
(c) **"Beneficiary"** means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(3) Any contractor or subcontractor of a Beneficiary.

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or

regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.

This law shall be effective on the date of February 1, 1999.

Passed to a second reading at the
City Council meeting held on February 22, 1999
and on or after March 8, 1999 the question
comes on passing to be ordained.

ATTEST:-

D. Margaret Drury
City Clerk

ORDINANCE NO. 1222

Final Publication Number 2838. First Publication in the Chronicle on February 25, 1999.

City of Cambridge

In the Year One Thousand, Nine Hundred Ninety Nine

AN ORDINANCE

In amendment to an Ordinance entitled the "Cambridge Municipal Code"

Be it ordained by the City Council of the City of Cambridge as follows:

Chapter 2.121

LIVING WAGE ORDINANCE

Sections:

2.121.010	**Title and Purpose**
2.121.020	**Definitions**
2.121.030	**Living Wage**
2.121.040	**Waivers and Exceptions**
2.121.050	**Notification Requirements**
2.121.060	**Duties of covered Employers**
2.121.070	**Community Advisory Board**
2.121.080	**Enforcement**
2.121.090	**Severability**
2.121.100	**Effective Date**

2.121.010 Title and Purpose.

This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

2.121.020 Definitions.

For the purposes of this ordinance, the term:

(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department, with the advice and assistance of the appropriate department which receives the services, for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any service contract, as defined herein, of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter.

(3) any service subcontract, as defined herein, of at least $10,000.

(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a recipient of Assistance, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or

developed as a result of Assistance, after the effective date of this Chapter; and

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 2.121.040(j) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance, except for persons in those positions listed in Section 2.121.040(j) of this ordinance..

(f) "Living Wage" has the meaning stated in Section 2.121.030.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

(h) "Service Contract" means a contract let to a contractor by the City of Cambridge for the furnishing of services, to or for the City, except contracts where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service contract" for the purposes of this definition.

(i) "Service Subcontract" means a subcontract primarily for the furnishing of services, to or for a recipient of Assistance, except where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service subcontract" for the purposes of this definition.

2.121.030 Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce

wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

2.121.040 Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer, who has a contract with the City of Cambridge which is not subject to the provisions of G.L. c. 30B, may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial hardship to the Covered Employer.

(d) Chapter 30B contract waivers. Prior to issuing an invitation for bids for a procurement contract subject to the provisions of G.L. c. 30B, any Applicable Department may apply to the City Manager for a waiver of the application of the Living Wage to the contract where payment of the Living Wage by a Covered Employer would make it inordinately expensive for the City to contract for the services or would result in a significant loss of services, because the contracted work cannot be segregated from the other work of the Covered Employer.

(e) General Waiver Request Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(f) Hardship Waiver Request Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(g) Chapter 30B Contract Waiver Request Contents. A Chapter 30B contract waiver request shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why the contracted work cannot be segregated from the other work of the bidding Covered Employers thereby making the cost of the contract with the payment of the Living Wage inordinately expensive or would result in a significant loss of services;

(h) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 2.121.070 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship waiver pending the hearing before the Community Advisory Board. For Chapter 30B contract waivers, the Community Advisory Board shall make its recommendation to the City Manager no more than thirty days after it is notified of the request for a Chapter 30B contract waiver.

(i) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(j) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

(4) persons working in a recognized supported employment program that provides workers with additional services, which may include, but are not limited to, room and board, case management, counseling, or job coaching:

(5) positions where housing is provided by the employer;

(6) employees who are exempt from federal or state minimum wage requirements; and

(7) individuals employed by the City of Cambridge where the employment of such individuals is intended primarily to provide a benefit or subsidy to such individuals, although the City is compensating them for work performed.

2.121.050 Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

2.121.060 Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours

worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

2.121.070 Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific

instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, a Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

2.121.080 Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the Applicable Department may, with the approval and assistance of the City Solicitor, issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty the applicable Department shall give notice to the employer and conduct a hearing. If at any time during these proceedings, the employer voluntarily makes restitution of the wages not paid to the employee making the complaint and to any similarly situated employees, by paying all back wages owed plus interest at the average prior year Massachusetts passbook savings bank rate, or otherwise remedies

the violation alleged if the violation involves matters other than wages, then the Applicable Department shall thereafter dismiss the complaint against the employer.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance, except if the violation was not knowing and willful, then the total fine shall not exceed the amount of back wages plus interest owed;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city.

Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing, order appropriate relief as set out in paragraphs (c) and (d) herein

2.121.090 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

2.121.100 Effective Date.

This law shall be effective sixty (60) after final passage.

In City Council May 3, 1999.
Passed to be Ordained as Amended by a yea and nay vote:-
Yeas 9; Nays 0; Absent 0.

ATTEST:-

D. Margaret Drury
City Clerk

DRAFT

Cambridge Law Department
February 9, 1999

Chapter 2.121

LIVING WAGE ORDINANCE

Sections:

2.121.010	**Title and Purpose**
2.121.020	**Definitions**
2.121.030	**Living Wage**
2.121.040	**Waivers and Exceptions**
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2.121.100	**Effective Date**

2.121.010 Title and Purpose.

This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

2.121.020 Definitions.

For the purposes of this ordinance, the term:

(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department, with the advice and assistance of the appropriate department which receives the services, for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any service contract, as defined herein, ~~or subcontract~~ of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter.

(3) any service subcontract, as defined herein, of at least $10,000.

(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a ~~Beneficiary~~ recipient of Assistance, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

~~(3) Any contractor or subcontractor of a Beneficiary.~~

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

(h) "Service Contract" means a contract let to a contractor by the City of Cambridge for the furnishing of services, to or for the City, except contracts where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service contract" for the purposes of this definition.

(i) "Service Subcontract" means a subcontract primarily for the furnishing of services, to or for a recipient of Assistance, except where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service subcontract" for the purposes of this definition.

2.121.030 Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

2.121.040 Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with

this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

2.121.050 Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

2.121.060 Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

2.121.070 Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and

in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

2.121.080 Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the ~~City Solicitor~~ Applicable Department may, with the approval and assistance of the city Solicitor, issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction

with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city.

Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

2.121.090 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

2.121.100 Effective Date.

This law shall be effective on the date of February 1, 1999.

DRAFT

Cambridge Law Department
February 9, 1999

Chapter 2.121

LIVING WAGE ORDINANCE

Sections:

2.121.010	**Title and Purpose**
2.121.020	**Definitions**
2.121.030	**Living Wage**
2.121.040	**Waivers and Exceptions**
2.121.050	**Notification Requirements**
2.121.060	**Duties of covered Employers**
2.121.070	**Community Advisory Board**
2.121.080	**Enforcement**
2.121.090	**Severability**
2.121.100	**Effective Date**

2.121.010 Title and Purpose.

This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

2.121.020 Definitions.

For the purposes of this ordinance, the term:

(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department, with the advice and assistance of the appropriate department which receives the services, for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any service contract, as defined herein, ~~or subcontract~~ of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter.

(3) any service subcontract, as defined herein, of at least $10,000.

(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a ~~Beneficiary~~ recipient of Assistance, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

~~(3) Any contractor or subcontractor of a Beneficiary.~~

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

(h) "Service Contract" means a contract let to a contractor by the City of Cambridge for the furnishing of services, to or for the City, except contracts where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service contract" for the purposes of this definition.

(i) "Service Subcontract" means a subcontract primarily for the furnishing of services, to or for a recipient of Assistance, except where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service subcontract" for the purposes of this definition.

2.121.030 Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

2.121.040 Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with

this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

2.121.050 Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

2.121.060 Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

2.121.070 Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and

in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

2.121.080 Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the ~~City Solicitor~~ Applicable Department may, with the approval and assistance of the city Solicitor, issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction

with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city.

Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

2.121.090 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

2.121.100 Effective Date.

This law shall be effective on the date of February 1, 1999.

DRAFT

Cambridge Law Department
February 9, 1999

Chapter 2.121

LIVING WAGE ORDINANCE

Sections:

2.121.010	**Title and Purpose**
2.121.020	**Definitions**
2.121.030	**Living Wage**
2.121.040	**Waivers and Exceptions**
2.121.050	**Notification Requirements**
2.121.060	**Duties of covered Employers**
2.121.070	**Community Advisory Board**
2.121.080	**Enforcement**
2.121.090	**Severability**
2.121.100	**Effective Date**

2.121.010 Title and Purpose.

This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

2.121.020 Definitions.

For the purposes of this ordinance, the term:

(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department, with the advice and assistance of the appropriate department which receives the services, for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.

(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any service contract, as defined herein, ~~or subcontract~~ of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter.

(3) any service subcontract, as defined herein, of at least $10,000.

(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a ~~Beneficiary~~ recipient of Assistance, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

~~(3) Any contractor or subcontractor of a Beneficiary.~~

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

(h) "Service Contract" means a contract let to a contractor by the City of Cambridge for the furnishing of services, to or for the City, except contracts where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service contract" for the purposes of this definition.

(i) "Service Subcontract" means a subcontract primarily for the furnishing of services, to or for a recipient of Assistance, except where services are incidental to the delivery of products, equipment or commodities. A contract for the purchase or lease of goods, products, equipment, supplies or other property is not a "service subcontract" for the purposes of this definition.

2.121.030 Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

2.121.040 Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with

this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

2.121.050 Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

2.121.060 Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

2.121.070 Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and

in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

2.121.080 Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the ~~City Solicitor~~ Applicable Department may, with the approval and assistance of the city Solicitor, issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction

with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city.

Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

2.121.090 Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

2.121.100 Effective Date.

This law shall be effective on the date of February 1, 1999.

CAMBRIDGE LIVING WAGE ORDINANCE

WHEREAS, the City of Cambridge provides grants, loans, tax incentives, contracts and other forms of assistance to business that result in the subsidization, creation, or maintenance of a wide variety of employment opportunities; and
WHEREAS, the City of Cambridge has a limited amount of taxpayer resources to expend; and
WHEREAS, the use of taxpayer dollars to promote the sustenance and creation of living wage jobs will increase consumer income, decrease levels of poverty, invigorate neighborhood businesses, and reduce the need for taxpayer-funded social programs in other areas; and
WHEREAS, the City of Cambridge has paid prevailing wage rates for City public works projects and these prevailing wages are of tremendous benefit to the public workforce and their families, Cambridge neighborhoods, and the area economy; and
WHEREAS, union members, community organizations, low and moderate-income church members, and others have organized through the Cambridge Campaign for a Living Wage and proposed this policy; now, therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMBRIDGE:

That the Municipal Code of Cambridge is hereby amended by adding a new chapter, number entitled "Cambridge Living Wage Ordinance" as follows:

Section 1. Title and Purpose.
Cambridge Living Wage Ordinance. This Chapter shall be known as the "Cambridge Living Wage Ordinance". The purpose of this ordinance is to assure that employees of the City of Cambridge and employees of City contractors, subcontractors and beneficiaries of tax abatements, loans, grants, subsidies and other assistance provided by the City earn an hourly wage that is needed to support a family of four.

Section 2. Definitions.
For the purposes of this ordinance, the term:
(a) "Applicable Department" means the Personnel Department for employees of the City of Cambridge, the Purchasing Department for Covered Employers who contract or subcontract with the City of Cambridge, the School Department for employees, contractors and subcontractors of the School Department, and the City Manager's Office for any other Person who is a Beneficiary of assistance other than a contract or subcontract.
(b) "Assistance" means:

(1) any grant, loan, tax incentive, bond financing, subsidy, or other form of assistance valued at least $10,000 that an employer receives by or through the authority or approval of the City of Cambridge, including, but not limited to, c. 121A tax abatements, industrial development bonds, Community Development Block Grant (CDBG) loans and grants, Enterprise Zone designations awarded after the effective date of this Chapter, and the lease of city owned land or buildings below market value; and

(2) any contract or subcontract of at least $10,000 with the City of Cambridge that is made with an employer to provide services pursuant to G.L.c. 30B or other public procurement laws, awarded, renegotiated or renewed after the effective date of this Chapter;
(c) "Beneficiary" means:

(1) any person who is a recipient of Assistance;

(2) any company or person that is a tenant or sub-tenant, leaseholder or sub-leaseholder of a Beneficiary, provided that said company or person employs at least 25 persons and occupies property or uses equipment or property that is improved or developed as a result of Assistance, after the effective date of this Chapter; and

(3) Any contractor or subcontractor of a Beneficiary.

(d) "Covered Employer" means the City of Cambridge or a Beneficiary of Assistance.

(e) "Covered Employee" means:

(1) a person employed by the City of Cambridge except for persons in those positions listed in Section 4(h) of this ordinance; and

(2) a person employed by a Covered Employer, or a person employed by an independent contractor doing business with a Covered Employer, who would directly expend any of his or her time on the activities funded by the contract or the activities for which the Beneficiary received the Assistance.

(f) "Living Wage" has the meaning stated in Section 3.

(g) "Person" means one or more of the following or their agents, employees, servants, representatives, and legal representatives: individuals, corporations, partnerships, joint ventures, associations, labor organizations, educational institutions, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, fiduciaries, and all other entities recognized at law by the Commonwealth of Massachusetts.

Section 3. Living Wage.

(a) Applicability. Covered Employers shall pay no less than the Living Wage to their employees.

(b) Amount of wage. The Living Wage shall be calculated on an hourly basis and shall be no less than $10.00, subject to adjustment as provided herein. The Living Wage shall be upwardly adjusted each year no later than March first in proportion to the increase at the immediately preceding December 31 over the year earlier level of the Annual Average Consumer Price Index for All Urban Consumers (CPI -U) Boston-Lawrence-Salem, MA - NH, as published by the Bureau of Labor Statistics, United States Department of Labor applied to $10.00.

(c) No reduction in collective bargaining wage rates. Nothing in this Chapter shall be read to require or authorize any beneficiary to reduce wages set by a collective bargaining agreement.

(d) Cuts in non-wage benefits prohibited. No Beneficiary will fund wage increases required by this Chapter, or otherwise respond to the provisions of this Chapter, by reducing the health, insurance, pension, vacation, or other non-wage benefits of any of its employees.

Section 4. Waivers and Exceptions.

(a) Waivers. A Covered Employer may request that the City Manager grant a partial or whole waiver to the requirements of this Chapter.

(b) General Waivers. Waivers may be granted where application of this Chapter to a particular form of Assistance is found by the City Solicitor to violate a specific state or federal statutory, regulatory or constitutional provision or provisions, and the City Manager approves the waiver on that basis.

(c) Hardship Waivers for certain not-for-profit employers. An employer may apply to the City Manager for a specific waiver where payment of the Living Wage by a not-for-profit Covered Employer would cause a substantial and unique hardship to the Covered Employer.

(d) Contents. All General Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) The specific or official name of the Assistance and Assistance program, the statutory or

regulatory authority for the granting of the Assistance, and a copy of that authority;

(3) The conflicting statutory, regulatory, or constitutional provision or provisions that makes compliance with this Chapter unlawful, and a copy of each such provision; and

(4) A factual explication and legal analysis of how compliance with this Chapter would violate the cited provision or provisions, and the legal consequences that would attach if the violation were to occur.

(e) Contents. All Hardship Waiver requests shall include the following:

(1) The nature of the Assistance to which this Chapter applies;

(2) A detailed explanation of why payment of the Living Wage would cause a substantial and unique hardship to the Covered Employer; and

(3) A statement of proposed wages below the Living Wage.

(f) Community Advisory Board review and recommendation regarding waiver requests. The Community Advisory Board, as described in Section 7 of this ordinance, shall consider waiver requests along with their supporting documentation and analysis, and may hold a public hearing to consider the views of the public before making a recommendation to the City Manager regarding the waiver request. For a hardship waiver, the Community Advisory Board shall offer an opportunity to be heard to employees of the Covered Employer. After reviewing the recommendation of the Community Advisory Board, the City Manager may approve and grant or deny all or part of a request. The City Manager may in his or her discretion grant a temporary hardship exemption pending the hearing before the Community Advisory Board.

(g) Terms of exceptions. If an employer is subject to this Chapter as a result of its receipt of more than one kind of Assistance covered by this Chapter, and if the City Manager grants a waiver with respect to one form of Assistance, the City Manager need not find that this Chapter is inapplicable to the employer with respect to another form of Assistance received by the employer.

(h) Exceptions. The following positions will be excepted from the requirement of the payment of the Living Wage upon certification in an affidavit in a form approved by the Applicable Department and signed by a principal officer of the Covered Employer that the positions are as follows:

(1) youth hired pursuant to a city, state, or federally funded program which employs youth as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program;

(2) work-study or cooperative educational programs;

(3) trainees who are given a stipend or wage as part of a job training program that provides the trainees with additional services, which may include, but are not limited to, room and board, case management, or job readiness services.

Section 5. Notification Requirements.

All Applicable Departments shall provide in writing an explanation of the requirements of this ordinance in all requests for bids for service contracts and to all persons applying for Assistance as defined by this ordinance. All persons who have signed a service contract with the City of Cambridge or a contract for Assistance shall forward a copy of such requirements to any person submitting a bid for a subcontract on the Assistance contract.

Section 6. Duties of Covered Employers.

(a) Notification Requirements. Covered employers shall provide each Covered employee with a fact sheet about this ordinance and shall post a notice about the ordinance in a conspicuous location visible to all employees. The fact sheet and poster shall be provided to the Covered Employer by the Applicable Department and shall include:

(1) notice of the Living Wage amount;

(2) a summary of the provisions of this ordinance;

(3) a description of the enforcement provisions of the ordinance;

(4) the name, address, and phone number of a person designated by the Applicable Department to whom complaints of noncompliance with this ordinance should be directed.

(b) Contract for Assistance. At the time of signing a contract for assistance with the City of Cambridge or with a Beneficiary, the contract must include the following:

(1) the name of the program or project under which the contract or subcontract is being awarded;

(2) a local contact name, address, and phone number for the Beneficiary;

(3) a written commitment by the Beneficiary to pay all Covered Employees not less than the Living Wage as subject to adjustment under this ordinance and to comply with the provisions of this ordinance;

(4) a list of Covered Employees under the contract with the employees' job titles;

(5) a list of all subcontracts either awarded or that will be awarded to Beneficiaries with funds from the Assistance. Upon signing any subcontracts, the Covered Employer shall forward a copy of the subcontract to the Applicable Department.

(c) Maintenance of payroll records. Each Covered Employer shall maintain payrolls for all Covered Employees and basic records relating thereto and shall preserve them for a period of three years. The records shall contain the name and address of each employee, the job title and classification, the number of hours worked each day, the gross wages, deductions made, actual wages paid, and copies of social security wage and withholding reports, and evidence of payment thereof and such other data as may be required by the Applicable Department from time to time.

(d) Applicable Department duties. The Applicable Department shall cause investigations to be made as may be necessary to determine whether there has been compliance with this Ordinance. The Applicable Department shall report the findings of all such investigations to the Community Advisory Board.

(e) Covered Employer to cooperate. The Covered Employer shall submit payroll records on request to the Applicable Department. The Covered Employer shall permit City representatives to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated to determine payment of wages.

(f) City Assistance Reports. Each Applicable Department shall file a City Assistance Report with the City Manager and the Community Advisory Board by July 31 of each year The report shall include, for each Assistance package or contract approved during the preceding fiscal year:

(1) the name of the Applicable Department (awarding agency), the name of the specific program under which the Assistance was awarded, and the origin of funds for Assistance;

(2) a description of the purpose or project for which the Assistance was awarded;

(3) the name, address, and phone number of a local contact person for the Covered Employer;

(4) the total cost to the City of Assistance provided to each Beneficiary, including both face-value of Assistance, as well as revenue not collected as a result of the Assistance.

Section 7. Community Advisory Board.

(a) Purpose. The purpose of the Community Advisory Board shall be to review the effectiveness of this Ordinance at creating and retaining Living Wage jobs, to make recommendations to the City Manager regarding the granting of Waivers to Covered Employers, to review the implementation and enforcement of this ordinance, and to make recommendations from time to time in connection therewith.

(b) Composition. The Community Advisory Board shall be composed of nine members and shall include representatives of labor unions, community organizations and the business community. All members will be appointed by the City Manager. Members of the Board shall serve a three-year term. Whenever a vacancy shall occur the City Manager shall appoint a replacement within thirty days of said vacancy.

(c) Meetings. The Community Advisory Board shall meet quarterly and in special session as required. All meetings of the Board shall be open to the public and will allow for public testimony on the uses of the City Assistance generally, and on specific instances of Assistance or proposed Assistance as received or sought by individual enterprises.

(d) Conflict of Interest. No member of the Community Advisory Board shall participate in any proceeding concerning a Beneficiary, and Covered Employer or a Covered Employee, or applicant for waiver or exemption, if the member or any member of his or her immediate family has a direct or indirect financial interest in the outcome of said proceeding.

Section 8. Enforcement.

(a) Enforcement powers. In order to enforce this Chapter, the City Solicitor may issue subpoenas, compel the attendance and testimony of witnesses and production of books, papers, records, and documents relating to payroll records necessary for hearing, investigations, and proceedings. In case of failure to comply with a subpoena, the City may apply to a court of appropriate jurisdiction for an order requiring the attendance and testimony of witnesses and the productions of books, papers, records, and documents. Said court, in the case of a refusal to comply with any such subpoena, after notice to the person subpoenaed, and upon finding that the attendance or testimony of such witnesses or the production of such books, papers, records, and documents, as the case may be, is relevant or necessary for such hearings, investigation, or proceedings, may issue an order requiring the attendance or testimony of such witnesses or the production of such documents and any violation of the court's order may be punishable by the court as contempt thereof.

(b) Complaint procedures. An employee who believes that he or she is a Covered Employee or an applicant for a position to be filled by a Covered Employee who believes that his or her employer is not complying with requirements of this Chapter applicable to the employer may file a complaint with the Applicable Department or with the Community Advisory Board. Complaints of alleged violations may also be filed by concerned citizens or by the City Council. Complaints of alleged violations may be made at any time, but in no event more than three years after the last date of alleged violation, and shall be investigated promptly by the Applicable Department. Statements written or oral, made by an employee, shall be treated as confidential and shall not be disclosed to the Covered Employer without the consent of the employee.

(c) Investigations and hearings. The Applicable Department shall investigate the complaint, and may, in conjunction with the City Solicitor, and in accordance with the powers herein granted, require the production by the employer of such evidence as required to determine compliance. Prior to ordering any penalty or restitution the applicable Department shall give notice to the employer and conduct a hearing.

(d) Remedies. In the event that the Applicable Department, after notice and hearing, determines that any Covered Employer has failed to pay the Living Wage rate or has otherwise violated the provisions of this Chapter, the Applicable Department shall order wage restitution for each affected employee and in addition may order any or all of the following penalties and relief:

(1) Fines up to the amount of $300 for each Covered Employee for each day that the Covered Employer is in violation of this Ordinance;

(2) Suspension of ongoing contract and subcontract payments;

(3) Ineligibility for future City Assistance for up to three years beginning when all penalties and restitution have been paid in full. In addition, all Covered Employers having any principal officers who were principal officers of a barred beneficiary shall be ineligible under this section; and

(4) Any other action deemed appropriate and within the discretion and authority of the city. Remedies in this section shall also apply to the party or parties aiding and abetting in any violation of this chapter.

(e) Private right of action. Any Covered Employee, or any person who was formerly employed by a Beneficiary, may bring an action to enforce the provisions of this Chapter to recover back pay and benefits, attorneys fees and costs, by filing suit against a Beneficiary in any court of competent jurisdiction.

(f) Remedies herein non-exclusive. No remedy set forth in this Chapter is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under this Chapter in a court of law. This Chapter shall not be construed to limit an employee's right to bring a common law cause of action for wrongful termination.

(g) Retaliation and discrimination barred. A Covered Employer shall not discharge, reduce the compensation or otherwise retaliate against any employee for making a complaint to the City, otherwise asserting his or her rights under this Chapter, participating in any of its proceedings or using any civil remedies to enforce his or her rights under the Chapter. The City shall investigate allegations of retaliation or discrimination and shall, if found to be true, after notice and a hearing order appropriate relief, including restitution, and reinstatement of a discharged employee with back pay to the date of violation.

Section 9. Severability.

In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

Section 10. Effective Date.

This law shall be effective on the date of February 1, 1999.

CCM-101

City of Cambridge

Committee Report #5

IN CITY COUNCIL

February 22, 1999

COUNCILLOR TOOMEY

ORDERED: That the City Manager be and hereby is requested to instruct the Law Department to respond to the following inquiries:

- Will the Living Wage Ordinance, if passed, apply to employees of the Public Health Commission?

- In whose employ are the employees of the Public Health Commission – the City of Cambridge on the Public Health Commission?

In City Council February 22, 1999.
Adopted by the affirmative vote of nine members.
Attest:- D. Margaret Drury, City Clerk.

A true copy; D Margaret Drury

ATTEST:-

D. Margaret Drury
City Clerk

Committee Report #5

ɔn.

In City Council February 22, 1999

Committee Rep # 5

Councillor Toomey

Ordered: That the City Manager be and hereby is requested to instruct the Law Department to respond to the following inquiries

1. Will the Living Wage Ordinance, if passed, apply to employees of the Public Health Commission?

2. On whose employ are the employees of the Public Health Commission — the City of Cambridge or the Public Health Commission

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3 of 4

Cambridge Living Wage
Ordinance #1222

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VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
001207	A & A WINDOW PRODUCTS, INC.	10,202.00
007547	ACTION FOR BOSTON COMMUNITY	26,385.24
007695	IKON OFFICE SOLUTIONS	29,664.29
008000	IKON OFFICE SOLUTIONS	25,359.38
008001	IKON OFFICE SOLUTIONS	10,472.26
008706	BAY COVE HUMAN SERVICES, INC.	141,834.11
010800	ADDISON WESLEY LONGMAN	37,091.17
011687	ADMINS, INC.	18,293.33
013002	THE AGASSIZ NEIGHBORHOOD	19,423.00
013376	AIREX CORP	10,877.52
013410	AIR SAFE CONTRACTING AND CCHD	19,387.73
013418	AIR SAFE CONTRACTING AND	10,629.00
014605	ACKERLEY COMMUNICATIONS	55,000.00
014956	AIR SAFE CONTRACTING AND	21,224.10
015616	IKON CAPITAL	16,989.44
016050	THE ALGEBRA PROJECT, INC.	12,000.00
016453	CHRISTOPHER CHADBOURNE &	14,432.12
018786	ALMAC BROTHERS CO.	10,480.45
019635	ALPHA WEATHERPROOFING CORP	13,385.50
019645	ALPINE ENVIRONMENTAL AND	17,383.00
019797	ALPINE ENVIRONMENTAL AND	25,290.00
021930	AMERICAN AIR CONDITIONING	23,90i.72
023490	CAMBRIDGE RADIO DISPATCH INC.	12,414.75
030551	BFI NORTHEAST SWEEPERS	205,948.34
032000	AMI LEASING	15,370.76
034016	ANALYTICAL SURVEYS, INC.	46,553.03
036628	ANTON ENTERPRISES	14,947.39
037700	APPLE COMPUTER, INC.	644,233.48
037769	APPLE COMPUTER	12,332.00
039604	RED SUN PRESS	12,790.00
041812	ARLINGTON TYPING & MAILING, IN	25,788.45
044340	ASBESTOS FREE, INC.	12,075.00
044856	ART CONSERVATION ASSOCIATES	22,035.00
046523	AT&T	25,568.14
047201	ATLANTIC ELEVATOR CO	22,791.15
047203	ATLANTIC HIGHWAY	12,948.30
048042	ATLANTIC MARKETING RESEARCH	45,600.00
048393	ATLANTIC POWER CLEANING CORP.	15,015.00
051585	AUTOMOTIVE TRUCK SERVICE	71,285.94
070306	BACK BAY ELEVATOR	20,831.06
072400	BAKER & TAYLOR CO.	198,550.44
073593	FLEET INVESTMENT ADV	43,024.24
074149	BANNER SYSTEMS	17,782.10
077600	BARNES & JARNIS, INC.	58,100.75
079862	808-812 MEMORIAL DRIVE HOUSIN	203,029.00
080020	BANKBOSTON, N.A.	32,455.50
080419	UNION OIL COMPANY	65,578.79
083281	BBN LEARNING SYSTEMS & TECHNI	19,638.67
083613	ALKA BAHASKAR	30,000.00
083673	BEACON SPORTS	20,918.13
084100	S & S RESTAURANT	19,514.08
087074	SIDNEY BEDRICK AND	16,776.50
089278	BELMONT SPRINGS WATER CO	22,856.46
089689	BENJAMIN FRANKLIN SMITH	20,929.38

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
093199	BETH ISRAEL HOSPITAL	18,509.52
093485	SILVA CONSTRUCTION CO., INC.	477,512.40
093678	AKRAM BHUIYA AND	13,404.00
097216	BLANCHARD FIRE APPARATUS	10,965.40
097226	G.A. BLANCO COMPANY	16,706.48
097660	BLESSED SACRAMENT PARISH	140,045.22
097812	JOANNE BLONDIN	20,000.00
098000	BLUE CROSS BLUE SHIELD	14,234,239.72
101152	BOISE CASCADE	11,242.96
102451	BORDEN & REMINGTON CORP.	71,693.09
102860	LOUIS BORNSTEIN & CO., INC.	13,542.86
103400	CITY OF BOSTON SCHOOL	113,430.32
104052	BOSTON COLLEGE CAMPUS	249,078.20
105202	BOSTON EDISION	12,371.71
106199	BOSTON GLOBE	24,858.08
106200	BOSTON GLOBE-D.H.S.P.	20,418.24
106405	BOSTON HIGASHI SCHOOL	76,549.91
107200	BOSTON MUTUAL LIFE INS	253,701.40
107456	BOSTON PROPERTIES AS AGENT	500,698.32
107600	BOSTON SAND & GRAVEL COMPANY	11,427.25
109517	BOWDITCH & DEWEY, LLP	11,092.30
111974	JOHN D BRUCE ASSOCIATES	28,584.63
112416	BREADS AND JAMS, INC.	51,925.97
113215	BRANDON RESIDENTIAL TREATMENT	22,241.70
120001	BROWING FERRIS INDUSTRIES	692,115.78
120980	BUCKLEY ENERGY GROUP LTD	80,351.12
122978	AMERICAN COMMERCIAL APPLIANCE	11,337.67
125600	BUYER ADVERTISING, INC.	26,127.60
125619	IRIM BUTT AND	18,262.00
138945	CCN, INC	329,059.26
140003	C & J EQUIPMENT INC.	12,660.04
140600	CAMBRIDGE AFFORDABLE HOUSING	30,000.00
140822	CAMBRIDGE BUSINESS	84,945.66
140867	ACCURATE ENVIRONMENTAL AND	12,390.00
140914	MICHAEL A CAHILL	25,000.00
141320	CAMBRIDGE CAMPING ASSOC.	16,679.00
141321	CAMB CARES ABOUT AIDS,INC.	14,260.26
141505	CITY OF CAMBRIDGE	48,254.43
142148	CAMBRIDGE COMMUNITY HOUSING	334,418.05
142210	CAMBRIDGE COMMUNITY SERVICES	124,789.30
142501	CAMBRIDGE ECONOMIC	552,387.11
143150	CAMBRIDGE ELECTRIC LIGHT	1,948,491.95
143151	COMMONWEALTH ELECTRIC	702,674.32
143500	CAMBRIDGE ELECTRIC MOTOR SVC,	26,317.82
143690	MENTAL RETARDATION CTR OF	35,000.00
143920	CAMBRIDGE HOUSING AUTHORITY	257,626.00
143921	CAMBRIDGE HOUSING AUTHORITY	30,174.00
145270	CAMBRIDGE LANDSCAPE CO., INC.	42,667.80
145950	CAMBRIDGE MENTAL HEALTH	104,615.42
146100	CAMBRIDGE MULTICULTURAL	230,930.19
146175	CAMBRIDGE NEIGHBORHOOD	386,582.85
146252	CAMBRIDGE OFFICE OF TOURISM	220,198.00
146300	CAMBRIDGE OFFSET PRINTING	16,643.25
146650	MASSACHUSETTS ALLIANCE OF	12,675.38

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
147320	CAMBRIDGE PHYSICS OUTLET, INC	10,837.60
147330	CAMBRIDGE PLANT + GARDEN CLUB	10,248.91
147350	CAMBRIDGE POLICE DEPT	426,145.44
147365	CAMBRIDGE POP WARNER	13,100.00
147547	CAMBRIDGE PUBLIC HEALTH COMM.	26,742,951.95
148100	CAMBRIDGE RETIREMENT SYSTEM	17,876,708.25
148634	ALICIA GEORGANTAS	25,000.00
148751	CAMBRIDGE SCHOOL	64,000.00
148755	CAMBRIDGE AND SOMERVILLE	36,860.49
148765	CAMBRIDGE & SOMERVILLE	18,750.00
148776	CAMBRIDGE SEVEN ASSOC.	29,332.65
149118	CAMBRIDGE TIRE AND AUTO SVC	55,726.13
149310	CAMBRIDGE FAMILY YMCA	42,669.49
149315	CAMBRIDGE YOUTH GUIDANCE	15,830.00
149350	COMMUNITY LEGAL SERVICES AND	31,403.87
149800	CAMBRIDGEPORT WELDING	21,625.00
149834	CAMBRIDGE COMMUNITY HOUSING	1,031,222.86
149852	ACCURATE PAVING, INC.	147,099.25
151200	CAMP DRESSER & MCKEE INC	2,849,998.28
151202	CANAL REALTY TRUST	16,025.00
152924	CARDINAL CUSHING SCHOOL	18,388.06
153890	CARLONE & ASSOCIATES	13,997.50
154500	CAROLINA BIOLOGICAL	12,088.25
155200	THE CARROLL SCHOOL	63,010.28
155595	RESOURCE NET INTERNATIONAL	65,483.75
156118	CASCAP, INC.	165,619.65
156301	NORTHEAST LINK, INC.	34,514.36
156305	CASEY & DUPUIS	55,270.00
156324	CASEY & DENNIS	20,000.00
157500	CASTLE SCHOOL	34,195.76
157625	CASNER & EDWARDS	24,348.05
157650	CASPAR INC. ALCOHOL EDUCATION	26,200.00
157655	CASPAR, INC.	160,202.76
161530	CELLULAR ONE	20,279.74
161533	CELLULAR ONE	27,814.27
162120	CENTER, INC.	11,665.00
162558	CENTRAL PROPERTIES	35,000.00
163250	CENTRAL FAN COMPANY	10,206.06
163260	CENTRAL PROPERTY LIMITED	153,652.00
164428	CES/WAY INTERNATIONAL, INC.	105,290.00
165369	F.L. CHAMBERLAIN	22,453.30
167451	CHARLES RIVER BUILDING	25,761.63
167475	F.W. RUSSELL & SONS DISPOSAL	248,375.00
167714	CHARLES RIVER HEALTH MANAGEME	23,791.68
167715	CHARLES RIVER HEALTH	10,442.40
172046	CARA M CHEYETTE	28,000.00
172350	CHILD CARE RESOURCE CT	51,349.20
172700	CHILDCRAFT EDUCATION CORP.	10,088.29
172804	CHILDREN'S EXTENDED CARE	10,936.89
172805	CHILDREN'S HEALTH MARKET	31,061.00
172866	BOSTON CHILDREN'S SERVICES	24,933.91
173656	CICCONI & SONS CONSTRUCTION	271,443.24
174457	CITY OF CAMBRIDGE	640,517.73
176604	CLEARWAY SCHOOL	88,259.60

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
181965	PHILIP COLLINS, ESQUIRE	91,584.30
181985	COLLINS OVERHEAD DOOR	10,660.30
183200	COLUMBIA AUTO PARTS COMPANY	58,425.91
183275	COM ELECTRIC	594,623.98
183277	COM GAS	69,449.53
183299	INTERNATIONAL TRUCK CENTER	64,453.27
183345	COMMONWEALTH OF MASSACHUSETTS	25,238.67
183385	COMMONWEALTH ELECTRIC	852,314.57
183850	COMMONWEALTH GAS COMPANY	29,887.58
184465	COMMONWEALTH OF MASSACHUSETTS	230,490.69
184850	COMMONWEALTH GAS	179,117.01
184857	COMMONWEALTH PENSION LIABILIT	148,250.00
184900	COMMONWEALTH OF MASSACHUSETTS	11,357.00
184937	COMMONWEALTH REFRIGERATOR	15,233.85
184944	COMMONWEALTH OF MASSACHUSETTS	69,309.29
184987	COMMUNITY CENTER SCHOOLS	18,378.64
185370	COMMUNITY THERAPUTIC	77,284.17
185372	COMMUNITY NEWSPAPER COMPANY	46,181.61
185580	COMPASS, INC.	20,955.98
187000	CONCILIO HISPANO	53,349.31
187001	CONCILIO-AHORA PROGRAM	29,550.00
187008	CONCORD ASSABET SCHOOL	108,637.16
187802	CONFLICT MANAGEMENT, INC.	22,803.00
187807	CONIGLIARO INDUSTRIES	22,076.35
187857	CONLEY PAINTING	23,800.00
188456	COMMONWEALTH OF MASSACHUSETTS	65,820.63
188861	CONTINENTAL REALTY TRUST	12,358.45
189221	CONTROLLED ENVIRONMENTAL	10,673.36
190945	JAY COOGAN	23,500.00
191174	COOPERS AND LYBRAND	23,640.42
191222	COPLEY BUSINESS SERVICE	86,030.35
191929	CORPORATE EXPRESS	159,029.70
192794	CORPORATE MEDICAL SERVICES, IN	39,465.00
193793	COSTA FOOD SERVICE	235,854.82
195501	COTTING SCHOOL, INC.	73,626.27
196270	COUNTY OF MIDDLESEX	111,149.75
199901	CRIMSON TECH	13,580.41
201976	CTA DENTAL HEALTH AND	436,197.40
202150	CTB MCGRAW HILL	58,021.40
202490	CUISENAIRRE COMPANY OF AMERIC	13,085.50
204659	CUDDY BIXBY DENNER	12,008.00
240066	D & H DISTRIBUTING	13,445.70
240069	D & S GENERAL CONTRACTORS	53,897.82
240351	DALE SEYMOUR PUBLICATIONS	21,194.35
240357	J.B. DALLESANDRO	4,790,308.00
240359	JOSEPH F DALTON	33,443.75
240501	D'ALLESSANDRO CORPORATION	2,829,937.47
240945	DAMCO MARRAFFA LANDSCAPE	77,821.94
240967	D & R GENERAL CONTRACTORS	483,848.78
241757	DANCE COMPLEX	35,000.00
242790	DAEDALUS, INC.	11,000.00
244082	DATA MEMORY SYSTEMS	11,442.25
245594	DAVIDSON CHEVROLET	48,850.00
246581	JONES CHEMICALS, INC.	49,042.22

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
246900	DAY, BERRY & HOWARD	422,766.17
247767	SCHOOLS FOR CHILDREN, INC.	110,678.97
249883	DELL MARKETING	51,609.11
249922	DELTA DENTAL PLAN	34,005.33
249929	DELTA PROJECTS, INC.	22,901.45
252248	DEPT. OF HUMAN SERVICES	27,765.25
252280	COMMONWEALTH OF MASSACHUSETTS	87,206.68
253002	FRED DEROMA & SON, INC.	228,868.52
254542	DESIGN PARTNERSHIP OF	167,677.09
255455	DEVEREUX FOUNDATION	61,058.86
256600	DICKSON BROTHERS COMPANY	31,239.21
258593	DIGITAL EQUIPMENT CORPORATION	104,440.47
258601	DIGITAL EQUIPMENT CORPORATION	202,025.71
258991	DIGITAL EQUIPMENT CORPORATION	59,841.28
258995	DIGITAL	46,608.00
259545	DGC AUTOMOTIVE	13,988.58
259852	DINISCO DESIGN PARTNERSHIP,LT	41,401.94
262635	DIVISION OF EMPLOYMENT	214,933.84
263409	BAYSTATE ENVELOPE	10,295.02
263466	COMMUNITY NEWSPAPER COMPANY	14,764.80
273409	ANN MARIE DONAHUE	25,000.00
273800	DYAR SALES & MACH	30,489.40
291018	EAST COAST SEALCOATING	44,087.03
293028	EASTERN CONTRACTORS	89,050.00
293180	EASTERN BUS COMPANY	374,608.46
294562	EASTERN SALT COMPANY	66,667.29
294828	EASTON WINWATER WORKS CO	38,153.08
298500	EDISON CHEMICAL CO.	22,124.18
298555	EDUCATION DEVELOPMENT CTR.	95,266.78
298556	EDUCATIONAL DEVELOPMENT CORP.	19,588.11
300500	EDUCATORS PUBLISHING SERVICE	12,617.39
301007	ELDCO	87,668.80
301423	BRANCH ELECTRIC	33,113.82
302060	ELDERLINK	21,619.08
306008	EMBREE & WHITE, INC.	19,415.61
307632	MASS GAS & ELECTRIC OF BOSTON	24,409.99
308685	F.W. WEBB	11,099.57
310031	E.S.R.I., INC.	111,611.07
310210	ENVIRONMENTAL HEALTH &	36,758.51
311734	F & B CONSTRUCTION COMPANY, IN	37,280.00
313450	EVERYDAY LEARNING CORP.	76,447.91
322900	FAMILY CENTER	20,107.20
323049	FAMILY PROGRAMS PROJECT	12,438.06
323564	PETER B FARROW	12,223.60
323775	FARR ACADEMY	392,695.05
324857	ENTEX INFORMATION SERVICES	32,520.00
324968	FEDERATED DORCHESTER	38,399.00
326540	JOSEPH FERREIRA	14,806.93
329218	FIORE BUS SERVICE, INC.	16,708.85
329245	FIRE FIGHTER'S LOCAL 30	27,100.00
329250	FIRE TECH & SAFETY N.E., INC	13,475.52
330125	FIRST OFFICE CONCEPTS INC.	15,298.25
331707	FISHER SCIENTIFIC	15,895.80
337404	FMS TELECOMMUNICATIONS	13,200.00

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
337564	JOSEPH P MCCABE, INC	244,306.18
337689	MASS DEPARTMENT OF EMPLOYMENT	29,845.96
337700	FOLEY, HOAG & ELIOT	96,163.07
338500	FOLLETT LIBRARY RESOURCES	27,353.84
338880	FOOD FOR FREE COMMITTEE	20,100.00
339300	ROBERT FOOTE INC	12,158.20
340247	FORMS WORLD STOCK PRODUCTS, I	10,609.93
340500	FORUM PROVISION	19,625.97
342476	FOYE & LETENDRE LANDSCAPING	88,059.30
345305	FREEDOM CAPITAL MGT CORP	65,687.00
345643	FRANK E FRENCH COMPANY	74,290.00
345650	KAYEM/FRESCO FOODS	26,378.89
346091	HOWARD FRIEDMAN, AS	60,000.00
346834	MARGARET FULLER NEIGHBORHOOD	10,483.38
347519	G & S IRONWORKS, INC	10,558.00
347530	G.E. CAPITAL CORPORATION	13,200.88
349596	FREEMAN PERSONNEL	72,189.38
360690	J.F. GALLAGHER & SON	41,515.00
361110	GUSTAVO A. GALLEGO	25,000.00
361200	GALLUP LANDSCAPING COMPANY	15,935.00
362743	GARTNER GROUP	11,395.00
362965	GARAVENTA USA, INC.	16,700.00
365230	G.V.W., INC	14,375.00
369720	GERMAINE LAWRENCE SCHOOL	63,246.63
372000	GIFFORD SCHOOL	43,974.64
372987	GILBERT & BECKER CO., INC.	36,376.00
374998	GLENCOE PUBLISHING CO.	25,270.01
375590	GLOBAL PETROLEUM CORP.	263,854.36
379024	GF OFFICE FURNITURE LTD.	21,632.31
380682	GOVERNMENT FINANCE GROUP INC.	26,006.85
385217	GREATER BOSTON REHABILITATION	22,802.32
386232	GRINNELL MECHANICAL CONTRACTO	35,773.48
386532	GROVE SCHOOL	18,901.72
401601	THE HALVORSON COMPANY	13,741.67
402000	J. L. HAMMETT CO.	66,070.76
402401	HAMMOND PAINT & CHEMICAL	11,357.44
403707	HANOVER SPECIALTIES, INC.	14,600.00
404800	HARBOR SCHOOLS INC	77,856.97
405869	MICHAEL HARDING AND	10,258.19
406743	HARRIES/HEDER COLLABORATIVE, I	44,820.00
407582	STERLING BUSINESS FORMS	33,223.76
408745	WAYNE HARTWELL	29,117.50
409015	HARVARD COMMUNITY HEALTH PLAN	4,202,399.95
413795	HB COMMUNICATIONS	13,045.53
417294	PHILIP B HERR & ASSOCIATES	15,975.00
424336	HOLDEN SCHOOL	13,903.85
424400	HOLLAND COMPANY INC	121,530.43
425614	HOLT CLEANING SERVICES INC.	18,254.00
426392	HOME DEPOT COMMERCIAL CREDIT	10,104.45
426400	HOMEOWNER'S REHAB INC	484,169.34
426422	HOMEOWNER'S REHAB INC AND	11,950.00
426423	HOMEOWNER'S REHAB INC AND	10,672.00
426450	HOME KORE MANUFACTURING CO.	11,455.00
426985	HONEYWELL DMC SERVICES	35,256.90

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
428600	HOUGHTON MIFFLIN	37,798.30
428841	URBELIS, FIELDSTEEL &	42,841.21
428848	HOUSING ENVIRONMENTAL SVCS, IN	24,824.00
429013	JERRY HOWARD	32,105.00
431073	HUB GLASS SERVICES	25,545.96
434000	W B HUNT CO	31,122.38
434015	HUNSICKER CORPORATION	21,419.80
452624	INCOME RESEARCH & MGMT	31,610.59
452863	INDEPENDENT ELECTRIC SUPPLY	35,815.75
453032	INGRAM LIBRARY SERVICES	13,428.62
457021	INTERFAITH ACTION INC. AND	33,800.00
460000	INTERSTATE DISTRIBUTOR	14,838.99
461900	TOM IRWIN INC.	30,689.66
462045	ISAACSON MILLER	32,396.74
462359	ITALIAN HOME FOR CHILDREN, IN	57,014.40
463098	J & M ENTERPRISES	13,157.40
463166	J.P. FOODSERVICE/MONARCH	22,052.26
471098	JACKSON LUMBER & MILLWORK CO.	30,358.00
472549	JAMNASTICS	14,194.68
475098	JOBS FOR BAY STATE GRADUATES	19,400.00
475323	FOODMASTER SUPER MARKETS, INC	76,695.70
475560	CAROL R. JOHNSON & ASSOC	22,032.11
477000	JOHNSON CONTROLS, INC.	79,580.47
478289	FRANKLIN PAINT COMPANY	12,073.20
479218	YANICK JOSEPH &	35,000.00
479580	JUDGE BAKER CHILDREN'S CENTER	111,208.90
479976	JUREK BROS.	11,318.33
480000	JUST A START	1,451,377.93
480001	JUST A START	175,822.50
480146	JUST A START CORPORATION AND	35,000.00
480901	JUST A START	932,582.25
486745	PETER L KOFF, ESQ	23,087.40
490600	ARTHUR J GALLAGHER & CO.	81,708.00
491380	KAPLAN EDUCATION CENTERS, LTD	10,200.00
491389	SHERWIN L KANTROVITZ PC	13,000.00
493500	KAUFMAN COMPANY INC	22,563.81
494520	PAUL E. KELLEY	118,268.61
495020	KENDALL BOILER & TANK COMPANY	30,728.00
495031	KENNEDY DAY SCHOOL PROGRAM	43,676.92
495051	P.J. KENNEDY & SONS INC	13,926.23
495052	KENNEDY SHEET METAL CO., INC.	14,839.00
496530	KEYCORP LEASING LTD.	40,211.64
496543	KEYSTONE SOUND & VIDEO	31,193.50
496559	CONN, KAVANAUGH, ROSENTHAL	167,000.00
498569	KINGSTOWN CORPORATION	12,053.12
500434	KOLBURNE SCHOOL	22,034.60
500549	KOTIN, CRABTREE & STRONG	10,446.00
500749	KPMG PEAT MARWICK LLP	135,000.00
520484	LABB COLLABORATIVE PROGRAM	149,014.50
521700	LAHEY LANDSCAPING	26,825.00
522803	LAKESHORE LEARNING MATERIALS	13,175.89
522826	DR. WALLACE E LAMBERT	17,000.00
523491	LANDMARK FOUNDATION, INC.	67,663.77
523790	LEO'S LANDSCAPE NURSERY	124,382.50

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
524804	LANGUAGE & COGNITIVE	112,634.58
526380	LAZ PARKING LT	658,152.52
526600	LEA GROUP, INC.	13,100.00
526800	LEAGUE SCHOOL OF BOSTON	189,234.74
526808	LEAHY LANDSCAPING, INC	386,834.38
527600	LEARNING CENTER FOR	81,627.05
528460	LEARNING PREP SCHOOL	34,019.28
532000	LESLEY COLLEGE	37,448.93
532005	LESLEY COLLEGE	10,085.00
532400	LESLEY COLLEGE SCHOOLS	32,070.00
532899	KAREN LEWIS DESIGN	14,750.00
533211	LHS ASSOCIATES, INC.	105,146.95
533216	LIBERTY CHEVROLET, INC AND	141,176.69
534367	LIGHTHOUSE SCHOOL	248,658.27
536250	LINDENMEYR MUNROE	77,258.41
538842	CATAPULT	44,190.70
539600	LOCAL 195 HEALTH AND WELFARE	446,701.57
539690	LOCKHEED MARTIN IMS CORPORATI	1,031,627.82
539845	MANAGEMENT TOOLS & RESOURCES	16,500.00
542058	LPBA ARCHITECTS, INC.	42,211.00
542956	LUCENT TECHNOLOGIES	15,266.25
552601	MAPS	16,823.74
552673	ML FENCE COMPANY	25,445.00
552730	M & S POLICE SUPPLY	13,062.09
560400	C.J. MABARDY	21,361.11
560401	PAUL H. BLINCO	116,530.00
560474	MAC WAREHOUSE	40,764.96
560497	MAC MALL	10,148.09
560935	PATRICIA A MACHER	25,000.00
564401	MAGUIRE GROUP, INC.	2,114,311.76
565091	MAHON COMMUNICATIONS CORP.	274,321.96
565635	MAINTENANCE CENTER BLDG SVCS	45,760.00
566817	MARIANNE MALONE	35,762.25
567734	GEORGE MANN & CO., INC.	149,246.23
571042	J.A. MARINO AUTOMATIC	60,507.85
576230	MASS CARPENTERS CENTRAL	103,192.08
577807	MASS GENERAL HOSPITAL	18,276.99
578800	MASSACHUSETTS MUNICIPAL ASSOC	15,918.45
578879	BUDGET RENT A CAR SYSTEMS, IN	15,735.93
579528	MASS WATER RESOURCES AUTHORIT	195,435.00
579729	MASS. TEACHERS RETIREMENT	25,310.18
580197	MASTER MAINTENANCE AND	12,416.00
582425	MARKINGS INC	44,562.85
582519	MAY INSTITUTE	203,406.56
585135	JOHN G. MCCARTHY	25,000.00
592871	MECHANICAL SERVICE ENGINEERIN	37,185.00
598600	MEDICOMPTS, INC.	20,000.00
598730	NOE MEDINA	72,444.81
601094	MEMORIAL DRIVE HOUSING LIMITE	973,363.00
603607	MERRIMACK EDUCATION CTR.	13,662.86
604725	METROPOLITAN PIPE & SUPPLY	18,032.90
604850	METRO BOSTON ASA	21,450.00
604852	METROPOLITAN CLEANING SUPPLIE	11,847.45
606200	METROPOLITAN PIPE & SUPPLY	77,177.64

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
607781	J MICHAEL LANDSCAPING, INC.	13,131.25
611175	MILES RIVER SAND & GRAVEL	189,528.49
612245	ROBERTA MILLER	10,800.00
613400	MILLS HARDWARE CORPORATION	57,740.61
613860	3M COMPANY	28,167.83
614600	MINUTEMAN REGIONAL	48,850.00
614609	MINUTEMAN LIBRARY NETWORK	100,291.94
616237	MIT-PSC	35,400.00
616523	MOBILECOMM	12,560.64
618369	MONITOR EQUIPMENT COMPANY, IN	24,189.16
619484	MONSON/SHURTLEFF INDUSTRIAL	24,960.24
620200	MOODY'S INVESTORS SERVICE	11,597.00
623390	MOTOROLA COMMUNICATIONS	48,621.41
623799	MT AUBURN HOSPITAL	19,320.87
623800	MOUNT AUBURN HOSPITAL	16,219.05
623802	MOUNT AUBURN HOSPITAL	35,867.94
623928	MUCKLE & ASSOCIATES, INC.	446,243.82
629960	MASSACHUSETTS WATER RESOURCES	13,133,348.50
650475	NER CONSTRUCTION	10,740.00
651200	NASCO	14,236.09
651203	AMI MUNICIPAL LEASING	131,119.85
653777	NATIONAL TELECOM SERVICES INC	44,459.20
654386	NATIONAL WATER MAIN	345,599.32
660406	NEW ENGLAND OFFICE SUPPLY, INC	10,262.19
660437	NEW ENGLAND CENTER FOR	200,377.55
661603	NEW ENGLAND HOME FOR	101,678.29
661612	NEW ENGLAND HUMAN SERVICES	26,895.14
663600	NEW ENGLAND MOBILE BOOK FAIR	18,479.79
666400	SCHOOL SPECIALTY, INC.	18,361.65
667200	BELL ATLANTIC	1,085,286.13
667201	BELL ATLANTIC	21,563.48
667637	BEACON HIGH SCHOOL, INC.	48,687.80
668560	NICKERSON CORP	82,281.00
673355	NORTHEAST MEDICAL EVALUATIONS	27,366.80
675380	NOVA SHEEN CORP	16,403.97
692370	OFFICE DEPOT	71,183.35
692397	OFFICE FURNISHINGS	12,113.48
696900	ORIGINAL CRISPY PIZZA	18,558.43
698436	THOMAS O'ROURKE	15,713.00
700800	PALMER & DODGE, LLP	98,993.35
703456	PARAGON ENVIRONMENTAL TECH AN	13,750.00
703567	PARAGON ENVIRONMENTAL TECH AN	15,045.00
705797	PASEK CORPORATION	13,574.02
708854	PEIRCE TANK CLEANING INC	17,813.25
709734	PRECISION FITNESS EQUIPMENT	27,313.00
712400	PERKINS SCHOOL FOR THE	398,912.16
712402	DR. FRANKLIN PERKINS SCHOOL	89,412.76
712405	E.H. PERKINS CONSTRUCTION	1,485,392.19
714010	PARENTS & SCHOOLS AS PARTNERS	29,088.00
716065	PHASE ONE OFFICE PRODUCTS	22,593.05
716094	BONNIE PETROVICH	13,810.00
716097	J.J. PHELAN & SON CO., INC.	210,193.92
716411	DAVID PHILLIPS	32,050.00
718358	PACER ELECTRONICS	13,866.49

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

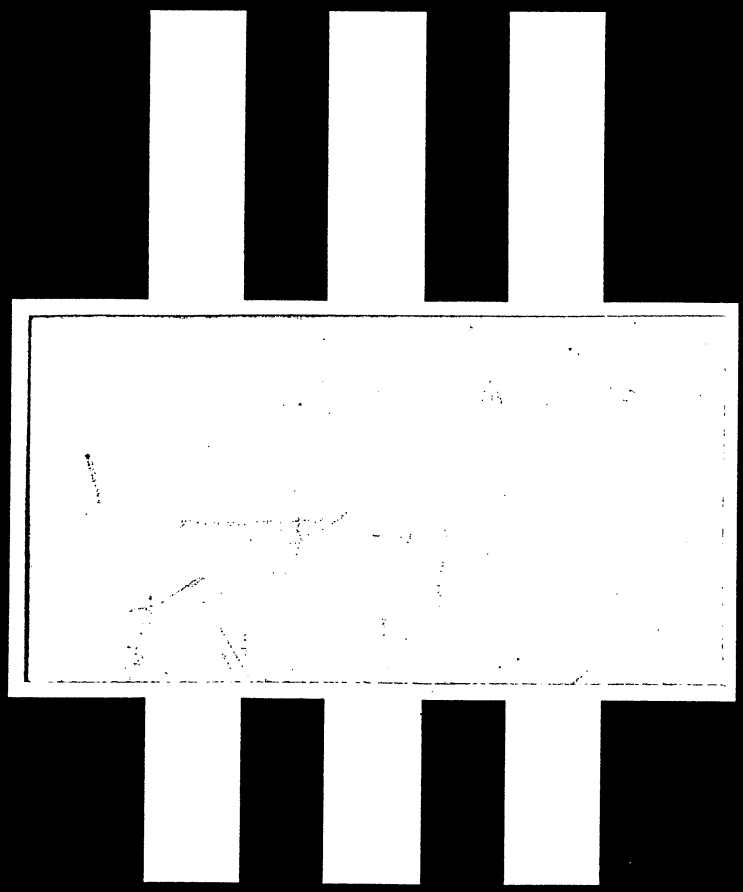
VENDOR #	NAME	AMOUNT PAID
718492	MERIT BEHAVIORAL CARE CORP	74,912.86
719325	PIERCE MANUFACTURING, INC.	19,498.00
719484	PIER TRANSMISSION	19,323.51
722494	POIRIER & SPRINGER INC	20,808.00
724802	POSTMASTER-BOSTON	46,000.00
724806	BELMONT PUBLIC SCHOOLS	11,277.50
724823	POSTMASTER	21,200.00
725650	PRE-OWNED ELECTRONIC	14,978.04
725651	COMPUTER CORPORATION OF	19,582.00
726000	PRENTICE-HALL INC	18,437.88
726111	E. J. PRESCOTT, INC.	16,429.50
727285	PRINS RECYCLING CORPORATION	149,942.13
730621	PROSPECT BUILDING SERVICES	12,877.69
730628	THE PROTESTANT GUILD FOR	146,000.95
732002	PUBLIC CONSULTING GROUP	47,148.00
740480	QUALITY GRAPHICS INC.	61,360.22
741378	WALKER PARKING CONSULTANTS/	17,187.13
751609	R A D CORPORATION	410,955.80
756918	REAL ESTATE RESEARCH	18,000.00
756928	CARR, LYNCH AND SANDELL, INC.	41,519.22
759200	RELIABLE SHADE & SCREEN	12,629.00
759905	RESEARCH FOR BETTER	27,456.79
761666	W.T. RICH COMPANY INC	5,684,460.67
763023	RISO PRODUCTS OF BOSTON	18,751.76
763158	RIGBY EDUCATION	18,394.05
763710	RISO PRODUCTS OF BOSTON	63,073.92
765205	CRA MANAGED CARE, INC.	15,660.08
766098	RIZZO ASSOCIATES	49,864.99
766801	ROADS CORPORATION	231,800.94
768713	PAULA ROCKWOOD	30,000.00
769798	CHARLES RONCHETTI	48,900.00
769804	LEIGH ROONEY INTERIORS	77,197.50
770280	MICHAEL ROSENFELD	14,542.47
771449	ELIOT COMMUNITY HUMAN SERVICE	15,075.43
772638	MICHAEL A RUGGERI	54,978.29
783215	MASS INSTALLATION INC	52,273.26
790602	S.E. RESEARCH AND COUNSELING	11,192.35
790800	N SACCA & SONS INC.	514,492.96
791200	SACRED HEART PARISH	111,492.00
794400	SAL'S TRUCK TIRE SERVICE	10,329.00
796518	ELENA SAPORTA	13,006.44
797600	SAWTELLE BROTHERS	26,360.21
798878	SCALE	30,397.64
800581	SCM COMMUNITY TRANSPORTATION	34,638.35
800642	SCHLUMBERGER RESOURCE MGMT SE	96,529.05
801200	SCHOLASTIC BOOK SERVICE	13,531.77
802000	SCHOOLS FOR CHILDREN, INC.	798,536.77
805200	SCOTT FORESMAN/ ADDISON WESLE	23,667.55
808714	SEGAL ADVISORS, INC.	22,533.05
808855	MELISSA MCCONVILLE, M.ED.	16,812.50
808888	SEMPCO	16,612.21
811600	RYKOFF-SEXTON	175,166.35
813550	FLEET BANK	112,444.80
814923	JOHN F SHEA COMPANY, INC	51,243.01

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
815087	SHELTER INCORPORATED	161,873.27
816850	WALLACE SHERWOOD, ATTY.	12,057.81
819585	W.H. SHURTLEFF COMPANY	39,198.59
820460	SIGMA SYSTEMS TECHNOLOGY INC	14,344.00
822450	SIMMONS COLLEGE	50,258.00
822636	SIMON & SCHUSTER INC.	12,579.88
824486	SIR SPEEDY PRINTING #8119	28,853.57
824494	SIRCHIE FINGER PRINT LAB., INC	12,951.28
828605	BENJAMIN FRANKLIN SMITH INC.	11,214.03
829200	SOCIAL STUDIES SCHOOL	11,261.15
829216	SOCIAL SCIENCE RESEARCH AND	74,274.65
829706	SOLUTIONS, INC.	14,171.76
830313	SOLIION	10,257.57
831206	SOMERVILLE COUNCIL ON AGING	15,725.52
832601	SUMMERBRIDGE PROGRAM-CAMBRIDG	20,000.00
837400	SPECIAL AGENT SYSTEMS	55,031.48
839457	SPRAGUE ENERGY	369,228.29
839488	SPRINGFIELD FOODSERVICE	32,931.80
841000	S & S RESTAURANT	34,909.27
842907	ST. MARY'S OF THE ANNUNCIATIO	42,184.96
844288	STAGERIGHT CORPORATION	30,638.00
847702	STATE STREET BANK & TRUST	16,708.57
847705	STATE STREET RESEARCH	29,832.00
850610	F.D. STERRITT LUMBER CO	61,414.74
853160	STRADA CONSTRUCTION CO.	413,258.81
855400	SUBURBAN MIDDLESEX INSULATION	143,387.40
856005	TAKASHI & NORIKO SUGIMORI	25,500.00
863000	SUTPHEN CORPORATION	10,508.13
880200	COMMUNITY NEWSPAPER COMPANY	59,762.53
880234	COMMUNITY NEWSPAPER COMPANY	11,137.30
881701	TACS, INC.	12,797.02
882876	TAMS CONSULTANTS INC	70,470.00
884400	TECH AUTO PARTS INC	73,448.34
885650	TECHNOLOGY SALES ASSOCIATES	40,489.05
885915	TERMINAL EXCHANGE SYSTEMS	602,523.56
900241	TONY'S FLOOR COVERING	33,418.50
905000	TRANSCOMM INC.	1,103,317.79
905301	TRANSITION HOUSE	24,461.41
907800	TRI-STATE SIGNAL INC	350,448.42
907809	TRIUMVIRATE ENVIRONMENTAL INC	82,492.04
910198	TUFTS HEALTH	21,465.00
910201	TUFTS ASSOCIATED HEALTH	1,507,628.25
910354	TURF EQUIPMENT CO.	13,648.70
910876	TURNER SUBSCRIPTION AGENCY	60,688.70
910956	TUFTS HEALTH, INC	149,551.77
921600	UNICOM MICROAGE COMPUTER	74,985.62
924586	UNITED STATES POSTAL SERVICE	23,901.00
924600	UNITED STATES POSTAL SERVICE	35,604.00
925755	UNIVERSAL ENGINEERING CORP.	22,105.00
925855	US HEALTHCARE	205,137.40
927550	U.S. POSTMASTER	210,489.46
930768	VALLEY COMMUNICATIONS	17,925.97
931867	RAYMOND E & LYNN E VANDICK	24,600.00
931956	VAN NOORDEN COMPANY	37,004.00

VENDORS PAID OVER 10000 IN PREVIOUS CALENDAR YEAR

VENDOR #	NAME	AMOUNT PAID
932655	VELLUCCI INSURANCE AGENCY INC	36,234.00
934803	VIKING MOVING SERVICES, INC.	12,414.12
934804	VIGOR DIESEL INJ INC	62,651.40
936500	VOCELL BUS COMPANY INC	639,663.57
937106	VOLT SERVICES GROUP	64,250.06
937108	VOLLMER ASSOCIATES LLP	80,630.61
941374	WALKER BUSINESS SYSTEMS	12,669.30
941375	THE WALKER HOME FOR	138,102.09
945312	DOWE WARREN	16,500.00
946331	WASTE MANAGEMENT	1,235,389.53
946333	MASS WPAT	38,744.85
946604	WAYSIDE YOUTH & FAMILY SUPPOR	17,916.60
950883	WELLINGTON MANAGEMENT	16,641.98
950887	WELLINGTON NEWS COMPANY	11,886.95
952008	WESTINGHOUSE AUDIO	31,523.77
953400	WEST LYNN CREAMERY	180,975.85
954009	WEST PUBLISHING	15,119.08
955000	WESTERN ROOFING COMPANY	34,739.00
956349	SHARON BUENO WASHINGTON	24,434.26
957201	WESTON, PATRICK, WILLARD &	52,256.39
958800	WHEELOCK COLLEGE	178,905.00
960265	R.H. WHITE CONSTRUCTION CORP.	167,194.18
963689	CHARLES WILLIE	25,000.00
963880	WILLOW HILL SCHOOL INC.	13,389.88
967765	JOHN G WOFFORD, ESQ.	25,619.00
968005	WOBURN VENDING	10,227.50
969600	C.N. WOOD CO., INC.	14,876.02
972820	THE WRIGHT GROUP	26,088.73
973720	WYNCO DISTRIBUTORS INC.	18,954.39
980200	XEROX CORPORATION	35,880.28
980207	XEROX CORPORATION	63,796.36
981800	CAMBRIDGE RADIO DISPATCH	24,422.80
981902	ANDREA J YELLE	30,000.00
982409	JACK YOUNG COMPANY, INC.	10,815.37
982430	RICHARD YORKE	29,021.35
982860	CAMBRIDGE YWCA	18,214.50
983409	YUK KWAN YIP-LEUNG AND	22,000.00
983495	ZECCO, INC.	26,614.50
999941	MOTOROLA COMMUNICATIONS	147,319.01
999999	ONE TIME VENDOR	8,936,011.28



CENTER ON HUNGER, POVERTY AND NUTRITION POLICY

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INCREASING THE MINIMUM WAGE

Efforts at the National, State and Local Levels

Alice K. Wolf

June 1996
Center on Hunger, Poverty and Nutrition Policy
Tufts University

INTRODUCTION

The economic security of American workers and families has become a centerpiece of national policy discussion. In the 1980s, blue collar workers took dramatic hits in both job security and family wages. The number of manufacturing jobs in the United States decreased dramatically and jobs paying comparable wages were hard to find.

More recently, white collar workers, professionals, and managers are experiencing job insecurity and a downscaling of salaries. Many jobs have disappeared and new ones are scarce, often without the wages or benefits previously received by workers. Many families are losing their livelihoods, their benefits, and their sense of security.

There also have been dramatic changes in public assistance programs. These changes often require welfare recipients, many of them single parents with small children, to transition to low-paying jobs. Although benefits, such as child care vouchers, may continue for a short time, in most cases this is not enough time to raise earnings to above poverty.

For each of these groups, economic security has been undermined. Their income base and real wages are down. For many, the ability to support a family and to work toward a better future for their children has declined.

In this environment, the pay for minimum wage workers has become an important issue at the federal, state, and city levels . This year alone, there have been numerous proposals at various levels of government to raise the minimum wage. In addition, initiative petitions to raise the minimum wage have been circulated in several states and cities by labor groups, grassroots community organizations, and religious leaders.

While the number of minimum wage workers is a relatively small percentage of the work-force, these are the people living at the edge of the economy. In terms of purchasing power, the present federal minimum wage is at a forty year low. A single minimum wage worker, employed full time for a forty hour week, earns about $8,500. Two minimum wage workers in a family working full-time earn just about $2,000 a year more than the federal poverty level for a family of four. While, at this writing, Congress is on the brink of increasing this minimum, the purchasing power for minimum wage workers would still be well below that of workers in the 1970s.

The economic plight of many American households, driven by decreasing salaries and hourly wages, has propelled the issue of the minimum wage to the forefront of the policy debate. Leading policy groups, such as the Center on Budget and Policy Priorities, have provided a useful overview of the policy options and the economic implications of various proposals.

This complimentary analysis provides a snapshot of state and local efforts to raise the wages of low-paid workers. Much of the action now is at the state and local level where people are feeling the pinch; grass-roots organizations and labor unions are responding to the crisis. Even with the adoption of a new federal minimum wage, state and local initiatives to increase the minimum wage can play an important role in efforts to give working families a greater measure of economic security.

THE FEDERAL MINIMUM WAGE: AN OVERVIEW

In the United States, efforts to establish minimum wages originated in the states. These efforts fell on the heels of the growing urban poor population in the early years of industrialization. The existence of minimum wage legislation in other countries, and efforts of progressive reformers and religious leaders to highlight the condition of low-income workers, led to movements to increase the minimum wage in several states.

Massachusetts passed the first state minimum wage law in 1912. When the U. S. Supreme Court struck down minimum wage legislation in 1923, 16 states plus the District of Columbia had adopted such legislation primarily covering the work of women and children.[1] In 1937, after several Court reviews of minimum wage cases, the Supreme Court upheld a Washington state minimum wage law.

A year later, the Fair Labor Standards Act was passed. In amended form, it continues to be the present-day federal minimum wage law. "The Fair Labor Standards Act (FLSA) establishes the minimum wage, overtime pay, record-keeping, and child labor standards affecting more than 113 million full-time and part-time workers in the private sector and in Federal, State, and local governments."[2]

Demographics of the Workforce

Of the 113 million workers in the United States in 1994, 66.5 million were paid at hourly rates. Of those paid at hourly rates, 2.1 million were paid at the federal minimum wage and 2 million were paid below that wage. (Subminimum wage workers are those generally exempted from minimum wage, like vocational education students, farm workers, and employees in "mom and pop" stores.) The total of these workers, 4.1 million, is 6.2 % of the hourly paid workforce.[3] (This number does not include salaried workers whose hourly pay equals the minimum wage.)

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[1]Card, D. and Krueger, A.B., (1995) Myth and Measurement The New Economics of the Minimum Wage, Princeton University Press, Princeton, N. J., p. 4.

[2]U. S. Department of Labor, Employment Standards Administration, Wage and Hour Division, WH Publication 1282, revised October 1994.

[3]Data in this section is culled from: "Characteristics of minimum wage workers: 1994," a publication of the U. S. Bureau of Labor Statistics, Division of Labor Force Statistics' which states that "Data are for wage and salary workers, excluding the incorporated self-employed, and refer to earnings on a person's main job."

The table below describes some of the characteristics of the 66.5 million hourly paid workers including minimum (and subminimum) wage workers.

DEMOGRAPHICS OF HOURLY PAID WORKERS.

	TOTAL NUMBER (in millions)	NUMBER (%) PAID MINIMUM OR BELOW (in millions)	% OF ALL PAID MINIMUM OR BELOW
AGE			
16 to 19	5.5	1.3 (23.6%)	31.4%
19 to 24	9.8	.9 (9.2%)	22.3%
25 +	51.3	1.9 (3.7%)	46.3%
GENDER			
Men	33.5	1.6 (4.7%)	37.9%
Women	33.0	2.6 (7.8%)	62.1%
RACE[4]			
White	55.2	3.4 (6.1%)	82.0%
Black	8.6	.6 (6.5%)	13.6%
Hispanic	7.1	.6 (8.6%)	14.8%
FULL/PART TIME			
Full-time	49.7	1.5 (3.1%)	36.6%
Part-time	16.8	2.6 (15.5%)	63.4%
EDUCATION			
Less than HS	11.6	1.6 (14.1%)	39.6%
HS Diploma	26.5	1.3 (4.8%)	30.7%
Some College	21.0	1.1 (8.5%)	25.5%
College Degree	6.2	.2 (2.5%)	3.7%
Graduate/Prof	1.4	.02 (1.5%)	.5%
REGION			
Northeast	12.1	.6 (4.8%)	14.1%
Midwest	17.8	1.0 (5.9%)	25.3%
South	22.6	1.7 (7.5%)	40.9%
West	14.1	.8 (5.8%)	19.7%

[4]The data does not include all racial groups. Hispanics are also included as either black or white; thus the % does not add up to 100%.

The Federal Minimum Wage

The federal minimum wage is, today, $4.25 an hour. Broadly speaking, the federal minimum wage, adopted through the Fair Labor Standards Act, applies to enterprises engaged in interstate commerce or meeting a minimum gross sales or business level of $500,000. There are many specific provisions related to coverage and exemptions.

Legislation is pending in Congress (June, 1996) to phase in an increase in the minimum wage to $5.15 per hour.

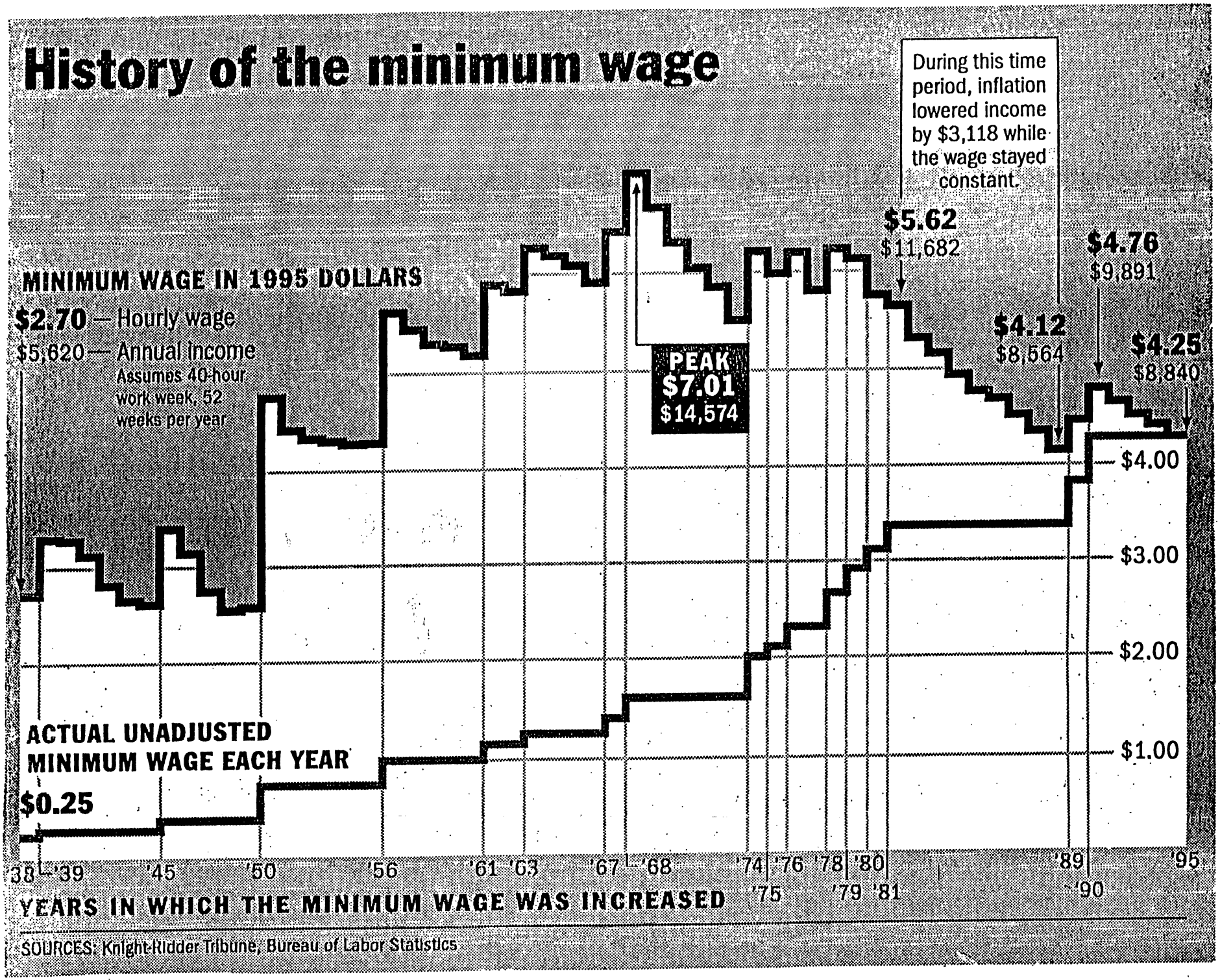
The Federal Minimum Wage: By the Numbers

• $4.25/hr.	The minimum wage today
• $8,500	Approximate annual pay of a full-time minimum wage worker at $4.25/hour
• $5.15/hr.	Proposed federal minimum wage (phased in).
• $10,300	Approximate annual pay of a full-time minimum wage worker at $5.15/hour -- still 15% below the average value during the 1970's, after taking inflation into account
• $15,600	Federal poverty line for a family of four in 1996

Since the 1970s, time lags between increases in the minimum wage have accounted for a substantial decline in the purchasing power of those earning the minimum wage. Increases in the minimum wage have not kept pace with inflation. (See chart, p. 5.)

Relationship Between Federal and State Minimum Wage Laws

Except in states where legislation specifically spells out the relationship between federal and state minimum wage laws, (e.g. state law covers only employees not covered by the federal minimum wage law), the employee is covered by whichever has the higher rate; federal law does not preempt state laws under FLSA. It is estimated that 85% of employers are covered by both federal and state law in those states that have a minimum wage law.


History of the minimum wage
During this time period, inflation lowered income by $3,118 while the wage stayed constant.
MINIMUM WAGE IN 1995 DOLLARS
$2.70 — Hourly wage
$5,620 — Annual income
Assumes 40-hour work week, 52 weeks per year
$5.62
$11,682
$4.76
$9,891
$4.12
$8,564
$4.25
$8,840
PEAK
$7.01
$14,574
$4.00
$3.00
$2.00
$1.00
ACTUAL UNADJUSTED MINIMUM WAGE EACH YEAR
$0.25
'38 '39 '45 '50 '56 '61 '63 '67 '68 '74 '75 '76 '78 '79 '80 '81 '89 '90 '95
YEARS IN WHICH THE MINIMUM WAGE WAS INCREASED
SOURCES: Knight-Ridder Tribune, Bureau of Labor Statistics

State Minimum Wage Laws

Of the fifty states plus the District of Columbia, forty-four have minimum wage laws.[5] The state minimum wage is higher than the federal in twelve of these, and thus governs the minimum wage of workers in the state.

STATES WITH MINIMUM WAGES ABOVE THE FEDERAL LEVEL

State	Basic Minimum Wage (Per Hour)[6]
Alaska	$4.75
Connecticut	$4.27
Delaware	$4.65 $5.00 - effective 1/97
District of Columbia	$5.25
Hawaii	$5.25
Iowa	$4.65
Massachusetts	$4.75 $5.25 - effective 1/97
New Jersey	$5.05
Oregon	$4.75
Rhode Island	$4.45
Vermont	$4.75 $5.00 - effective 1/97 $5.15 - effective 1/98
Washington	$4.90

[5] State minimum wage information supplied by the Division of External Affairs, Wage and Hours Division, Employment Standards Administration, U.S. Department of Labor. States that have no general state minimum wage law 'are: Alabama, Arizona, Florida, Louisiana, Mississippi, South Carolina, and Tennessee.

[6]As of June 6, 1996. Some states have more than one minimum wage, depending on the number of employees or yearly sales levels. They are included here at their highest level.

States have a variety of mechanisms for setting or amending the level of their minimum wage. Some are specifically targeted to the federal level while others are set by a commission or the legislature. State minimum wage laws generally also cover requirements for "premium pay after designated hours." Some are based on daily hours worked; most relate to hours worked per week, usually 40 hours.

Given the present debate about the need for minimum wages to provide a basic subsistence level for families, it is interesting to note that some state minimum wage laws specifically include language referring to a "living wage" as a goal. This policy priority stems historically from the early efforts to institute minimum wage legislation. In that regard, it should be noted that two states -- New Hampshire and North Dakota -- repealed the living wage language in their law in 1995. Along with the increase of the minimum wage in Massachusetts, these were among few major changes in state minimum wage legislation in 1995.

Action by State Legislatures[7]

Twenty-six states have had legislation to increase the minimum wage pending in their 1996 legislative session; in some of these states, several bills have been introduced.

This year, legislation to increase the minimum wage has been enacted in two states: Delaware and Vermont. The minimum wage in Delaware increased to $4.65 and will increase to $5.00 in 1997. In Vermont, the minimum wage will rise from $4.75 to $5.00 in January, 1997 and to $5.15 in January, 1998. In Minnesota, a "living wage/corporate responsibility" bill passed both houses of the legislature but was vetoed by the governor.

Legislation remains in committee or in research in several other states considering a minimum wage increase: California, Michigan, New Jersey, New York, Ohio, Pennsylvania, and Rhode Island.

Minimum wage legislation failed in 1996 in Colorado, Connecticut, Hawaii, Idaho, Illinois, Iowa, Kansas, Missouri, Nebraska, New Hampshire, New Mexico, Oklahoma, South Dakota, Tennessee, Washington, and Wisconsin.

Related legislation was introduced in some states in the 1996 legislative session. For example, Colorado has defeated (postponed indefinitely) a bill to repeal the minimum wage and to prohibit local minimum wage ordinances. However, the Colorado legislature did pass a bill to prohibit local governments from enacting city-wide minimum wage laws which the governor vetoed in response to local opposition. Georgia failed to pass legislation to create a minimum wage commission.

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[7]As of June 6, 1996.

State Minimum Wage Initiative Petitions

In several states, efforts are being made to raise the minimum wage through state-wide initiative petitions. Such petitions, which are initiated by voters, allow legislation to be adopted through the electoral process. Labor unions, community coalitions, and religious leaders are largely responsible for stimulating and leading these efforts. If enough valid signatures are obtained through the petition drives, the question will appear on the November, 1996 ballot.

STATE MINIMUM WAGE INITIATIVE PETITIONS

State	Increase to	Deadline for Signatures (1996)	Number needed
California	$5.00/1997 $5.75/1998	April 19	400,000+ valid signatures obtained
Montana	$6.25 over 4 yrs.	June 21	20,000+
Missouri	$6.25, $6.75/1999, $.15/yearly thereafter	July 8	85,000
Oregon	$6.50 over 3 yrs	July 5	41,000+

MUNICIPAL "LIVING WAGE" CAMPAIGNS

Currently there are many efforts at the municipal level to increase the minimum wage. These city ordinances (municipal laws) affect either all employers doing business within the city or enterprises that receive contracts, grants, abatements or subsidies from the city. The latter have been dubbed "corporate responsibility" legislation. Many of these efforts spring from the grass roots -- labor unions, community groups, religious groups -- and take the form of initiative petitions. Others, though they may be the result of grass roots efforts, are shepherded through the normal municipal legislative process.

Municipal minimum wage petitions presently in the works are summarized below.

MUNICIPAL MINIMUM WAGE INITIATIVE PETITIONS

City	Set to	Deadline for Signatures	Number needed	On ballot
Denver	$6.50/1997 $6.85/1998 $7.15/1999 then indexed to cost of living	Early May	6,200 signatures needed Over 18,000 submitted	Nov 1996
DC	Between $6.50-$7.50	Deadline postponed due to legal challenge	17,000	To be determined
Houston	$6.50	30 day period in the fall	32,000	1997
New Orleans	$6.00	July	10,000 signatures needed Over 22,000 submitted	Nov 1996

Municipal "Corporate Responsibility" Ordinances and Initiatives

In addition to minimum wage campaigns that apply to the general working population, there are efforts to raise the wages of workers who are employed by companies that in some way benefit from municipal resources. "Corporate responsibility" ordinances, as they have been dubbed, apply to wages paid by contractors, grantees, or subsidy recipients of the municipality. In some cases, they are initiated through the legislative process; in others, through local initiative petitions. These efforts are largely spearheaded by community organizations, like the Association of Community Organizations for Reform Now (ACORN) and labor unions and are gaining broad community support. These initiatives are partially in response to increasing efforts by municipal governments to privatize functions previously carried out by municipal employees.

Because city and state legislative environments differ, the specifics of these pieces of municipal legislation vary greatly. (See Appendix for details of Milwaukee's recently passed legislation.) In most cases, the application of the ordinance is limited to corporations with a certain number of employees or whose contract or subsidy meets a certain minimum dollar amount. In some cases, the legislation also contains ancillary provisions relating to hiring workers through "community hiring halls" or creating jobs for low-income city residents in another manner. Examples are summarized on the following page.

MUNICIPAL MINIMUM WAGE "CORPORATE RESPONSIBILITY" ORDINANCES AND INITIATIVES

City	Status	Type	Timing	Who	Wage Set To
Baltimore	Passed	Legislative	12/94	Employees of contractors	$6.10/1/96 $6.60/7/96 $7.10/1998[8]
St. Paul	Defeated	Initiative	11/95	City grantees, employees of contractors and subsidy recipients	100% of federal poverty level for a family of four
St.Paul/ Minneapolis	In Twin Cities Task Force	Legislative	Spring/96	Employees of contractors and subsidy recipients	uncertain
Chicago	Introduced	Legislative	5/96	Employees of contractors and grantees and subsidy recipients	$7.57/1996 yearly adjust to federal poverty level for a family of four
Milwaukee	Passed	Legislative City Council and School Board	11/95	Contractors' employees - city and schools	$6.05/city/ 3/96. Increased yearly to federal poverty level for family of three. $7.70/schools
Los Angeles	To be introduced	Legislative	6/96	Contractors' employees and subsidy recipients	Pegged to the federal poverty level for family of four. $2 differential for benefits
New York, NY	In Council	Legislative	6/96	Contractors' employees in some jobs	Prevailing wage
Jersey City	In Council	Legislative	6/96	Contractors' employees	$7.50 plus benefits

Efforts to promote a living wage campaign are underway in Boston and Albuquerque and groups in numerous other cities -- Buffalo, Albany, Detroit, Oakland, San Jose, Seattle, Dallas, El Paso and San Antonio -- are also planning living wage campaigns.

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[8]This is policy set by the Baltimore City Council. Actual rates set by the Board of Estimates upon recommendation of the Wage Commission. The ordinance indicates that "the ongoing goal is to achieve a rate which exceeds the poverty level..."

Baltimore: A Successful Municipal "Living Wage" Campaign

A broad coalition of Baltimore unions, unrepresented workers, community organizations and churches was the key to the campaign to enact the first municipal living wage ordinance in the country in 1994. The ordinance requires City contractors to pay a "living wage," beginning at $6.10/hr., rising to $7.70 over four years, and then being indexed to ensure a full-time worker's salary maintains a family of four above the poverty line.

The victorious coalition was built by American Federation of State, County and Municipal Employees (AFSCME); Baltimoreans United for Leadership Development (BUILD), a community organization affiliated with the Industrial Areas Foundation (IAF); and the Solidarity Support Committee (SSC), a new organization of impacted low-wage workers sponsored by AFSCME and BUILD. "The partnership of BUILD, AFSCME and SSC was the key to our success," explained Howard L. Jackson, a BUILD organizer. "It was a natural coalition: the union's membership was being eroded by privatization, and the churches were being overwhelmed by low-wage workers seeking a safety net."

From "Building a Movement for a Living Wage," by Madeline Janis-Aparicio, Steve Cancian and Gary Phillips, in Poverty and Race, Volume 5, No. 1, January/February 1996.

CONCLUDING COMMENTS

Concern for the economic security of workers and their families is stimulating action around the country to increase the minimum wage. While much media attention has been focused on efforts at the federal level, activity in states and cities is energetic and is beginning to pay off.

Although the projected increase in the federal minimum wage may weaken the expectation of some for increases at the state and local level, the number of these efforts and the energy behind them indicates that the momentum can be expected to continue. Local and state coalitions are broad-based and are propelling the discussion toward raising the minimum wage to a "living wage," jobs that pay enough to support a family. Moreover, recent economic analyses have blunted arguments that modest increases in the minimum wage reduce the number of jobs available, making the argument for increases even more viable.

It is hoped that this document will assist groups around the country in analyzing the options that they have to help increase the economic security of workers in their states and cities.

RESOURCE LIST

Many people and organizations around the country are working on the minimum wage. The following have given generous assistance in providing information for this report and may serve as useful contacts:

Richard Nelson, U. S. Department of Labor, Employment Standards Administration, Wage and Hour Division, Washington DC 20210 for state minimum wage information throughout the United States. Tel: 202-219-7406. FAX: 202-219-5122.

Ronney Manger, Department of Legislative Reference, City of Baltimore, 626 City Hall, Baltimore, MD 21202 for Baltimore prevailing wage ordinance. Tel: 410-396-4732. FAX: 410-396-8483.

Milwaukee City Clerk's office, 200 East Wells, Room 205, Milwaukee, WI 53202 for Milwaukee city ordinance. Tel: 414-286-2221. Milwaukee School Board. Tel: 414-474-8393.

Tchiyuka Cornelius, the office of Councilman Sal F. Albanese, 43rd District, 250 Broadway, 23rd floor, New York, NY 10007 for New York City ordinance. Tel. 212-788-6960. FAX: 212-732-4433.

Jen Kern, Association of Community Organizations for Reform Now (ACORN) national office, 739 8th Street SE, Washington DC 20003 for city and state initiative petition or ordinance drives. Tel: 202-547-2500. FAX: 202-546-2483.

Madeline Talbot, ACORN Chicago office, 117 West Harrison, Room 200, Chicago, Il 60605 for information regarding Chicago ordinance. Tel: 312-939-7488.

Chris Owens, WORC (a project of the Pay Discrimination Institute), 2001 S. Street NW, Suite 430, Washington DC 20009 for information about state, local, or federal wage campaigns. Tel: 202-265-9573. E-mail: worc@essential.org.

Paul Sonn, NAACP Legal Defense Fund, 99 Hudson Street, 16th fl, New York, NY 10013 for New York City or Jersey City ordinances. Tel: 212-219-1900. FAX: 212-226-7591.

Kristine Jacobs, JOBS NOW, 818 Minnesota Building, 46 East 4th Street, St. Paul, MN 55101 for St. Paul/Minneapolis information. Tel: 612-290-0240. FAX: 612-290-0162.

Madeline Janis-Aparicio, TIDC, 634 South Spring Street, Suite 1016, Los Angeles, CA 90014 for information on LA initiative petition and other LA organizing activities. Tel: 213-486-9880. FAX: 213-486-9886.

Neal Gorfinkle, YWCA, Hudson County, 270 Fairmont Avenue, Jersey City, N.J. 07306 for Jersey City ordinance. Tel: 201-333-5700 ext 50.

APPENDIX

City of Milwaukee

Office Of The City Clerk

Certified Copy of Ordinance

FILE NUMBER: **950181**

A substitute ordinance relating to a minimum wage requirement for contractors performing services for the city.

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Whereas, It is in the best interest of the City of Milwaukee and its residents to have the City establish and utilize a minimum hourly wage requirement applicable to workers employed by vendors who are awarded contracts to perform services for the City; and

Whereas, Vendors who have been awarded service contracts with the City should be penalized if they fail to pay their workers decent wages; now, therefore

Part 1. Section 310-13 of the code is created to read:

310-13. Service Contract Wage Requirements. 1. PURPOSE. The purpose of this section is to insure a living wage for all employes of contractors and subcontractors performing services for the city.

2. DEFINITIONS. In this section:

a. "Professional service contract" means any contract in which the majority of workers engaged in the performance of the contract perform work which:

a-1. Is predominantly intellectual and varied in nature, as opposed to work which involves routine mental, manual, mechanical or physical labor.

a-2. Requires advanced knowledge in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher education or a hospital.

b. "Service contract" means any contract with the city, for the provision of services to any city department or agency with a budget under control of the common council, which has a value exceeding $5,000 and which is designated a "service contract" by the central board of purchases upon recommendation of the city purchasing director. The central board of purchases shall review each bid specification or request for proposals and make a determination as to whether the proposed contract will constitute a service contract. "Service contract" includes, but is not limited to, any of the types of contracts listed in documents enumerating 1994 department of public works service contracts and 1994 and 1995 standards and procurement division-department of administration service contracts found in the official record on file in the city clerk's office. However, "service contract" does not include any contract which involves the purchase of goods or which is a professional service contract, department of public works contract regulated under s. 309-25, contract administered by the office of community block grant administration-department of administration or contract with the Milwaukee public schools, regardless of whether such contract is included in the lists of 1994 and 1995 contracts referred to herein.

3. MINIMUM WAGE REQUIREMENT. All workers, whether permanent or temporary, employed in any work performed as part of a service contract, as defined in sub. 2, awarded after December 31, 1995, shall receive and be paid a sum of not less than $6.05 per hour. On March 1, 1996, and each March 1 thereafter, the minimum hourly wage shall be adjusted to the amount required to produce, for 2,080 hours worked, an annual income equal to the U.S. department of health and human services' most recent poverty guideline for a family of 3. No contractor may use the minimum wage requirement of this subsection to reduce the wage paid to any person employed by the contractor as of December 31, 1995.

4. PART-TIME WORKERS COVERED. The minimum wage requirement of sub. 3 shall apply to part-time employes performing work as part of a service contract, as defined in sub. 2.

5. LABOR PROVISIONS IN CONTRACTS. For purposes of carrying out the intent of this section, all provisions of this code pertaining to labor are made part of all service contracts, subcontracts and agreements let, entered into or made by the city.

6. SERVICE CONTRACT BID AND REQUEST-FOR-PROPOSAL SPECIFICATIONS. The proper city officers shall add a digest of the provisions of this section to all specifications for service contract work upon which they call for bids or issue requests for proposals.

7. SPECIFICATIONS FOR SERVICE CONTRACTS. No service contract, as defined in sub. 2, shall be entered into by the city unless such contract contains the following stipulations or their equivalent:

"The contractor agrees to pay all workers employed by the contractor in the performance of this contract, whether on a full-time or part-time basis, a base wage of not less than $6.05 per hour [city clerk to change amount in accordance with adjustment each March 1].

"The contractor agrees to make a sworn report or affidavit, within 10 days following the contractor's completion of the contract, or every 3 months, whichever occurs first, and to procure and submit a like sworn report or affidavit from every subcontractor employed by the contractor, to the department of public works (if the service contract is administered by the department of public works) or the standards and procurement division-department of administration (for service contracts administered by all other city departments) regarding every person employed on or under this contract or subcontract. Such affidavit or report shall include, but not be limited to, for the specified time period, the person's name, address, type of work performed, total hours worked on the service contract, hourly wage rate, gross earnings, and employer's contribution to vacation, welfare and trust funds. Said reports or affidavits shall be accompanied by a statement that each and every employe has been paid in full the amount of not less than $6.05 per hour [city clerk to change amount in accordance with adjustment each March 1] and that there has not been, nor is to be, any rebate or refund of any part of said wages by the employe to the employer.

"If any documents submitted to the department of public works (if the service contract is administered by the department of public works) or the standards and procurement division-department of administration (for service contracts administered by all other city departments) by the contractor contain any false, misleading or fraudulent information, or if the contractor fails to comply with the provisions of s. 310-13 of the Milwaukee code of ordinances, the department or division, as the case may be, may withhold payments on the contract, terminate, cancel or suspend the contract in whole or in part, or, after a due process hearing, deny the contractor the right to participate in bidding on future city contracts for a period of one year after the first violation is found and for a period of 3 years after a

second violation is found.

8. POSTING OF WAGE RATE. For every service contract, as defined under sub. 2, the minimum hourly wage required by sub. 3 shall be kept posted by the contractor at the site of the work in a prominent place where it can be easily seen and read by persons employed in the performance of such contract. In addition, copies of the minimum hourly wage requirement shall be supplied to any person employed in the performance of a service contract at the request of such person and within a reasonable period of time after the request.

9. MONITORING AND ENFORCEMENT. a. Responsibility. The department of public works shall be responsible for monitoring department of public works service contracts for compliance with this section. The department shall review and monitor the sworn reports or affidavits periodically submitted by service contractors, receive and investigate complaints from service contractors and service contract employes relating to compliance with this section, and impose appropriate sanctions upon any contractor who provides false information to the department or fails to comply with the provisions of this section. For all service contracts other than those administered by the department of public works, the standards and procurement division-department of administration shall have these responsibilities.

b. Employe Complaints. Any person employed in the performance of a service contract, as defined in sub. 2, may, within one year from the date of an alleged failure to comply with subs. 3 and 4, file a written complaint with the department of public works, if the service contract is administered by the department of public works, or the standards and procurement division-department of administration, for service contracts administered by all other city departments, regarding the service contractor's alleged failure to comply with subs. 3 and 4. No service contractor may discharge, reduce the compensation of or otherwise retaliate against any person employed in the performance of a service contract for making a complaint to the department of public works or the standards and procurement division-department of administration or for using any civil remedies to recover damages.

c. Appeals. Any service contractor or service contract employe who objects to any decision or action of the department of public works or the standards and procurement division relative to application or enforcement of this section may appeal such decision to the administrative review appeals board, in the case of department of public works service contracts, or the purchasing director and central board of purchases, in a manner similar to the process described in s. 310-19-4, in the case of service contracts with all other city departments.

d. Sanctions. Any contractor or subcontractor engaged in a service contract who has been found by the department of public works or the standards and procurement division-department of administration to have submitted any false, misleading or fraudulent information, or to have failed to comply with the provisions of this section, may be subject to any of the following sanctions, imposed by the department of public works in the case of department of public works service contracts or the standards and procurement division in the case of all other service contracts:

d-1. Withholding of payments.

d-2. Termination, suspension or cancellation of the contract in whole or in part.

d-3. After a due process hearing, denial of the right of the contractor or subcontractor to bid on future city contracts, by himself or herself, partner or agent, or by any corporation of which he or she is a member, for a period of one year after the first violation is found and for a period of 3 years after a

second violation is found.

I, Ronald D. Leonhardt, City Clerk, certify that the foregoing is a copy of an Ordinance passed by the Common Council of the City Of Milwaukee on November 6, 1995, published on November 21, 1995, effective November 22, 1995.

Ronald D. Leonhardt

About the Center

The Center on Hunger, Poverty and Nutrition Policy was established at Tufts University in 1990. Its purpose is to advance public policy choices which reduce hunger and poverty and enhance the development and productive capacities of American families and children. The Center carries out policy research and analyses, and works with governmental leaders and the media, to promote greater understanding of policy alternatives for the nation.

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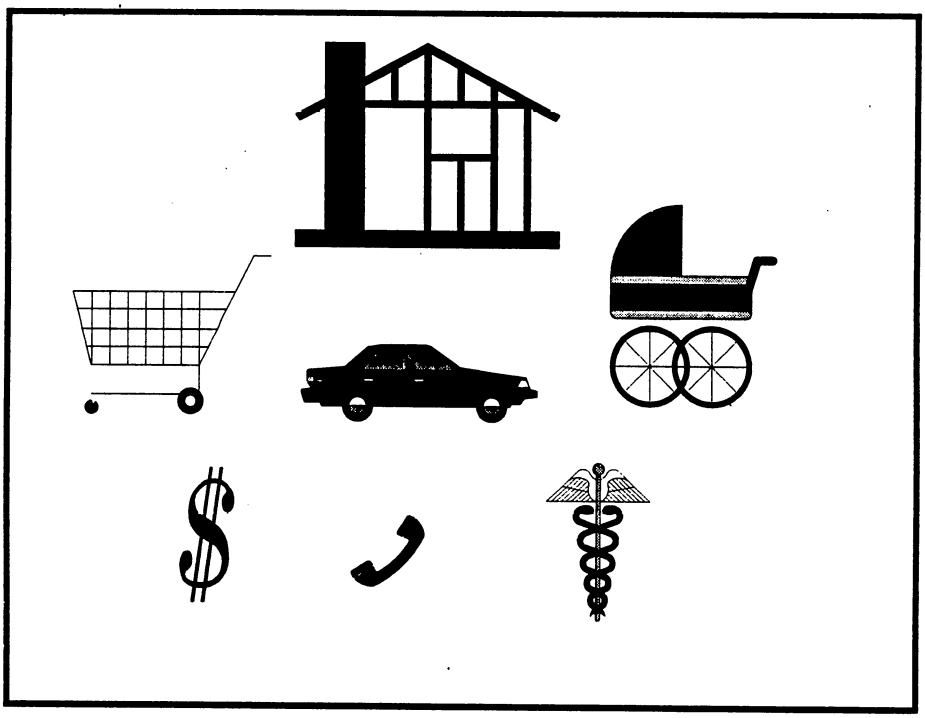
The Self-Sufficiency Standard for Massachusetts

Selected Family Types



September 1998

Prepared for The Massachusetts Project for Family Economic Self-Sufficiency, convened by the Women's Educational and Industrial Union

Wider Opportunities for Women
815 Fifteenth Street, NW ■ Suite 916 ■ Washington, DC 20005

The Massachusetts Project for Family Economic Self-Sufficiency

The Project is a collaborative effort to provide a framework for developing, implementing, and evaluating human investment, workforce development, and welfare-to-work strategies in Massachusetts. The project is comprised of a diverse and growing coalition of organizations across Massachusetts convened by the Women's Educational and Industrial Union (WEIU). Over 425 organizations and individuals have attended meetings on the Project in Boston, Hyannis, Lowell, North Adams, Peabody, Springfield and Worcester. Nationally, the Project is coordinated by Wider Opportunities for Women (WOW), with partnerships including the Corporation for Enterprise Development, the Ms. Foundation for Women and the National Economic Development and Law Center. The Project focuses on six strategies for family economic self-sufficiency that can be adapted in state policies and legislation.

Wider Opportunities for Women

WOW is a 34-year-old national women's employment organization that works to achieve economic independence and equality of opportunity for women and girls. WOW coordinates the Workforce Network—a network of women's service and training organizations in all 50 states—that reaches more than one million women and girls every year. WOW has been a leader in the areas of nontraditional employment, literacy and welfare-to-work strategies for more than two decades.

The Women's Educational and Industrial Union

WEIU is a 121-year-old organization that works for the leadership of and service to women, their children and the Greater Boston community. Every year WEIU assists thousands of people through Home Health Care Services, Horizons Transitional Housing Program for battered and homeless women and their children, the Work and Family Resource Center, and the Shop at the Union. In partnership with Dimock Community Health Center and Morgan Memorial Goodwill Industries, Inc., WEIU also sponsors the Boston Career Link, one of the first one-stop career centers in Massachusetts. WEIU's endeavors include active engagement in advocacy initiatives around relevant public policy issues. WEIU is a membership organization committed to expanding economic, social, and educational opportunities for all women.

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This project and report are supported by grants from the Boston Persistent Poverty Project of The Boston Foundation, The Hyams Foundation, Friedman Family Foundation, Fund 2000, U.S. Department of Labor Women's Bureau—Region I, and United Way of Massachusetts Bay.

The Self-Sufficiency Standard for Massachusetts

Selected Family Types

by Diana Pearce, Ph.D.
and Jennifer Brooks
with Laura Henze Russell

The Self-Sufficiency Standard was conceived and developed by Dr. Diana Pearce, then Director of The Women and Poverty Project of Wider Opportunities for Women, Inc.

Wider Opportunities for Women

The Self-Sufficiency Standard for Massachusetts; Selected Family Types

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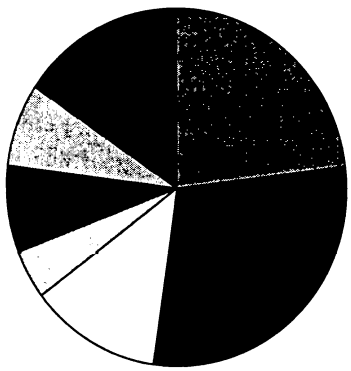


The Self-Sufficiency Standard for Massachusetts

How much money does it take for families to live and work without public or private assistance or subsidies?

Introduction

How much money does it take for a family of a given size and composition to be self-sufficient—to pay for their basic necessities without public or private assistance? How much money do adult family members need to earn? Which expenses make self-sufficiency difficult to attain? How much do costs vary between various communities in Massachusetts—between Boston and the Berkshires, between Cape Cod and Cape Ann, between Fall River and Fitchburg?

The question of how to determine the level at which self-sufficiency is achieved is of critical interest to employers, as well as to advocacy groups, nonprofit service providers, and state officials. The official poverty standard is available, but it provides the same standard to families in different circumstances—whether they live in rural Texas or Boston, whether the children are two years old or twelve, whether parents are working or not. By providing a measure that is customized to each family's circumstances, i.e., taking account of where they live, and how old their children are, the Self-Sufficiency Standard makes it possible to determine if a family's income is enough for them to meet their basic needs.

At the same time, it is important to recognize that self-sufficiency does not imply that families should be completely self-reliant and independent. Indeed, it is through interdependence among families and community institutions such as schools and churches, as well as informal networks of friends, family, and neighbors, that many families are able to meet their non-economic needs as well as economic necessities.

Why the Self-Sufficiency Standard?

The question of what it takes to be self-sufficient has taken on new urgency with the passage of the 1996 welfare legislation that ended the 60-year-old federal program, Aid to Families with Dependent Children (AFDC), and replaced it with a new state-level, time-limited program called Temporary Assistance for Needy Families (TANF). In 1995, the Massachusetts state legislature created a program under Chapter 5 of the state Welfare Reform Act, Transitional Aid to Families with Dependent Children (TAFDC). While the federal TANF emphasizes moving recipients off welfare rolls through rapid entry into the workforce, and imposes a five-year lifetime limit on welfare receipt, TAFDC is more stringent, limiting receipt of cash assistance to 24 months in any given five-year period. The first Massachusetts families affected by the latter provision will lose their benefits in December of 1998.

The Standard provides important guidance for policymakers and program providers regarding how to target their education, job training, workforce development, and welfare-to-work resources. It helps participants choose among occupations for work experience and educational training. It also shows policymakers how subsidizing child care, housing, or health care impacts the wages necessary for working families to become self-sufficient. The Standard provides useful information on how low wages must be supplemented for families to meet their basic needs.

Self-sufficiency is not achieved through stopgap measures or short-term solutions. For many families, especially those who are moving from welfare to work, self-sufficiency cannot be achieved in a single step. It requires strategies that create ladders out of poverty—strategies that provide the assistance, guidance and time needed for families to become self-sufficient.

Self-sufficiency is not achieved through stopgap measures or short-term solutions. We advocate strategies for families that will create ladders out of poverty that will lead to self-sufficiency.

Such strategies must include training and education. Although these strategies do not have the immediacy of providing food and shelter, true self-sufficiency increasingly necessitates investment in education and skill enhancement. Policymakers must address how the costs of investments in training and education should be borne and/or shared, by the individual, the employer, the community, and society in general.

What The Self-Sufficiency Standard is ... and is Not

The Self-Sufficiency Standard was conceived and developed by Dr. Diana Pearce, then Director of the Women and Poverty Project at Wider Opportunities for Women. It uses an original approach and innovative methodology to calculate how much money working adults need to meet their family's basic needs for housing, child care, food, transportation, health care and taxes.

The Standard defines the amount of income required to meet basic needs (including paying taxes) in the regular "marketplace" without public subsidies—such as public housing, food stamps, Medicaid or child care—or private/informal subsidies—such as free baby-sitting by a relative or friend, food provided by churches or local food banks, or housing shared with relatives or friends. The Standard, therefore, estimates the level of income necessary for a given family type—whether working now or making the transition to work—to be independent of welfare and/or other public and private subsidies.

The Self-Sufficiency Standard is set at a level that is, on the one hand, not luxurious or even comfortable, and on the other, is not so low that it fails to adequately provide for a family. Rather, the Standard provides income sufficient to meet minimum nutrition standards, for example, and to obtain housing that would be neither substandard nor overcrowded. It does not however, allow for longer term needs, such as retirement, purchase of major items such as a car, or emergency expenses (except to the extent possible as "miscellaneous"). Self-sufficiency means maintaining a decent standard of living and not having to choose between basic necessities—whether to meet one's need for child care but not for nutrition, or housing but not health care. *Self-Sufficiency wages are family sustaining wages.*

How the Self-Sufficiency Standard Differs from the Official Poverty Measure

Like the official measure of poverty, the Self-Sufficiency Standard calculates the minimum amount of money necessary for a family to meet its basic needs. Under both measures, a family's income is deemed inadequate if it falls below a minimum amount. In these ways, the Standard is similar to the official measure of poverty calculated by the U.S. Bureau of the Census.[1] The Standard, however, differs from the official poverty measure in several important ways:

- The Standard assumes that all adults (whether married or single) work full-time,[2] and therefore, includes costs associated with employment, specifically, transportation and taxes, and for families with young children, child care.
- The Standard takes into account that many costs differ not only by family size and composition (as does the official poverty measure), but also by the age of children. While food and health care costs are slightly lower for younger children, child care costs are much higher—particularly for children not yet in school—and are a substantial budget item not included in the official poverty measure.
- The Standard accounts for regional variations in cost. This feature is particularly important for housing. Housing in the most expensive areas of the country costs four times as much as in the least expensive areas for equivalent size units. Regional

variation also occurs for child care, health care and transportation, although to a lesser extent than for housing. Even within Massachusetts, there is substantial variation in costs: the most expensive areas in terms of housing costs, the Boston metropolitan area and Cape Cod and the Islands, are 50 to 100% more costly than the least expensive areas in rural western Massachusetts.

- The Standard includes the net effect of taxes and tax credits. It provides for state sales taxes, as well as payroll (Social Security) taxes, and federal and state income taxes. Two credits available to working adults, the Child Care Tax Credit (CCTC) and the Earned Income Tax Credit (EITC) are "credited" against the income needed to meet basic needs—thus reducing the income needed to be self-sufficient.
- The Standard accounts for the fact that, over time, various costs increase at different rates. For example, food costs, on which the official poverty thresholds are based, have not increased as fast as housing costs. This failure to account for differential inflation rates among other non-food basic needs is one reason that the official poverty thresholds are no longer an adequate measure of the amount of money required to meet real needs.

By incorporating these factors, the Self-Sufficiency Standard moves beyond the poverty threshold approach in three important ways. First, the Standard reflects the changing needs of families resulting from two important demographic changes that have occurred over the last three decades—the growth of single-parent families and the increased participation of mothers in the labor force. Second, the Standard allows for changes in net income resulting from changes in tax policy, particularly the much higher level of taxes paid by low-income families today, and the tax credits now available to these families. Third, it reflects the geographical differences in costs—especially housing and child care—not only between different regions and states, but also within states.[3]

Calculating The Self-Sufficiency Standard

The Self-Sufficiency Standard is calculated using a market basket approach—pricing each component individually. This market basket approach allows each component to vary independently, so that over time, if some costs rise faster than others, the Standard will reflect the changes in the relative importance of each item and its individual cost or benefit.

Each component included in the Self-Sufficiency Standard is calculated using figures that are either collected or calculated by a single national source (such as the U.S. Bureau of the Census) or collected and reported to state government agencies using standardized methodology (such as child care costs). All costs presented in the Self-Sufficiency Standard for Massachusetts are for 1997 or have been updated to 1997 levels using the Consumer Price Index.

The costs for the Standard are as geographically specific as is possible with the data available. Thus, costs that have little or no regional variation (such as food) are standardized, while costs such as housing and child care, which vary substantially, are calculated at the most geographically specific level available. In Massachusetts housing costs are available at the county level for non-metropolitan areas and by metropolitan area (which may involve a number of counties, and even cross state lines). Child care figures, as described below, are given for 13 areas that differ substantially from the housing market areas, resulting in 40 different geographic areas, which have been grouped into seven different regions. (See Appendix I for a list of these seven regions, 40 areas, and the towns and counties found in each area.)

The components of the Self-Sufficiency Standard for Massachusetts and the assumptions included in the calculations are described below.

Housing: The Standard uses the 1997 Fair Market Rents for housing costs, which are calculated annually by the U.S. Department of Housing and Urban Development (HUD) for every metropolitan housing market and non-metropolitan county. These "rents" reflect the cost of a given size unit (including utilities but not including telephone) at the 40th percentile level.[4] (At the 40th percentile level, 40% of the housing in a given area would be less expensive than this amount; 60% would be more expensive.) The Fair Market Rents are intended to reflect the costs of housing that meet minimum standards of decency. The Self-Sufficiency Standard adjusts for the size of the unit depending upon the size of the family. It assumes that parents and children should not share the same bedroom and that there should not be more than two children in a bedroom. Therefore, one parent and one child need a two-bedroom apartment, as do two parents with two children.

Child Care: While the Standard usually uses the survey of child care costs mandated by the Family Support Act, updated to reflect price changes, we determined that the annual survey of child care costs conducted by the Network of Child Care Resource and Referral Agencies (CCRA) was more accurate in Massachusetts. It is based on a provider survey (rather than a sample), and is updated every year.[5] From CCRA data, we derived average child care costs for each area, for each age group and each type of setting (e.g., whether the child is in a family day care home, a center, or a before- and after-school program).[6] The Standard assumes that children less than three years of age (infants and toddlers, called "infants" here) receive care in day care homes or centers full-time, whereas preschoolers receive care in day care centers full-time. Costs for infant care are a weighted average of family day care and center costs (full-time), reflecting the actual proportion of children in each setting, in each CCRA area. Costs for preschooler care are the cost of full-time center care. School-age children (ages six to 12) are assumed to receive part-time care in before- and after-school programs.

Food: The Standard uses the U.S. Department of Agriculture's Low-Cost Food Plan for June 1997 to calculate food costs. (USDA does not produce annual averages for food costs. However, we follow the Food Stamp Program and use estimates for June as an annual average.) The amounts for food in the Low-Cost Food Plan are about 25% higher than in the Thrifty Food Plan, which the U.S. Bureau of the Census uses to calculate the official poverty thresholds. The Low-Cost Food Plan also allows for a nutritionally adequate diet and is based on more realistic assumptions about food preparation time and consumption patterns. The food costs in the Standard vary according to the number and age of children and the number and gender of adults. Since there is little regional variation in these costs, the Standard uses the national average for all areas.

Although the Low-Cost Food Plan amounts are higher than the amounts used to calculate the official poverty thresholds, they are conservative estimates of food expenditures. Even though, according to the Consumer Expenditure Survey, average American families spend about 39% of their food budget on food eaten away from home, the Low-Cost Food Plan does not allow for any take-out, fast-food, or restaurant meals.

Transportation: Families living in cities with adequate public transportation—which, in effect, means a city with a rail as well as a bus system that is used by a substantial percentage of the population—are assumed to use public transportation to get to work. In Massachusetts, only Boston has such a system.[7] We recognize, however, that many jobs, particularly new, entry-level jobs in expanding industries, are inaccessible to Boston residents without private transportation.[8] For families who live in counties and cities that do not have adequate public transportation, it is assumed that each adult must own and operate a car. (It is unlikely that two adults with two jobs would be traveling to and from the same place of work, at exactly the same times.)

Private transportation costs are based on the costs of owning and operating an eight-year-old car, or cars. The Standard assumes the car(s) will be used to commute to work five days per week, plus one trip per week per family for food shopping and other errands. The costs include monthly variable costs (e.g., gas, oil, tires, maintenance) and fixed costs (e.g., fire and theft insurance, property damage and liability, license, registration and taxes, finance charges). The costs do not, however, include the initial cost of purchasing a car.

The Standard adjusts transportation costs (including mileage) based on whether the family is headed by a single parent, two parents or a single adult with no children. One parent in each household with children is assumed to have a slightly longer weekday trip to allow for "linking" trips to the child care facility. The Standard also adjusts for differences in transportation costs by region of the country. Data for transportation costs were obtained from the American Automobile Manufactures Association and the Consumer Expenditure Survey.

Health Care: The Self-Sufficiency Standard assumes that a full-time worker has health insurance coverage provided by her/his employer.[9] Health care costs included in the Standard are limited to the employee's share of insurance premiums plus additional out-of-pocket expenses, including co-payments, uncovered expenses (such as costs for dental care and prescriptions) and insurance deductibles. The Standard assumes that employees will pay one-third of the cost of health insurance (which is the typical amount). Although workers who do not have employer-provided health insurance often "do without," we stress that families cannot be truly self-sufficient without health insurance. Data for Massachusetts' health costs were obtained from the National Medical Expenditure Survey and the Families USA report, *Skyrocketing Health Inflation: 1980 - 1993 - 2000.*

Miscellaneous: This expense category includes items such as clothing, shoes, paper products, diapers, nonprescription medicines, cleaning products and household items, personal hygiene items, and telephone. Miscellaneous expenses are calculated by taking 10% of all other costs. In comparison to other measures (which usually recommend 15%), this percentage is a conservative estimate.

Taxes: Taxes include state sales tax, state and federal income tax, and payroll tax. State tax rates are calculated using the 1997 Commerce Clearinghouse State Tax Handbook and information from the Massachusetts Department of Revenue. In 1997, the Massachusetts retail sales tax was 5%, with no tax on food. Sales taxes are calculated only on "miscellaneous" items, since one does not pay tax on rent, child care, and so forth. Indirect taxes, e.g., on housing, are included in the price of housing passed on by the landlord to the tenant; also, taxes on gasoline and automobiles are included as a cost of owning and running a car.

The state income tax calculation includes the rental deduction, the payroll tax deduction, the child/dependent or child/dependent care deduction (whichever is greater), as well as the personal and family type exemptions.

Payroll tax for OASDI and Medicare is calculated at 7.65% of each dollar earned. Although the federal income tax rate is higher than the payroll tax rate—15% of income for families in this range—exemptions and deductions are substantial, so that families do not start to pay income tax until their incomes reach $10,000 to $12,000 or higher, thus lowering the effective tax rate to 7% to 10% for most taxpayers.

Earned Income Tax Credit (EITC): The EITC, or as it is sometimes called, the Earned Income Credit, is a federal tax refund intended to offset the loss of income from taxes owed by working poor and near-poor families. The EITC is a "refundable" tax, i.e., working adults may receive the tax credit—a lump-sum payment—whether or not they owe any federal taxes. The EITC reduces the income needed for a family to be self-sufficient. In addition, the state of Massachusetts provides a state level EITC that is 10% of the federal EITC, and which is included in the EITC figures in the Standard.

Child Care Tax Credit (CCTC): The CCTC is a federal tax credit that allows working parents to deduct a percentage of their child care costs from the federal income taxes they owe. Like the EITC, the CCTC is deducted from the total amount of money a family needs to be self-sufficient. Unlike the EITC, the CCTC is not a "refundable" or "negative" tax. A family may only receive the CCTC as a credit against federal income taxes owed. Therefore, families who owe very little to the federal government in income taxes, receive little CCTC.

How Much Money is Enough in Massachusetts?

The amount of money that a family needs to be economically self-sufficient varies by family size, the age of children, and where they live. The Self-Sufficiency Standard provides the minimum amount of money needed to be self-sufficient for 70 different family types. Data for eight selected family types, for each of the 40 geographic areas (grouped by region) are included in Appendix III. (The Self-Sufficiency Standards for all 70 family types and all geographic areas are available from Wider Opportunities for Women or the Women's Educational and Industrial Union.)

According to the Self-Sufficiency Standard, in Boston a single person with no children needs to earn $7.52 per hour to be able to meet her/his basic needs ($1,324 per month). In contrast, a single parent with one preschool-age child needs to earn $15.28 per hour ($2,690 per month), and with two children (one preschooler and one school-age child), she needs to earn $18.54 per hour ($3,263 per month) to meet the basic needs of her family. If a family has two adults working full-time, then each would need to earn $10.08 per hour to support these two children. Even in rural western Massachusetts, the single parent with one preschool-age child would need to earn a wage of $11.68 per hour, about twice what the single adult would need, $6.16 per hour. (See Tables 1 and 2 on pages seven and eight, respectively.)

Housing and child care are by far the largest expenses for working families with children. A single parent family with two children, one of whom is under school-age, generally spends more than half their income on these two expenses alone (see Figure 1 on page nine). Of course, even within Massachusetts, the actual costs vary considerably by location.

Although housing costs in Massachusetts are generally higher in metropolitan areas than in rural areas, there are exceptions. While the least expensive housing is found in the Berkshires and Western Massachusetts regions (where two-bedroom housing units average $552 and $685 per month, respectively), the most expensive housing is also non-metropolitan—that of Cape Cod and the Islands (where two-bedroom units average $918 per month and range up to $1,265 per month on Nantucket). However, the second most costly housing region is Greater Boston, followed by the relatively urbanized regions of Southeast Massachusetts, Northeast Massachusetts, and Central Massachusetts.[10]

Child care costs also vary by location. As with housing, the low-cost regions are found in Western Massachusetts and the Berkshires, and high costs areas in the eastern part of the state. However, the Greater Boston region has the most expensive child care, rather than Cape Cod and the Islands as is the case for housing. The range is also somewhat less extreme, with the least expensive care for infants and preschoolers found in the Berkshires region ($512 and $520 per month, respectively), and the most expensive care found in the Greater Boston region ($838 and $720, respectively). There is the least disparity among regions in the cost of school-age child care, with costs ranging from $188 to $312 for part-time care.

Besides regional differences, there is considerable variation *within* regions as well. For example, infant care in the Greater Boston region ranges from $704 per month in the Chelsea, Revere, and Winthrop area to $1,038 per month in the suburban North and West Greater Boston area. Infant care in Massachusetts generally costs slightly more—about $50 per month more—than preschool care in child care centers. School-age care, which is part-time, averages about half of the cost of full-time care for a preschool-age child in most areas of Massachusetts.

Table 1

The Self-Sufficiency Standard for Boston, MA-NH PMSA, Suffolk County—City of Boston, 1997*

Monthly Expenses and Shares of Total Budget, Selected Family Types

	One Adult		One Adult, One Preschooler		One Adult, One Preschooler, One Schoolage		Two Adults One Preschooler, One Schoolage	
Monthly Expenses:	**Costs**	**% of total†**	**Costs**	**% of total†**	**Costs**	**% of total†**	**Costs**	**% of total†**
Housing	$669.00	50.5	$839.00	30.7	$839.00	25.1	$839.00	23.1
Child Care	NA	NA	$669.02	24.5	$984.76	29.5	$984.76	27.2
Food	$157.44	11.9	$238.48	8.7	$355.06	10.6	$487.55	13.4
Transportation	$46.00	3.5	$46.00	1.7	$46.00	1.4	$92.00	2.5
Health Care	$88.61	6.7	$163.37	6.0	$183.33	5.5	$235.40	6.5
Miscellaneous	$96.10	7.3	$195.59	7.2	$240.82	7.2	$263.87	7.3
Subtotal	$1,057.15	79.8	$2,151.46	78.8	$2,648.97	79.2	$2,902.58	80.0
Taxes	$267.06	20.2	$578.47	21.2	$694.09	20.8	$723.95	20.0
Earned Income Tax Credit (-)	$0.00		$0.00		$0.00		$0.00	
Child Care Tax Credit (-)	$0.00		($40.00)		($80.00)		($80.00)	
Self-Sufficiency Wage— Monthly	**$1324.21**	100.0	**$2,689.93**	100.0	**$3,263.06**	100.0	**$3,546.53**	100.00
Hourly**	**$7.52**		**$15.28**		**$18.54**		**$10.08 per adult**	

* *The Standard is calculated by adding expenses and taxes and subtracting tax credits.*

† *Percentages calculated before tax credits.*

** *The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).*

Note: Totals may not add exactly due to rounding.

For families with just one infant or preschool-age child, housing costs average about 15 to 25% more than child care costs. For families with two children below school-age, child care costs dwarf housing costs, with child care costing from one-third more to more than double housing costs, depending upon the area. Overall, child care costs for Massachusetts' families with one child below school-age comprise about 25 to 27% of a family's total budget. For families with two children requiring care, child care costs comprise 25 to 30% of their total budgets. (See Tables 1 and 2 and Figure 1.)

Table 2

The Self-Sufficiency Standard for Berkshire County, MA—Western Massachusetts, 1997*

Monthly Expenses and Shares of Total Budget, Selected Family Types

	One Adult		One Adult, One Preschooler		One Adult, One Preschooler, One Schoolage		Two Adults One Preschooler, One Schoolage	
Monthly Expenses:	**Costs**	**% of total†**	**Costs**	**% of total†**	**Costs**	**% of total†**	**Costs**	**% of total†**
Housing	$446.00	41.1	$526.00	24.9	$526.00	20.7	$526.00	18.0
Child Care	NA	NA	$519.55	24.5	$707.21	27.8	$707.21	24.2
Food	$157.44	14.5	$238.48	11.3	$355.06	14.0	$487.55	16.7
Transportation	$113.21	10.4	$117.16	5.5	$117.16	4.6	$226.96	7.8
Health Care	$88.61	8.2	$163.37	7.7	$183.33	7.2	$235.40	8.0
Miscellaneous	$80.53	7.4	$156.46	7.4	$188.88	7.4	$218.31	7.5
Subtotal	$885.79	81.7	$1,721.02	81.3	$2,077.63	81.8	$2,401.43	82.1
Taxes	$198.79	18.3	$395.32	18.7	$462.85	18.2	$523.07	17.9
Earned Income Tax Credit (-)	$0.00		($15.85)		$0.00		$0.00	
Child Care Tax Credit (-)	$0.00		($44.00)		($80.00)		($80.00)	
Self-Sufficiency Wage— Monthly	**$1,084.58**	100.0	**$2,056.49**	100.0	**$2,460.48**	100.0	**$2,844.50**	100.00
Hourly**	**$6.16**		**$11.68**		**$13.98**		**$8.08 per adult**	

* The Standard is calculated by adding expenses and taxes and subtracting tax credits.

† Percentages calculated before tax credits.

** The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).

Note: Totals may not add exactly due to rounding.

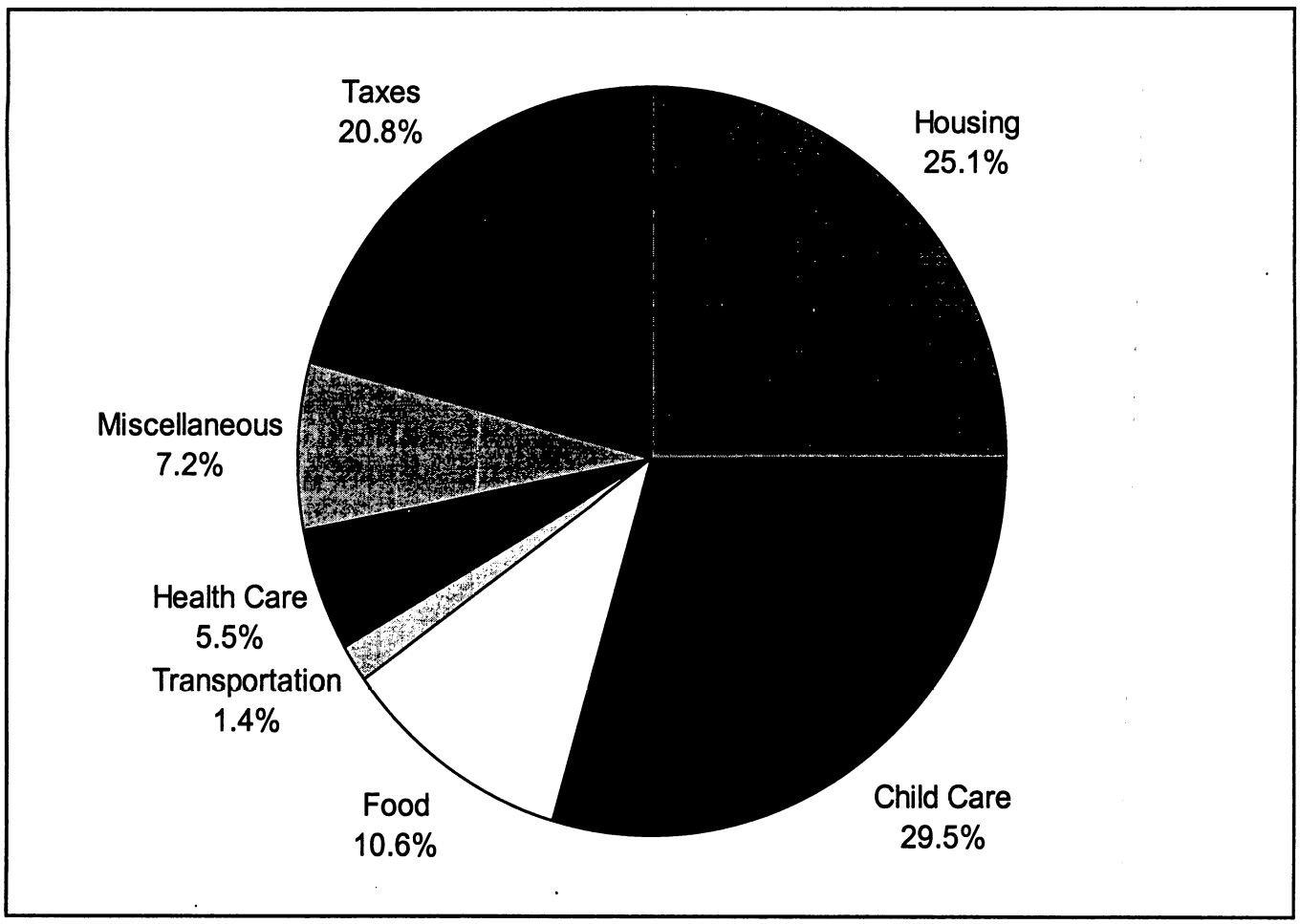
Although both housing and child care costs are higher in urban than in rural areas, the differential is somewhat higher for housing. Therefore, the percentage of a family budget that goes to housing—compared to child care—is somewhat higher in urban than in rural areas—about 5% (see Tables 1 and 2). Altogether, housing and child care costs alone make up a large percentage of a family's total expenses in Massachusetts—well over one-half for families with children requiring full-time day care.

A family with one parent, one preschool-age child and one school-age child spends more than half of its monthly budget on housing and child care.

Figure 1

Percentage of Income Needed to Meet Basic Needs, 1997

Based on the Self-Sufficiency Standard for a Family with One Parent, One Preschool-age Child and One School-Age Child in Boston, MA-NH PMSA, Suffolk County—City of Boston



Note: Percentages are calculated before tax credits. Thus, the percentage of income needed for taxes, 20.8%, does not include EITC and CCTC.
Totals may not add exactly due to rounding.

Comparing The Standard to Other Benchmarks of Income

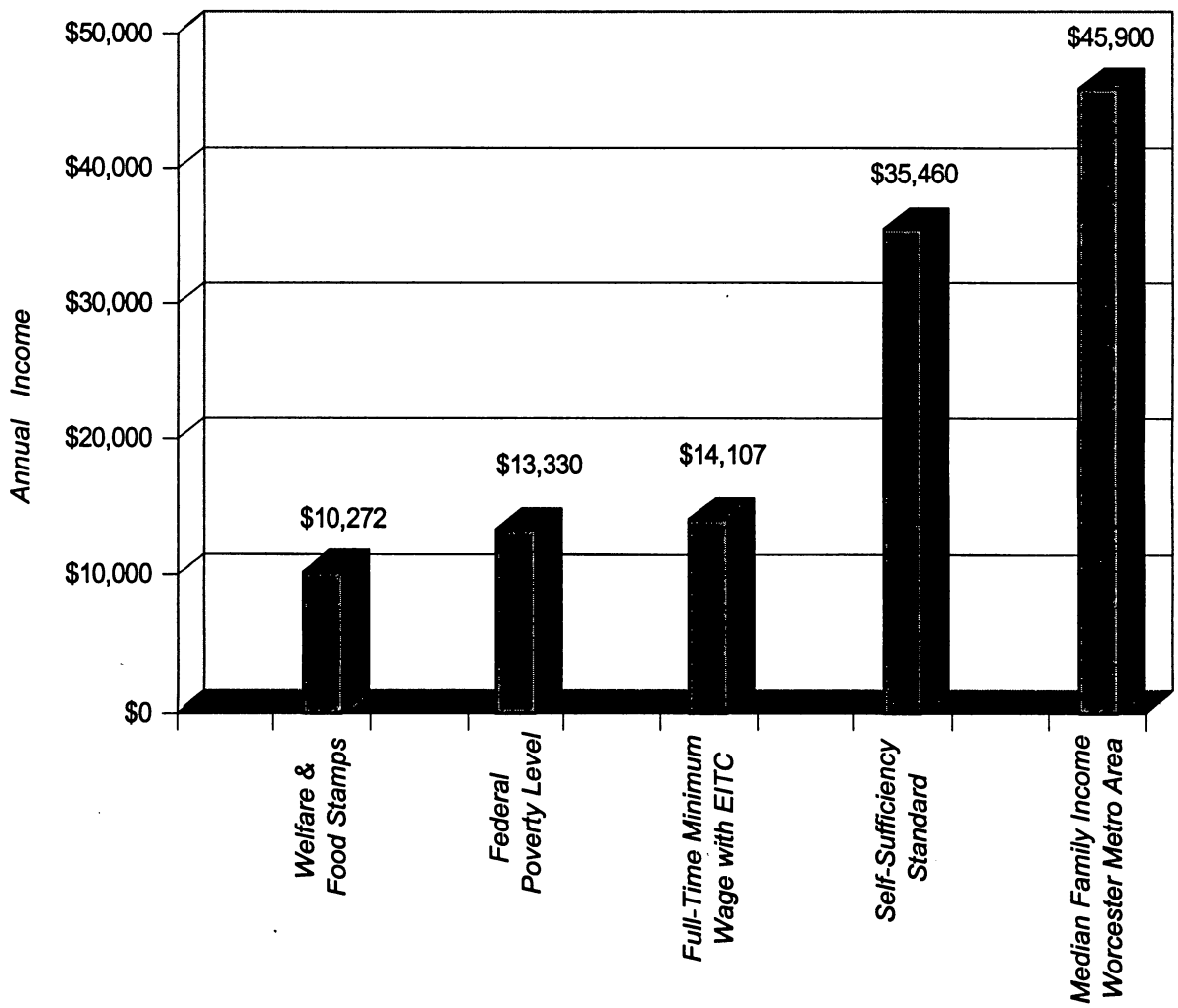
To put the Standard in context, we compare it to four other commonly used measures of income adequacy: the federal poverty measure, the welfare grant package, the minimum wage, and median income (see Figure 2 on page 10). For purposes of comparison, we use the Standard for a three-person family consisting of one adult, one preschooler and one school-age child for the Worcester area—which is geographically and cost-wise in the middle of the state—which is $2,995 per month ($35,460 annually). The other benchmarks presented are also for three-person families, where relevant, although none is as specific as the Standard in terms of age and number of children, or geographic location.

Federal Poverty Guidelines: Not surprisingly, according to the Self-Sufficiency Standard, the amount required to meet one's basic needs is considerably higher than the official poverty level. In 1997, under

Figure 2

The Self-Sufficiency Standard Compared to Other Benchmarks, 1997

Based on the Self-Sufficiency Standard for a Family with One Parent, One Preschool-age Child and One School-Age Child in Worcester, MA-CT PMSA—Hampden & Worcester Counties—Worcester Area



the official poverty guidelines a family consisting of one adult and two children is considered poor if this family has a monthly income of $1,110 ($13,330 annually) or less, regardless of where they live, or the age of their children. This amount is just 38% of the amount needed for our Worcester-area three-person family.

TAFDC Grant and Standard Budget of Assistance: Including food stamps and a small clothing allowance ($25 per month) as well as the cash grant, the total TAFDC benefit for families with no other income is the equivalent of $10,272 per year. This amount is just 29% of the Self-Sufficiency Standard for our Worcester area family, and only 77% of the federal poverty level for a family of three. Furthermore, the TAFDC grant package is only 67% of the Department of Transitional Assistance's (DTA) own Standard Budget of Assistance, on which they calculate families' needs.[11]

Minimum Wage Including Tax Credits: A full-time worker at the state minimum wage of $5.25 per hour earns $10,920, or just $910 per month. Taking into account federal and state taxes (which decrease available income) and tax credits (both the Child Care tax Credit, and the Earned Income Tax Credit, which

increase available income), and assuming this person is the parent in our three-person Worcester family, her income would be $14,107, which is only 40% of the Self-Sufficiency Standard. Even two adults working full-time at minimum wage do not come close to the Self-Sufficiency Wage for this family.

Median Family Income: Median family income (half of an area's families have incomes above this amount and half have incomes below this amount) is used as a rough measure of the costs of living in a given area. The U.S. Department of Housing and Urban Development (HUD) uses area median family income as a standard to assess families' need for housing assistance: those with incomes below 50% of the median income are considered "Very Low Income," while those whose incomes are below 80% of the median are considered "Low Income." (Almost all assistance is limited to the Very Low Income.) The median income for a three-person family in the Worcester metropolitan area is $45,900. The Self-Sufficiency Standard for our Worcester area family of one adult, one preschooler, and one school-age child is 77% of Worcester area median income for three-person families. Note that the Standard falls within the HUD definition of "Low Income," but not "Very Low Income."

The Impact of Subsidies on Families' Efforts to Meet Their Basic Needs

Many families, of course, do not have wages at the Self-Sufficiency level, particularly if they have recently entered (or re-entered) the workforce, have high costs such as for child care, or live in high cost areas. As demonstrated above, the minimum wage is well below the Self-Sufficiency Standard for most families. This wage gap presents states with a challenge of how to aid families whose wages are above the "poverty" level, yet fall below what is needed for self-sufficiency. There are a number of areas in which Massachusetts officials can address this gap, and help low-income families achieve self-sufficiency. Below we discuss several of these options, and then model the effects of these subsidies and policies on the wages required for a family to meet their basic needs.

Child Support: While not an option for all families, whenever possible child support from absent, non-custodial parents should be sought. Because of the higher unemployment rates and lower wages experienced by men of color, the amount of child support will vary by race and economic status of the non-custodial parent. Whatever the amount, child support payments reduce the amount required for a family to meet its needs, while providing the support of both parents to meet children's needs.

Taxes and Tax Credits: Massachusetts provides a number of different deductions that reduce the state tax burden on families, including the rental deduction for housing costs, the child/dependent care or child/dependent deduction, and the payroll tax deduction, as well as personal and family type deductions. Unfortunately, all of these deductions are capped at relatively low levels, which has the effect of helping everyone a small amount, rather than helping those who are struggling with high rents, high child care costs, etc.[12]

Public policy choices can have a substantial impact on the ability of families to become self-sufficient—aiding them with temporary supports until they are able to earn wages sufficient to meet their basic needs.

By raising the limits of these deductions, more low-income working families would be exempt from taxes. The state also provides a state Earned Income Tax Credit (EITC)—a refundable tax credit targeted to help low-wage families with children—that is equal to 10% of the federal EITC. Increasing the state EITC would enhance the income of working families.

Public Subsidies: The Self-Sufficiency Standard provides the amount of income that families need to earn to meet all of their basic needs, without outside aid or subsidies. However, many families cannot achieve self-sufficiency immediately, but need the aid of temporary subsidies. Such subsidies help families meet their basic needs until their wages rise and/or their costs decrease (as when a child reaches school age), and they are able to meet their needs fully on their own. At the crucial point in their lives of entering employment, such subsidies can help a family achieve stability, without scrimping on nutrition, or living in overcrowded or substandard housing, or using inadequate child care. Subsidies or vouchers may be provided for any of a family's basic needs: housing (such as Section 8), child care,[13] health care (such as MassHealth, the state's Medicaid program), and/or transportation (tokens, or access to affordable older used cars). All these subsidies would aid families as they make the transition to self-sufficiency wages.

Providing subsidies reduces the wages a family needs to adequately meet their basic needs. For example, a single parent with two children would need $839 per month for housing in Boston. However, if that parent received a housing subsidy equal to one-half of their housing costs, their housing costs would be reduced to $420 per month, which would, in turn, reduce the total amount of income needed to meet expenses. Not only do subsidies reduce the amount of income required to meet the basic needs, they also have the indirect effect of decreasing the amount of taxes that would be owed. Subsidies may also increase the Earned Income Tax Credit and/or the Child Care Tax Credit.

Health Care Coverage: While health expenses are a relatively small cost item in most of the family type budgets (less than 10%), health care would be much more expensive in the absence of an employer plan. It is important to recognize the role that employer-provided health insurance plays in the calculation of the Standard. The Standard assumes—based on the average practice across industries—that employers will both offer health insurance, and pay two-thirds of a family's health insurance costs.[14] Thus, it is important that employers provide all employees with this important benefit, so that parents do not have to make the unattractive choice between not working and retaining eligibility for health care coverage through welfare/Medicaid versus employment without health care coverage for their families.

Modeling the Impact of Subsidies and Other Factors on Self-Sufficiency

Table 3 (on page 13) shows a number of the options suggested above. They have been modeled for one family—a single parent with a preschooler and a school-age child, who lives in the Worcester area. In the first column, the parent's expenses are those calculated by the Self-Sufficiency Standard. With child care expenses of $844 per month and housing costs of $709 per month, it is not surprising that the Self-Sufficiency hourly wage is $16.79.

In the second column, the private "subsidy" of child support is added, reducing the amount needed to meet expenses by $200 per month. The amount of $200 per month was used because it is approximately the average amount of child support paid by absent parents per family, not per child. Because this income is not subject to taxes, it has a stronger impact on our family's income. It reduces the required Self-Sufficiency Wage by about $1.50, to $15.20 per hour. It does so by lowering the income that must be earned directly, and also has an indirect effect of somewhat lowering the taxes that must be paid on earned income.

In the next column of Table 3 we have modeled one possible version of "tax relief." Each of the deductions has been raised by doubling the cap on the deduction, and raising the family type exemption to the level that will actually go into effect on January 1, 1999.[15] These changes result in increasing the amount of income exempt from taxes by about $12,000, reducing the amount of state taxes owed annually by about $700. This tax relief, in turn, reduces the wage required to meet basic needs by about $.50 per hour, to $16.32. For families with lower expenses (such as those with school-age children or teenagers, requiring only part-time or no child care), the effect would be stronger, for it would also put families into the lower tax brackets, where they would pay only limited taxes, or no state tax at all.

Table 3

Impact of Subsidies and Supports on the Self-Sufficiency Wage

Single Parent, with One Preschool-Age Child and One School-Age Child, Worcester, MA-CT—Hampden & Worcester Counties—Worcester Area, 1997

	Subsidies and Supports:					
Monthly Expenses:	*(1)* ***Self-Sufficiency Standard***	*(2)* ***Child Support***	*(3)* ***Tax Relief***	*(4)* ***Housing***	*(5)* ***Child Care, Medicaid, Food Stamps***	*(6)* ***Child Care, Medicaid Food Stamps Expanded EITC***
Housing	*$709*	*$709*	*$709*	***$538***	*$709*	*$709*
Child Care	*$844*	*$844*	*$844*	*$844*	***$119***	***$59***
Food	*$355*	*$355*	*$355*	*$355*	***$171***	***$137***
Transportation	*$117*	*$117*	*$117*	*$117*	*$117*	*$117*
Health Care	*$183*	*$183*	*$183*	*$183*	***$0***	***$0***
*Miscellaneous**	*$221*	*$221*	*$221*	*$221*	*$221*	*$221*
Taxes	*$605*	*$525*	***$522***	*$536*	*$98*	*$82*
Earned Income Tax Credit (-)	*$0*	*$0*	*$0*	*$0*	*($303)*	*($396)*
Child Care Tax Credit (-)	*($80)*	*($80)*	*($80)*	*($80)*	*$0*	*$0*
Child Support (-)	*$0*	***$200***	*$0*	*$0*	*$0*	*$0*
Self-Sufficiency Wage—						
Monthly	*$2,955*	***$2,675***	***$2,872***	***$2,715***	***$1,131***	***$930***
*Hourly***	*$16.79*	***$15.20***	***$16.32***	***$15.43***	***$6.43***	***$5.28***

* *The amount of money needed for miscellaneous expenses is based on the total amount needed for expenses before calculation of subsidies.*

** *The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).*

Note: Totals may not add exactly due to rounding. Numbers in bold type indicate a change in cost due to a subsidy.

In the fourth column, we show the effect of a housing subsidy.[16] We assume that the housing subsidy, as with federal Section 8 subsidies, reduces the rent so that the family does not have to spend more than 30% of its income (net of child care costs and including a deduction for dependents) on housing. This subsidy reduces the cost of housing by about one-fourth, to $538 per month, and reduces the Self-Sufficiency Wage to $15.43. (Because the subsidy holds housing costs to 30% of income, it is much greater for lower-income families.)[17] Unfortunately, the high costs of housing, and housing subsidies per unit, means that few families are able to obtain this kind of help, so we do not retain housing in the other columns of the model. Indeed, nationally, only about 25% of those eligible actually receive any kind of housing assistance. In Massachusetts, eligible families often must wait years for housing assistance, and some Public Housing Authorities have such long lists that they are not taking new names.

In the fifth column we assume that this single parent is receiving a typical package of benefits available to those making the transition off welfare—child care, food stamps, and health care (i.e., Medicaid/MassHealth).[18] The child care costs have been partially subsidized, with the single parent paying a sliding scale fee that is based on family size, family income and the number of children receiving child care. This package reduces her child care expenses to about one-eighth of the full cost, or $119 per month, and her medical costs to zero.[19] By substantially lowering the income that must be earned to meet other basic needs, the subsidy package also decreases taxes and increases the Earned Income Tax Credit. Although this family is no longer receiving the Child Care Tax Credit, the provision of health care, food stamps, and subsidized child care reduces the Self-Sufficiency Wage by almost two-thirds, from $16.79 per hour to $6.43 per hour.

In the last column, we have modeled the impact of increasing work incentives. We add to the transition package (which includes a child care subsidy, Medicaid and food stamps) an increase in the value of the state EITC from the current 10 to 30% of the federal tax credit. Because the EITC is targeted toward low-wage workers, increasing it has a substantial impact when combined with the other subsidies. It reduces the required wage again, to about the state minimum wage, or $5.28 per hour.

The figures in Table 3 provide examples for one family type in one area—a single parent with one infant and one preschool-age child, living in Worcester. The impact of various subsidies and taxes would vary in different communities and family types, depending on cost levels and policy choices. The Self-Sufficiency Standard can be used to model these choices to determine the impact they would have on families' Self-Sufficiency Wages.

For families to actually benefits from these subsidies, however, there must be a substantial expansion in funding, so that long waiting lists can be eliminated, and all eligible families can be served. In addition, the Standard demonstrates that the upper limits on eligibility for subsidies are too low, and need to be raised.

What is clear from this example is that public policy choices can have a substantial impact on the ability of families to become self-sufficient. For example, by aiding families with temporary subsidies until they are able to earn wages sufficient to meet their basic needs, families with entry-level wages are able to achieve stability in their housing, child care, diet, and health care. Meeting these basic needs, in turn, helps families achieve a secure position in the labor force. Alternately, or in combination with one or more subsidies, raising the minimum wage would allow the state to provide a more adequate income "floor" for families struggling towards self-sufficiency, with little or no cost to taxpayers. Likewise, investment in education and training that leads to increases in families' earning power will reduce the need for subsidies and increase income and tax revenue.

Thus, this model points to a number of roads to self-sufficiency, and shows that carefully targeted programs, tax relief, and other policies can play an important role in helping families become fully self-sufficient.

How The Self-Sufficiency Standard Can be Used

The Self-Sufficiency Standard can be used at the policymaking, program-delivery, public education and individual counseling levels to improve the likelihood that low-income individuals and families will become self-sufficient (see Table 4). The Standard has many uses at a time when "block-granting" leaves decisions to the state and local levels about how to evaluate success within the restrictions of federal law, what to subsidize, and how to design and implement programs.

The Self-Sufficiency Standard is relevant to a range of issues and arenas, providing information that can be used in a variety of settings—from the welfare client choosing the best route out of poverty for herself and her family, to organizations weighing investment in various education and training opportunities, to state-level policymakers facing critical policy choices on tax policy, subsidies, welfare-to-work, education and training, and economic development plans. In each of these areas and many more, the Self-Sufficiency Standard provides a benchmark and crucial information for making important decisions affecting the future of Massachusetts' families.

Sectoral Strategies to Target Higher Wage Jobs: Although the overall labor market trends in Massachusetts would seem to make achieving self-sufficiency difficult, targeted job strategies can discern new employment opportunities. In general, the fastest growing occupations in Massachusetts are at the extremes—on the one hand, highly paid but highly technical and professional jobs requiring college and even graduate degrees, and on the other, relatively low-wage service sector jobs, that do not pay self-sufficiency wages. However, sectoral employment intervention strategies can identify growing occupations that pay good wages within a particular region of the state. The Standard can be used in cooperative efforts by employers, community colleges, and nonprofit organizations to target education and training toward emerging and expanding occupations that pay self-sufficiency wages. To be effective, these efforts must be launched at a regional level, based on an analysis of job and occupational projections for the local labor market. With careful planning, a targeted jobs strategy results in an increased supply of skilled workers to address critical employer hiring needs, better targeting of educational and training resources, and increased family incomes—clearly, a win-win situation for all.

The Self-Sufficiency Standard can be used at the policymaking, program-delivery, public education and individual counseling levels to improve the likelihood that low-income families will become self-sufficient.

Investments in Education and Training: The value of a two-year or four-year college degree on increasing earnings throughout one's working life has been unequivocally demonstrated. Employers, as well as employees, benefit from better education and training for workers. As noted above, employers in numerous sectors face skilled labor shortages. Some Massachusetts companies have resorted to importing educated workers from overseas to address this deficiency. The development of an educated and skilled workforce is a necessary part of the infrastructure, which will undergird the state's economy.

For adults who have language difficulties, inadequate education or who lack job skills and/or experience, achieving wages at a self-sufficiency level cannot happen without first addressing these issues. For such persons, training and education are often key to entering the kinds of occupations and workplaces that will pay, eventually if not immediately, self-sufficiency

Table 4
How the Self-Sufficiency Standard Can Be Used

Policymakers Can Use the Standard...	***Program Providers, Counselors and Advocates Can Use the Standard...***
■ ***as a planning and evaluation tool*** in state welfare and workforce development policy, including waivers or state-initiated plans and programs;	■ ***to counsel participants as to the amount of money they will need to become economically independent*** and leave welfare permanently;
■ ***to compare and rank state and local efforts***, local modifications and pilot programs;	■ ***to help participants determine the subsidies and supports for which they are eligible***, given their earnings level and family size, both for short- and long-term;
■ ***to target education and training resources to prepare people for high-wage jobs*** in sectors of the economy that pay Self-Sufficiency Standard Wages;	■ ***as a public education tool*** to show the disparity between state or local area benefit levels, wages earned and the cost-of-living in specific areas;
■ ***to expand income-eligible child care programs***;	■ ***to help employers understand the importance of providing benefits for entry-level workers and creating career paths*** to allow workers to achieve economic self-sufficiency.
■ ***to demonstrate the impact that programs and policies will have on the amount individuals need to earn***;	
■ ***to develop strategies that combine different funding streams*** to serve families most in need.	

wages. Thus, training and education are necessary, but often possible only in conjunction with temporary subsidies—a relatively short-term investment, in many cases, that will lead to the long-term payoff of true economic self-sufficiency.

Removing Barriers to Employment: Many individuals who are striving for self-sufficiency are women and/or people of color, and face artificial barriers to employment not addressed by subsidies, tax relief, or labor market policy options. Employers and unions, as well as policymakers need to address these barriers in order for individual efforts to be rewarded fairly in the labor market.

Discrimination on the basis of gender and/or race is a key issue in this area. It is important to recognize that not all barriers to self-sufficiency lie in the individual persons and families seeking self-sufficiency. At the same time, many of these barriers are not matters of deliberate racism and sexism. Addressing these barriers therefore calls for all stakeholders—employers, unions, advocates, training providers and educators, welfare officials and program participants—to partner together to address the various difficulties, myths and barriers that arise as more and more families seek to achieve economic self-sufficiency.

For many women, nontraditional jobs (such as construction, copy machine repair, X-ray technician, or computer-aided drafting) require relatively little post-secondary training yet provide wages at self-sufficiency levels. Working to enhance women's access to these jobs, or training positions leading to these jobs, requires addressing a range of barriers that prevent women from entering and remaining in nontraditional occupations. Likewise, problems of sexual and racial harassment must be addressed in order for women and/or minorities to fully realize their potential.

Increasing the Minimum Wage and Labor Market Reforms: The Standard illustrates that even two

parents working full-time at the minimum wage will be unable to fully support their families. The Standard shows that raising the minimum wage is important because it raises the "floor" under working families. Yet, by itself, it is not sufficient. Especially for families with children, self-sufficiency wages are well above the modest increases now being proposed for the minimum wage.

The Standard also indicates to businesses, labor organizations, and government what wage levels, benefits, educational programs and career ladders are needed to attract and sustain their employees—which will also promote loyalty and reduce turnover. Historically, collective bargaining has had a track record of raising workers' wages and broadening benefits. Where businesses initiate these changes themselves, employees also benefit. Expanding wages and benefits does not simply result in higher costs because money is saved on recruiting and training new employees.

Businesses have long invested heavily in wage increases and education and training for their highly skilled workers in order to keep up with new technology. Expanding incumbent worker training to lower-wage employees is greatly needed to enable these workers to upgrade their skills and earning power, and raise their productivity. Taken together, these actions enhance employee performance and productivity, which, over time, reduces costs and enhances employer competitiveness.

Using the Standard as a Benchmark: Massachusetts legislators, policymakers in the Governor's Office, the Department of Transitional Assistance, the Department of Labor and Workforce Development, the Department of Education, the Department of Housing and Community Development, the Division of Medical Assistance, the Office of Child Care Services, and other state agencies can use the Standard as an evaluation tool in state welfare and workforce development policy. Because the Standard is based on local costs, it can be used to compare and rank state efforts, local modifications and especially, local pilot programs. Social service departments can use the Standard in developing pilot programs or modifying state programs to meet local needs.

Welfare Reform and Welfare-to-Work Efforts: With the passage of the 1996 welfare legislation—particularly with the advent of work requirements and time limits—helping participants become self-sufficient through steady employment has become a top priority. The Self-Sufficiency Standard documents the costs of living that families of different sizes must meet to live independently. The Standard demonstrates that, for most families, earnings that are above the official poverty level or earnings that are high enough to disqualify them from welfare, are nevertheless far below what they need to meet their families' basic needs for food, shelter, clothing, and so forth.

The Standard can be used to determine what types of training or education programs will result in the level of wages required for families to be self-sufficient in a given community, and also as a benchmark for evaluating the wages obtained through job search and related programs. Policymakers can use the Standard to design exemptions from program participation for participants whose costs would be too high in the short term, or for whom services are not available locally. The Standard can also be used to assess the amount of subsidies that families need if they earn wages that fall below the Self-Sufficiency Standard (see discussion accompanying Table 3 above). These subsidies can include child care, transportation, health or housing assistance.

The Standard can be used as an educational and counseling tool for TAFDC counselors, non-profit program providers, advocates, and participants. Caseworkers can use it to counsel participants as to the amount of money needed to become independent and leave welfare permanently. They can use the Standard to help participants choose occupations or jobs, and create packages of earnings and subsidies for the short- and long-run.

The Standard provides a strong case for counting education as a work or community service activity, and expanding work study, student aid, and child care subsidies for low-income parents enrolled in post-secondary education. Other states such as Maine and Wyoming have used state monies to expand higher education as a route out of poverty for welfare

recipients. Access to two-year and four-year college programs should be greatly expanded for all low-income families, whether or not they are currently receiving assistance.

Policy analysts can use the Standard as a public education tool to show the disparity between state or local benefit or subsidy levels compared to costs, wages earned, and the cost-of-living in specific areas—and thus help prevent a "race to the bottom" in benefit levels. It can also be used to help employers understand the importance of providing benefits—such as child care, health care and transportation assistance—for entry-level workers who are moving from welfare to work.

Fundamentally, the Standard calls into question the two-year time limit on welfare benefits in Massachusetts, which is a full 36 months less than the maximum time limit allowed by federal law. "Work first" should be replaced by an emphasis on "working and learning." Enabling people to prepare for a better paying job in the short-term will result in a lifetime of higher earnings, decreased dependence on welfare, and an increase in self-sufficient, employed, and tax-paying citizens.

Conclusion

With income at the poverty level, families cannot afford housing *and* food *and* child care, much less their other basic needs—forcing families to choose between needs, or accepting substandard or inadequate child care, insufficient food, or substandard housing. By knowing what is required to meet all of a family's needs at a minimally adequate level, policymakers and others understand what is required for true self-sufficiency.

The Standard is currently being used to better understand these issues, analyze policy, and help individuals striving for self-sufficiency, in several states and in a number of community organizations.

For further information about the Standard, or to learn about how to have the Standard developed for your community or state, contact Wider Opportunities for Women at (202) 638-3143 or Dr. Diana Pearce at (206) 616-2850. For further information on the findings and implications of the Self-Sufficiency Standard for Massachusetts, contact the Massachusetts Project for Family Economic Self-Sufficiency by calling Mary Lassen, Laura Russell, or Christine Kavanah at the Women's Educational and Industrial Union at (617) 536-5651, ext. 140.

Endnotes

[1] Over three decades ago, the U.S. Bureau of the Census officially adopted poverty thresholds based on the U.S. Department of Agriculture's Thrifty Food Plan (TFP). The TFP—which covered a minimally nutritionally adequate diet—was multiplied by three to cover non-food costs. The multiplier of three was based on an 1950s study that found that the average family spent one third of its income on food. The thresholds are adjusted for family size, and are updated for inflation. The National Academy of Sciences commissioned a comprehensive study, which resulted in recommendations for reforming the official measurement of poverty in the United States. These recommendations, however, have not been implemented. See Constance F. Citro and Robert T. Michael, *Measuring Poverty: A New Approach* (Washington, DC: National Academy of Sciences, 1995).

[2] While the majority of employed women with children under 18 years of age work full-time (about 70% of married mothers, and 80% of single mothers. See: Bureau of Labor Statistics, March 1997 Current Population Survey, Table 15, unpublished data), working part-time is clearly the desirable option under many circumstances, such as when the children are very young, in need of special care, or appropriate child care is not available or affordable. However, for low-income mothers it is equally clear that economic necessity, as well as welfare reform rules, preclude this option for many.

[3] For more information on the Standard and a discussion of problems with the official poverty measure, see Diana Pearce, "The Self-Sufficiency Standard," pp. 23-36, in Wider Opportunities for Women, *Six Strategies for Self-Sufficiency: Great Ideas for Moving Families Out of Poverty* (Washington, DC: 1996).

[4] Note that the Fair Market Rents are somewhat lower than those in the Rental Housing Association's (RHA) annual survey. See: "Rental Housing Association Industry Survey Tri-Annual Report," (Boston: Greater Boston Real Estate Board, 1998). However, there are several important differences between the surveys: the latter provides an *average* rent for different areas, which is probably at approximately the 50th percentile (or a little higher), while the Fair Market Rents are at the 40th percentile. Second, the latter also includes all size units in each geographic area, and does not break down costs both by unit size and geographic area, as is done by HUD for the Fair Market Rents. According to the RHA survey, the average cost of housing in Massachusetts was $855 in 1997. This amount is about $100 more per month than the average of the Fair Market Rents for two-bedroom units for the 40 areas calculated in the Self-Sufficiency Standard, which is $740. (Note that this figure is not an "average rent," because it is not weighted by the number of units in each area, but is a simple average of 40 rents. Because housing is more expensive in urban areas of Boston and other cities, which also have many more units, a true "average" of Fair Market Rents for Massachusetts would be higher.)

[5] A comparison of these figures with those from the most recent Family Support Act survey done in 1994 found that costs have increased somewhat unevenly across areas, that is, costs have risen faster in some areas than others.

[6] Although in general, studies have shown that most families using out-of-home care choose a family day care home for infants and toddlers, and center-based (or group) care for children three to five years old, in some areas (particularly the city of Boston), there is greater use of centers for infants and toddlers than the norm. See: Massachusetts Child Care Resource & Referral Network, "Statewide Data Collection Provider Survey" (Worcester, MA: 1997).

[7] According to the 1990 Census, 68% of employed Boston residents worked within the city. See: U.S. Bureau of the Census, "Journey to Work" data, as cited in Boston Redevelopment Authority, "Boston's Day-Long Population ... Exceeds One Million; More than Doubles on Peak Attraction Days (6/26/96).

[8] According to a Department of Transportation study two-thirds of entry-level jobs in high-growth areas in the Boston area cannot be reached by public transit in less than two hours, and only one in six such jobs can be reached from the central city in an hour or less. Although almost all welfare recipients live quite close to public transportation, most of the newer jobs, in service, retail trade and health industries, are located out on the Route 128 "loop" and beyond, areas beyond the reach of public transit. For example, one area, North Waltham, which has 77 employers with over 3000 entry-level jobs, requires a central city resident to take three buses, and travel one hour and 40 minutes—and then one

is still a mile from the area with the greatest concentration of jobs. See: U.S. Department of Transportation, Bureau of Transportation Statistics, *Welfare Reform and Access to Jobs in Boston*, prepared by Annalyn Lacombe (Washington, DC: 1998).

[9] According to the Bureau of Labor Statistics, 83% of non-temporary workers have health insurance, the majority of which is employer-provided. See: Bureau of Labor Statistics press release, "Contingent and Alternative Employment Arrangements, February 1997. In Massachusetts, 325,000 employed adults, representing 11% of the adult population, lacked health insurance in 1993-94. See: Special Commission on Uncompensated Care, *Report of the Special Commission on Uncompensated Care*, 1997.

[10] There is also large variation within a given region as well, particularly Greater Boston. Within the city of Boston, the Rental Housing Association reports an average rent of $1,054, but it ranges from $650 per month in Mattapan to $1,317 in Beacon Hill/West End, and rose 15% overall between 1996 and 1997.

[11] DTA calculates three Standard Budgets of Assistance: for families living in private housing inside of Boston and Cape Cod, in private housing outside of Boston and Cape Cod, and living in public housing. In FY 98 (which covers the second half of 1997), the Standard Budgets of Assistance are $16,604 for a family of three living in private housing inside of Boston and Cape Cod, $15,427 living in private housing outside of Boston and Cape Cod, and $12,833 living in public housing. See: Department of Transitional Assistance, *FY 98 Report to the Great and General Court of the Commonwealth of Massachusetts on Standard Budgets of Assistance for the Transitional Aid to Families with Dependent Children Program*, 1998. The Standard Budget for Assistance is 43% of the Self-Sufficiency Standard for a family of one adult, one preschooler and one school-age child in Worcester. The Standard Budgets of Assistance do not take into account the costs of health care or child care because these costs are subsidized for both those on welfare, and those transitioning to employment.

[12] The payroll tax deduction is capped at $2,000 annually. The child/dependent care deduction is capped at $2,400 for one child, and $4,800 for two or more children; that is, expenses above $200 per month for one child, or $400 per month for two or more children, cannot be deducted. The rental housing deduction is capped at $2,500 per year (one half of rent), which means that the cost of rent above $417 per month cannot be deducted.

[13] Massachusetts provides child care assistance to parents on TAFDC who are in education and training programs, or transitioning into employment, as well as to families whose incomes are below 50% of median income. The latter have required co-payments, calculated on a sliding scale that increases with income.

[14] Massachusetts has significantly expanded health insurance coverage for low-income children and, to a lesser extent, their parents through coverage under Medicaid up to 150% of poverty for children (133% for adults). For those with employer-provided insurance, it provides help with children's premiums for those families with incomes up to 200% of the poverty level. For those without employer-provided insurance, it also provides help with children's premiums, although a copayment is required.

[15] Thus in this model, taxpayers are allowed to deduct up to $5,000 (rather than the current $2,500) in rent costs, up to $2,400 for the child/dependent deduction (or the federal cap of $2,400 for one child, $4,800 for two children for actual child care expenses), and up to $4,000 per worker for payroll taxes (increased from a maximum of $2,000 to $4,000 per worker). The dependent deduction has been doubled from $1,000 to $2,000, and the family type exemptions have been raised to the levels effective January 1, 1999 (which, for example, raises the exemption for head-of-household families from $4,065 to $6,800).

[16] It should be noted that at this time, only families with incomes below 50% of the median income qualify for this subsidy, so that in reality, families at the Self-Sufficiency level would not receive such a housing subsidy.

[17] For example, if this family's income was below 50% of median income for the area, a Section 8 subsidy would reduce their rent by about 60%, to less than $300 per month.

[18] Those families who are "working poor," but not transitioning from welfare, may pay a small premium ($10 per person, not more than $30 per family, per month) for this coverage, raising slightly their total monthly costs.

[19] Please note that while we have tried to be as exact as possible, myriad rules apply in individual cases that would lead to variations in actual benefits, such as the presence of a disabled child with his/her own benefits, other sources of non-earned income, foster children, and so forth.

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Appendix I: Massachusetts Regions, Counties, Areas and Towns

Region I. Greater Boston

1. ***Boston, MA-NH PMSA—Suffolk County—City of Boston***
   (Boston)
2. ***Boston, MA-NH PMSA—Suffolk County—Chelsea-Revere-Winthrop***
   (Suffolk County: Chelsea, Revere, Winthrop)
3. ***Boston, MA-NH PMSA—Middlesex & Norfolk Counties—North & West Greater Boston***
   (Middlesex County: Arlington, Belmont, Cambridge, Newton, Somerville, Watertown, Weston; Norfolk County: Brookline, Needham, Wellesley)
4. ***Boston, MA-NH PMSA—Middlesex, Norfolk & Worcester Counties—Metro West***
   (Middlesex County: Acton, Ashland, Bedford, Boxborough, Burlington, Carlisle, Concord, Framingham, Holliston, Hopkinton, Hudson, Lexington, Lincoln, Littleton, Marlborough, Maynard, Natick, Sherborn, Stow, Sudbury, Waltham, Wayland, Wilmington, Winchester, Woburn; Norfolk County: Dover; Worcester County: Southborough)

Region II. Northeast Massachusetts

5. ***Boston, MA-NH PMSA—Essex & Middlesex Counties—Northeast***
   (Essex County: Amesbury, Beverly, Danvers, Essex, Gloucester, Hamilton, Ipswich, Lynn, Lynnfield, Manchester, Marblehead, Middleton, Nahant, Newbury, Newburyport, Peabody, Rockport, Rowley, Salem, Salisbury, Saugus, Swampscott, Topsfield, Wenham; Middlesex County: Everett, Malden, Medford, Melrose, North Reading, Reading, Stoneham, Wakefield)
6. ***Lawrence, MA-NH PMSA—Essex County—Lawrence Area***
   (Andover, Boxford, Georgetown, Groveland, Haverhill, Lawrence, Merrimac, Methuen, North Andover, West Newbury)
7. ***Lowell, MA-NH PMSA—Middlesex County—Lowell Area***
   (Billerica, Chelmsford, Dracut, Dunstable, Lowell, Tewksbury, Tyngsborough, Westford)
8. ***Lowell, MA-NH PMSA—Middlesex County—Groton-Pepperell***
   (Groton, Pepperell)

Region III. Southeast Massachusetts

9. ***Boston, MA-NH PMSA—Bristol, Norfolk & Plymouth Counties—South***
   (Bristol County: Mansfield, Norton; Norfolk Co.: Canton, Dedham, Foxborough, Holbrook, Medfield, Millis, Norfolk, Norwood, Plainville, Sharon, Stoughton, Walpole, Westwood, Wrentham; Plymouth County: Rockland)
10. ***Boston, MA-NH PMSA—Norfolk & Plymouth Counties—South Shore***
    (Norfolk County: Braintree, Cohasset, Milton, Quincy, Randolph, Weymouth; Plymouth County: Carver, Duxbury, Hanover, Hingham, Hull, Kingston, Marshfield, Norwell, Pembroke, Plymouth, Scituate)
11. ***Boston, MA-NH PMSA—Bristol County—Taunton Area***
    (Berklee, Dighton, Taunton)
12. ***Boston, MA-NH PMSA—Plymouth County—Wareham***
    (Wareham)

13. ***Brockton, MA PMSA—Bristol, Norfolk & Plymouth Counties—Brockton Area***
(Bristol County: Easton; Norfolk County: Avon; Plymouth County: Abington, Bridgewater, Brockton, East Bridgewater, West Bridgewater, Whitman)

14. ***Brockton, MA PMSA—Plymouth County—Halifax-Hanson-Plympton***
(Halifax, Hanson, Plympton)

15. ***Brockton, MA PMSA—Bristol & Plymouth Counties—Lakeville-Middleborough-Raynham***
(Bristol County: Raynham; Plymouth County: Lakeville, Middleborough)

16. ***New Bedford, MA MSA—Bristol & Plymouth Counties—New Bedford Area***
(Bristol County: Acushnet, Dartmouth, Fairhaven, Freetown, New Bedford); Plymouth County: Marion, Mattapoiset, Rochester)

17. ***Providence-Fall River-Warwick, RI-MA PMSA—Bristol County—Attleboro-North Attleborough***
(Attleboro, North Attleborough)

18. ***Providence-Fall River-Warwick, RI-MA PMSA—Bristol County—Fall River Area***
(Fall River, Rehoboth, Seekonk, Somerset, Swansea, Westport)

Region IV. Cape Cod & the Islands

19. ***Barnstable-Yarmouth, MA MSA—Barnstable County—Barnstable Area***
(Barnstable, Brewster, Chatham, Dennis, Eastham, Harwich, Mashpee, Orleans, Sandwich, Yarmouth)

20. ***Barnstable County—Upper & Lower Cape***
(Bourne, Falmouth, Provincetown, Truro, Wellfleet)

21. ***Dukes County—Martha's Vineyard***
(Chilmark, Edgartown, Gay Head, Gosnold, Oak Bluffs, Tisbury, West Tisbury)

22. ***Nantucket County—Nantucket***
(Nantucket)

Region V. Central Massachusetts

23. ***Boston, MA-NH PMSA—Middlesex & Worcester Counties—North***
(Middlesex County: Ayer, Shirley, Townsend; Worcester County: Berlin, Harvard, Lancaster)

24. ***Boston, MA-NH PMSA—Norfolk & Worcester Counties—Southwest***
(Norfolk County: Bellingham, Franklin, Medway; Worcester County: Blackstone, Hopedale, Mendon, Milford, Millville, Upton)

25. ***Boston, MA-NH PMSA—Worcester County—Bolton***
(Bolton)

26. ***Fitchburg-Leominster, MA MSA—Middlesex & Worcester Counties—Fitchburg Area***
(Middlesex County: Ashby; Worcester County: Ashburnham, Fitchburg, Gardner, Leominster, Lunenburg, Templeton, Westminster, Winchendon)

27. ***Worcester, MA-CT PMSA—Hampden & Worcester Counties—Worcester Area***
(Hampden County: Holland; Worcester County: Auburn, Boylston, Brookfield, Charlton, Douglas, Dudley, East Brookfield, Grafton, Holden, Leicester, Millbury, Northbridge, North Brookfield, Oxford, Paxton, Shrewsbury, Southbridge, Spencer, Sturbridge, Sutton, Uxbridge, Webster, West Boylston, West Brookfield, Worcester)

28. ***Worcester, MA-CT PMSA—Worcester County—Central Massachusetts***
(Barre, Clinton, Oakham, Princeton, Rutland, Sterling)

29. ***Worcester, MA-CT PMSA—Worcester County—Northborough-Westborough***
(Northborough, Westborough)

30. ***Worcester County—Northwest***
(Athol, Petersham, Philipston, Royalston)

31. ***Worcester County—Hardwick-Hubbardston-New Braintree***
(Hardwick, Hubbardston, New Braintree)

32. ***Worcester County—Warren***
(Warren)

Region VI. Western Massachusetts

33. ***Springfield, MA MSA—Hampden County—Springfield Area***
(Agawam, Chicopee, East Longmeadow, Hampden, Holyoke, Longmeadow, Ludlow, Monson, Montogomery, Palmer, Russell, Southwick, Springfield, Westfield, West Springfield, Wilbraham)

34. ***Springfield, MA MSA—Franklin & Hampshire Counties—Northampton Area***
(Franklin County: Sunderland; Hampshire County: Amherst, Belchertown, Easthampton, Granby, Hadley, Hatfield, Huntington, Northampton, Southampton, South Hadley, Ware, Williamsburg)

35. ***Hampden County—West***
(Blanford, Chester, Granville, Tolland)

36. ***Hampden County—Brimfield-Wales***
(Brimfield, Wales)

37. ***Franklin County—Greenfield Area***
(Ashfield, Bernardston, Buckland, Charlemont, Colrain, Conway, Deerfield, Erving, Gill, Greenfield, Hawley, Heath, Leverett, Leyden, Monroe, Montague, New Salem, Northfield, Orange, Rowe, Shelburne, Shutesbury, Warwick, Wendell, Whately)

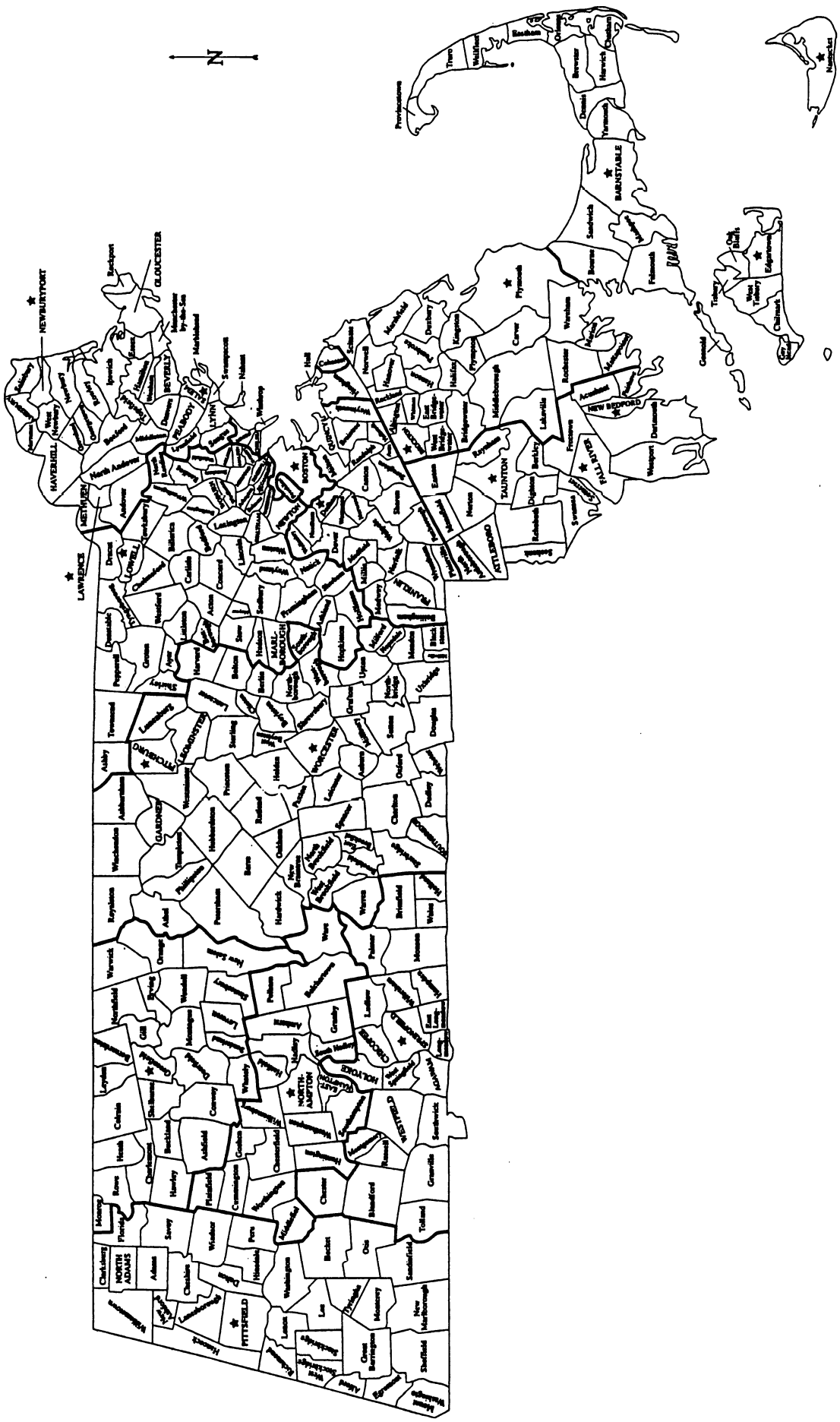
38. ***Hampshire County—West***
(Chesterfield, Cummington, Goshen, Middlefield, Pelham, Plainfield, Westhampton, Worthington)

Region VII. Berkshires

39. ***Pittsfield, MA MSA—Berkshire County—Pittsfield Area***
(Adams, Cheshire, Dalton, Hinsdale, Lanesborough, Lee, Lenox, Pittsfield, Richmond, Stockbridge)

40. ***Berkshire County—Western Massachusetts***
(Alford, Becket, Clarksburg, Egremont, Florida, Great Barrington, Hancock, Monterey, Mount Washington, New Ashford, New Marlborough, North Adams, Otis, Peru, Sandisfield, Savoy, Sheffield, Tyringham, Washington, West Stockbridge, Williamstown, Windsor)

Appendix II: Map of Massachusetts Cities and Towns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LAWRENCE
LOWELL
LYNN
BOSTON
PLYMOUTH
BARNSTABLE
NEW BEDFORD
FALL RIVER
TAUNTON
ATTLEBORO
WORCESTER
FITCHBURG
LEOMINSTER
GARDNER
MARLBOROUGH
SPRINGFIELD
HOLYOKE
CHICOPEE
NORTH ADAMS
PITTSFIELD
NORTHAMPTON

Appendix III: The Self-Sufficiency Standard for Massachusetts, Selected Family Types

Note: Totals may not add due to rounding.

Region I. Greater Boston, Table 1
The Self-Sufficiency Standard for Boston, MA-NH PMSA—Suffolk County, 1997—City of Boston
Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$669	$1,445	$985	$316	$1,761	$1,445	$985
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$46	$46	$46	$46	$46	$46	$92	$92
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$96	$196	$284	$241	$182	$349	$308	$264
Taxes	$267	$578	$889	$694	$462	$1,127	$917	$724
Earned Income Tax Credit (-)	$0	$0	$0	$0	($6)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,324**	**$2,690**	**$3,937**	**$3,263**	**$2,417**	**$4,892**	**$4,221**	**$3,547**
Hourly Self-Sufficiency Wage	**$7.52**	**$15.28**	**$22.37**	**$18.54**	**$13.73**	**$27.79**	**$11.99 per adult**	**$10.08 per adult**

Region I. Greater Boston, Table 2
The Self-Sufficiency Standard for Boston, MA-NH PMSA—Suffolk County, 1997—Chelsea-Revere-Winthrop
Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$647	$1,351	$965	$318	$1,669	$1,351	$965
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$200	$282	$246	$189	$347	$312	$275
Taxes	$296	$600	$879	$717	$497	$1,118	$935	$775
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,765**	**$3,901**	**$3,342**	**$2,538**	**$4,859**	**$4,284**	**$3,724**
Hourly Self-Sufficiency Wage	**$8.11**	**$15.71**	**$22.17**	**$18.99**	**$14.42**	**$27.61**	**$12.17 per adult**	**$10.58 per adult**

Region I. Greater Boston, Table 3
The Self-Sufficiency Standard for Boston, MA-NH PMSA— Middlesex and Norfolk Counties, 1997—North and West Greater Boston

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$847	$1,885	$1,154	$307	$2,192	$1,885	$1,154
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$220	$335	$265	$188	$400	$365	$294
Taxes	$296	$689	$1,118	$802	$492	$1,352	$1,170	$858
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$3,074**	**$4,728**	**$3,635**	**$2,521**	**$5,669**	**$5,107**	**$4,015**
Hourly Self-Sufficiency Wage	**$8.11**	**$17.47**	**$26.86**	**$20.65**	**$14.32**	**$32.21**	**$14.51 per adult**	**$11.41 per adult**

Region I. Greater Boston, Table 4
The Self-Sufficiency Standard for Boston, MA-NH PMSA— Middlesex, Norfolk, Worcester Counties, 1997—Metro West

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$716	$1,550	$1,024	$308	$1,858	$1,550	$1,024
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$207	$302	$252	$188	$366	$332	$281
Taxes	$296	$630	$968	$743	$492	$1,203	$1,023	$801
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,871**	**$4,210**	**$3,433**	**$2,523**	**$5,153**	**$4,591**	**$3,814**
Hourly Self-Sufficiency Wage	**$8.11**	**$16.31**	**$23.92**	**$19.51**	**$14.33**	**$29.28**	**$13.04 per adult**	**$10.84 per adult**

Region II. Northeast Massachusetts, Table 5
The Self-Sufficiency Standard for Boston, MA-NH PMSA—
Essex and Middlesex Counties, 1997—Northeast

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$614	$1,353	$944	$330	$1,683	$1,353	$944
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$197	$282	$244	$190	$349	$312	$273
Taxes	$296	$586	$880	$708	$502	$1,124	$936	$766
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,715**	**$3,904**	**$3,310**	**$2,557**	**$4,881**	**$4,287**	**$3,692**
Hourly Self-Sufficiency Wage	**$8.11**	**$15.42**	**$22.18**	**$18.81**	**$14.53**	**$27.73**	**$12.18 per adult**	**$10.49 per adult**

Region II. Northeast Massachusetts, Table 6
The Self-Sufficiency Standard for Lawrence, MA-NH PMSA—
Essex County, 1997—Lawrence Area

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$537	$675	$675	$675	$675	$843	$575	$675
Child Care	$0	$614	$1,353	$944	$330	$1,683	$1,353	$944
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$90	$181	$266	$227	$174	$328	$295	$257
Taxes	$239	$513	$806	$634	$407	$1,032	$863	$693
Earned Income Tax Credit (-)	$0	$0	$0	$0	($49)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($42)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,225**	**$2,462**	**$3,650**	**$3,057**	**$2,230**	**$4,564**	**$4,034**	**$3,439**
Hourly Self-Sufficiency Wage	**$6.96**	**$13.99**	**$20.74**	**$17.37**	**$12.67**	**$25.93**	**$11.46 per adult**	**$9.77 per adult**

Region II. Northeast Massachusetts, Table 7
The Self-Sufficiency Standard for Lowell, MA-NH PMSA—
Middlesex County, 1997—Lowell Area

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$565	$683	$683	$683	$683	$855	$683	$683
Child Care	$0	$716	$1,550	$1,024	$308	$1,858	$1,550	$1,024
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$92	$192	$286	$236	$173	$347	$316	$266
Taxes	$251	$562	$898	$674	$398	$1,116	$954	$732
Earned Income Tax Credit (-)	$0	$0	$0	$0	($56)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($42)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,268**	**$2,631**	**$3,968**	**$3,192**	**$2,198**	**$4,854**	**$4,350**	**$3,574**
Hourly Self-Sufficiency Wage	**$7.20**	**$14.95**	**$22.55**	**$18.14**	**$12.49**	**$27.58**	**$12.36 per adult**	**$10.15 per adult**

Region II. Northeast Massachusetts, Table 8
The Self-Sufficiency Standard for Lowell, MA-NH PMSA—
Middlesex County, 1997—Groton-Pepperell

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$565	$683	$683	$683	$683	$855	$683	$683
Child Care	$0	$554	$1,151	$773	$219	$1,370	$1,151	$773
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$92	$176	$246	$211	$164	$298	$276	$241
Taxes	$251	$490	$719	$561	$338	$897	$778	$621
Earned Income Tax Credit (-)	$0	$0	$0	$0	($105)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($46)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,268**	**$2,382**	**$3,350**	**$2,804**	**$1,988**	**$4,097**	**$3,735**	**$3,188**
Hourly Self-Sufficiency Wage	**$7.20**	**$13.54**	**$19.03**	**$15.93**	**$11.29**	**$23.28**	**$10.61 per adult**	**$9.06 per adult**

Region III. Southeast Massachusetts, Table 9
The Self-Sufficiency Standard for Boston, MA-NH PMSA—
Bristol, Norfolk, Plymouth Counties, 1997—South

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$587	$1,294	$1,014	$427	$1,721	$1,294	$1,014
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$195	$276	$251	$200	$353	$306	$280
Taxes	$296	$574	$853	$739	$545	$1,141	$910	$796
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,674**	**$3,813**	**$3,419**	**$2,706**	**$4,940**	**$4,196**	**$3,800**
Hourly Self-Sufficiency Wage	**$8.11**	**$15.19**	**$21.67**	**$19.42**	**$15.37**	**$28.07**	**$11.92 *per adult***	**$10.79 *per adult***

Region III. Southeast Massachusetts, Table 10
The Self-Sufficiency Standard for Boston, MA-NH PMSA—
Norfolk and Plymouth Counties, 1997—South Shore

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$577	$1,296	$848	$271	$1,568	$1,296	$848
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$194	$277	$234	$185	$337	$306	$264
Taxes	$296	$569	$854	$665	$476	$1,073	$911	$723
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,658**	**$3,817**	**$3,162**	**$2,466**	**$4,703**	**$4,200**	**$3,545**
Hourly Self-Sufficiency Wage	**$8.11**	**$15.10**	**$21.69**	**$17.97**	**$14.01**	**$26.72**	**$11.93 *per adult***	**$10.07 *per adult***

Region III. Southeast Massachusetts, Table 11
The Self-Sufficiency Standard for Boston, MA-NH PMSA—
Bristol County, 1997—Taunton Area

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$458	$1,023	$691	$233	$1,256	$1,023	$691
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$182	$249	$219	$181	$306	$279	$248
Taxes	$296	$517	$732	$594	$454	$933	$790	$654
Earned Income Tax Credit (-)	$0	$0	$0	$0	($12)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,474**	**$3,394**	**$2,918**	**$2,390**	**$4,220**	**$3,779**	**$3,301**
Hourly Self-Sufficiency Wage	**$8.11**	**$14.06**	**$19.29**	**$16.58**	**$13.58**	**$23.98**	**$10.74 per adult**	**$9.38 per adult**

Region III. Southeast Massachusetts, Table 12
The Self-Sufficiency Standard for Boston, MA-NH PMSA—
Plymouth County, 1997—Wareham

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$607	$1,259	$780	$172	$1,431	$1,259	$780
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$197	$273	$227	$175	$324	$303	$257
Taxes	$296	$583	$838	$634	$417	$1,012	$894	$693
Earned Income Tax Credit (-)	$0	$0	$0	$0	($42)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($36)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,704**	**$3,759**	**$3,056**	**$2,259**	**$4,492**	**$4,142**	**$3,438**
Hourly Self-Sufficiency Wage	**$8.11**	**$15.37**	**$21.36**	**$17.36**	**$12.84**	**$25.52**	**$11.77 per adult**	**$9.77 per adult**

Region III. Southeast Massachusetts, Table 13
The Self-Sufficiency Standard for Brockton, MA PMSA—
Bristol, Norfolk, Plymouth Counties, 1997—Brockton Area

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$570	$699	$699	$699	$699	$870	$699	$699
Child Care	$0	$587	$1,294	$1,014	$427	$1,721	$1,294	$1,014
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$93	$181	$262	$237	$186	$335	$292	$266
Taxes	$253	$512	$791	$676	$483	$1,061	$848	$735
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,275**	**$2,458**	**$3,597**	**$3,202**	**$2,490**	**$4,664**	**$3,980**	**$3,584**
Hourly Self-Sufficiency Wage	**$7.25**	**$13.96**	**$20.43**	**$18.19**	**$14.15**	**$26.50**	**$11.31 *per adult***	**$10.18 *per adult***

Region III. Southeast Massachusetts, Table 14
The Self-Sufficiency Standard for Brockton, MA PMSA—
Plymouth County, 1997—Halifax-Hanson-Plympton

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$570	$699	$699	$699	$699	$870	$699	$699
Child Care	$0	$577	$1,296	$848	$271	$1,568	$1,296	$848
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$93	$180	$263	$220	$171	$319	$292	$250
Taxes	$253	$508	$792	$602	$383	$993	$849	$662
Earned Income Tax Credit (-)	$0	$0	$0	$0	($68)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($44)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,275**	**$2,442**	**$3,600**	**$2,946**	**$2,147**	**$4,427**	**$3,984**	**$3,329**
Hourly Self-Sufficiency Wage	**$7.25**	**$13.88**	**$20.46**	**$16.74**	**$12.20**	**$25.16**	**$11.32 *per adult***	**$9.46 *per adult***

Region III. Southeast Massachusetts, Table 15
The Self-Sufficiency Standard for Brockton, MA PMSA—
Bristol and Plymouth Counties, 1997—Lakeville-Middleborough-Raynham

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$570	$699	$699	$699	$699	$870	$699	$699
Child Care	$0	$458	$1,023	$691	$233	$1,256	$1,023	$691
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$93	$168	$235	$205	$167	$288	$265	$234
Taxes	$253	$454	$669	$532	$358	$853	$729	$592
Earned Income Tax Credit (-)	$0	$0	$0	$0	($88)	$0	$0	$0
Child Care Tax Credit (-)	$0	($42)	($80)	($80)	($44)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,275**	**$2,256**	**$3,178**	**$2,702**	**$2,059**	**$3,945**	**$3,563**	**$3,086**
Hourly Self-Sufficiency Wage	**$7.25**	**$12.82**	**$18.06**	**$15.35**	**$11.70**	**$22.41**	**$10.12 per adult**	**$8.77 per adult**

Region III. Southeast Massachusetts, Table 16
The Self-Sufficiency Standard for New Bedford, MA MSA—
Bristol and Plymouth Counties, 1997—New Bedford Area

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$512	$582	$582	$582	$582	$727	$582	$582
Child Care	$0	$458	$1,023	$691	$233	$1,256	$1,023	$691
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$87	$156	$224	$193	$155	$274	$253	$222
Taxes	$228	$392	$617	$480	$281	$789	$677	$540
Earned Income Tax Credit (-)	$0	($18)	$0	$0	($152)	$0	$0	$0
Child Care Tax Credit (-)	$0	($44)	($80)	($80)	($48)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,186**	**$2,045**	**$2,997**	**$2,521**	**$1,785**	**$3,724**	**$3,383**	**$2,905**
Hourly Self-Sufficiency Wage	**$6.74**	**$11.62**	**$17.03**	**$14.33**	**$10.14**	**$21.16**	**$9.61 per adult**	**$8.25 per adult**

Region III. Southeast Massachusetts, Table 17
The Self-Sufficiency Standard for Providence-Fall River-Warwick, RI-MA PMSA—Bristol County, 1997—Attleboro-North Attleboro

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$538	$647	$647	$647	$647	$812	$647	$647
Child Care	$0	$587	$1,294	$1,014	$427	$1,721	$1,294	$1,014
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$90	$175	$257	$232	$181	$329	$287	$261
Taxes	$239	$489	$767	$653	$456	$1,036	$825	$712
Earned Income Tax Credit (-)	$0	$0	$0	$0	($11)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,226**	**$2,378**	**$3,516**	**$3,122**	**$2,395**	**$4,575**	**$3,900**	**$3,504**
Hourly Self-Sufficiency Wage	**$6.97**	**$13.51**	**$19.98**	**$17.74**	**$13.61**	**$25.99**	**$11.08 per adult**	**$9.95 per adult**

Region III. Southeast Massachusetts, Table 18
The Self-Sufficiency Standard for Providence-Fall River-Warwick, RI-MA PMSA—Bristol County, 1997—Fall River Area

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$538	$647	$647	$647	$647	$812	$647	$647
Child Care	$0	$458	$1,023	$691	$233	$1,256	$1,023	$691
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$90	$162	$230	$199	$161	$283	$260	$229
Taxes	$239	$431	$646	$509	$324	$827	$706	$569
Earned Income Tax Credit (-)	$0	$0	$0	$0	($117)	$0	$0	$0
Child Care Tax Credit (-)	$0	($42)	($80)	($80)	($46)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,226**	**$2,176**	**$3,097**	**$2,621**	**$1,937**	**$3,855**	**$3,483**	**$3,005**
Hourly Self-Sufficiency Wage	**$6.97**	**$12.36**	**$17.60**	**$14.89**	**$11.01**	**$21.90**	**$9.90 per adult**	**$8.54 per adult**

Region IV. Cape Cod and the Islands, Table 19
The Self-Sufficiency Standard for Barnstable-Yarmouth, MA MSA—Barnstable County, 1997—Barnstable Area

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$608	$812	$812	$812	$812	$1,016	$812	$812
Child Care	$0	$607	$1,259	$780	$172	$1,431	$1,259	$780
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$97	$194	$270	$225	$172	$320	$300	$254
Taxes	$270	$571	$825	$622	$399	$997	$882	$681
Earned Income Tax Credit (-)	$0	$0	$0	$0	($56)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($36)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,334**	**$2,663**	**$3,717**	**$3,014**	**$2,198**	**$4,442**	**$4,100**	**$3,397**
Hourly Self-Sufficiency Wage	**$7.58**	**$15.13**	**$21.12**	**$17.12**	**$12.49**	**$25.24**	**$11.65 per adult**	**$9.65 per adult**

Region IV. Cape Cod and the Islands, Table 20
The Self-Sufficiency Standard for Barnstable County, MA, 1997 Upper and Lower Cape

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$599	$797	$797	$797	$797	$997	$797	$797
Child Care	$0	$607	$1,259	$780	$172	$1,431	$1,259	$780
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$96	$192	$269	$223	$170	$319	$298	$253
Taxes	$266	$564	$819	$615	$392	$989	$876	$674
Earned Income Tax Credit (-)	$0	$0	$0	$0	($64)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($38)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,320**	**$2,640**	**$3,694**	**$2,991**	**$2,164**	**$4,413**	**$4,077**	**$3,374**
Hourly Self-Sufficiency Wage	**$7.50**	**$15.00**	**$20.99**	**$16.99**	**$12.30**	**$25.07**	**$11.58 per adult**	**$9.58 per adult**

Region IV. Cape Cod and the Islands, Table 21
The Self-Sufficiency Standard for Dukes County, MA, 1997
Martha's Vineyard

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$600	$798	$798	$798	$798	$998	$798	$798
Child Care	$0	$607	$1,259	$780	$172	$1,431	$1,259	$780
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$96	$192	$269	$223	$171	$319	$298	$253
Taxes	$266	$565	$819	$616	$392	$989	$876	$675
Earned Income Tax Credit (-)	$0	$0	$0	$0	($64)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($38)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,321**	**$2,641**	**$3,696**	**$2,992**	**$2,166**	**$4,414**	**$4,079**	**$3,375**
Hourly Self-Sufficiency Wage	**$7.51**	**$15.01**	**$21.00**	**$17.00**	**$12.31**	**$25.08**	**$11.59 per adult**	**$9.59 per adult**

Region IV. Cape Cod and the Islands, Table 22
The Self-Sufficiency Standard for Nantucket County, MA, 1997
Nantucket

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$948	$1,265	$1,265	$1,265	$1,265	$1,581	$1,265	$1,265
Child Care	$0	$607	$1,259	$780	$172	$1,431	$1,259	$780
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$131	$239	$315	$270	$217	$377	$345	$299
Taxes	$419	$773	$1,028	$825	$626	$1,250	$1,082	$881
Earned Income Tax Credit (-)	$0	$0	$0	$0	$0	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($34)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,857**	**$3,363**	**$4,418**	**$3,715**	**$2,980**	**$5,317**	**$4,798**	**$4,095**
Hourly Self-Sufficiency Wage	**$10.55**	**$19.11**	**$25.10**	**$21.11**	**$16.93**	**$30.21**	**$13.63 per adult**	**$11.63 per adult**

Region V. Central Massachusetts, Table 23
The Self-Sufficiency Standard for Boston, MA-NH PMSA—
Middlesex and Worcester Counties, 1997—North

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$554	$1,151	$773	$219	$1,370	$1,151	$773
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$191	$262	$227	$179	$317	$292	$256
Taxes	$296	$559	$789	$631	$446	$984	$847	$690
Earned Income Tax Credit (-)	$0	$0	$0	$0	($19)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,623**	**$3,591**	**$3,046**	**$2,358**	**$4,396**	**$3,975**	**$3,428**
Hourly Self-Sufficiency Wage	**$8.11**	**$14.90**	**$20.40**	**$17.30**	**$13.40**	**$24.98**	**$11.29 per adult**	**$9.74 per adult**

Region V. Central Massachusetts, Table 24
The Self-Sufficiency Standard for Boston, MA-NH PMSA—
Norfolk and Worcester Counties, 1997—Southwest

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$599	$1,264	$844	$245	$1,509	$1,264	$844
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$196	$273	$234	$182	$331	$303	$263
Taxes	$296	$579	$840	$663	$463	$1,046	$897	$722
Earned Income Tax Credit (-)	$0	$0	$0	$0	($5)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($40)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,692**	**$3,767**	**$3,156**	**$2,418**	**$4,612**	**$4,150**	**$3,538**
Hourly Self-Sufficiency Wage	**$8.11**	**$15.30**	**$21.40**	**$17.93**	**$13.74**	**$26.21**	**$11.79 per adult**	**$10.05 per adult**

Region V. Central Massachusetts, Table 25
The Self-Sufficiency Standard for Boston, MA-NH PMSA—Worcester County, 1997—Bolton

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$669	$839	$839	$839	$839	$1,048	$839	$839
Child Care	$0	$520	$1,032	$707	$188	$1,219	$1,032	$707
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$103	$188	$250	$220	$176	$302	$280	$250
Taxes	$296	$544	$736	$602	$423	$917	$794	$661
Earned Income Tax Credit (-)	$0	$0	$0	$0	($36)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($39)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,428**	**$2,569**	**$3,407**	**$2,944**	**$2,286**	**$4,164**	**$3,792**	**$3,327**
Hourly Self-Sufficiency Wage	**$8.11**	**$14.60**	**$19.36**	**$16.73**	**$12.99**	**$23.66**	**$10.77 per adult**	**$9.45 per adult**

Region V. Central Massachusetts, Table 26
The Self-Sufficiency Standard for Fitchburg-Leominster, MA MSA—Middlesex and Worcester Counties, 1997—Fitchburg Area

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$438	$568	$568	$568	$568	$732	$568	$568
Child Care	$0	$554	$1,151	$773	$219	$1,370	$1,151	$773
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$80	$164	$235	$200	$152	$286	$265	$229
Taxes	$195	$439	$668	$510	$263	$842	$727	$571
Earned Income Tax Credit (-)	$0	$0	$0	$0	($166)	$0	$0	$0
Child Care Tax Credit (-)	$0	($42)	($80)	($80)	($48)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,072**	**$2,202**	**$3,172**	**$2,627**	**$1,722**	**$3,907**	**$3,557**	**$3,011**
Hourly Self-Sufficiency Wage	**$6.09**	**$12.51**	**$18.02**	**$14.92**	**$9.79**	**$22.20**	**$10.11 per adult**	**$8.55 per adult**

Region V. Central Massachusetts, Table 27
The Self-Sufficiency Standard for Worcester, MA-CT PMSA—
Hampden and Worcester Counties, 1997—Worcester Area

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$567	$709	$709	$709	$709	$884	$709	$709
Child Care	$0	$599	$1,264	$844	$245	$1,509	$1,264	$844
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$93	$183	$260	$221	$169	$315	$290	$250
Taxes	$252	$522	$782	$605	$373	$973	$839	$664
Earned Income Tax Credit (-)	$0	$0	$0	$0	($77)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($44)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,271**	**$2,492**	**$3,566**	**$2,955**	**$2,110**	**$4,359**	**$3,950**	**$3,338**
Hourly Self-Sufficiency Wage	**$7.22**	**$14.16**	**$20.26**	**$16.79**	**$11.99**	**$24.77**	**$11.22 per adult**	**$9.48 per adult**

Region V. Central Massachusetts, Table 28
The Self-Sufficiency Standard for Worcester, MA-CT PMSA—
Worcester County, 1997—Central Massachusetts

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$567	$709	$709	$709	$709	$884	$709	$709
Child Care	$0	$554	$1,151	$773	$219	$1,370	$1,151	$773
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$93	$178	$249	$214	$166	$301	$279	$243
Taxes	$252	$502	$731	$573	$356	$910	$789	$633
Earned Income Tax Credit (-)	$0	$0	$0	$0	($90)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($44)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,271**	**$2,422**	**$3,390**	**$2,844**	**$2,051**	**$4,142**	**$3,775**	**$3,228**
Hourly Self-Sufficiency Wage	**$7.22**	**$13.76**	**$19.26**	**$16.16**	**$11.65**	**$23.54**	**$10.72 per adult**	**$9.17 per adult**

Region V. Central Massachusetts, Table 29
The Self-Sufficiency Standard for Worcester, MA-CT PMSA—Worcester County, 1997—Northborough-Westborough

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$567	$709	$709	$709	$709	$884	$709	$709
Child Care	$0	$716	$1,550	$1,024	$308	$1,858	$1,550	$1,024
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$93	$194	$289	$239	$175	$350	$319	$268
Taxes	$252	$573	$910	$685	$415	$1,129	$965	$743
Earned Income Tax Credit (-)	$0	$0	$0	$0	($43)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($42)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,271**	**$2,671**	**$4,009**	**$3,232**	**$2,257**	**$4,899**	**$4,391**	**$3,614**
Hourly Self-Sufficiency Wage	**$7.22**	**$15.18**	**$22.78**	**$18.36**	**$12.82**	**$27.83**	**$12.47** *per adult*	**$10.27** *per adult*

Region V. Central Massachusetts, Table 30
The Self-Sufficiency Standard for Worcester County, MA, 1997
Northwest

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$465	$619	$619	$619	$619	$775	$619	$619
Child Care	$0	$578	$1,170	$832	$253	$1,424	$1,170	$832
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$82	$172	$242	$211	$161	$296	$272	$240
Taxes	$207	$472	$699	$559	$319	$886	$758	$619
Earned Income Tax Credit (-)	$0	$0	$0	$0	($120)	$0	$0	$0
Child Care Tax Credit (-)	$0	($42)	($80)	($80)	($46)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,114**	**$2,318**	**$3,281**	**$2,796**	**$1,921**	**$4,057**	**$3,666**	**$3,179**
Hourly Self-Sufficiency Wage	**$6.33**	**$13.17**	**$18.64**	**$15.88**	**$10.91**	**$23.05**	**$10.41** *per adult*	**$9.03** *per adult*

Region V. Central Massachusetts, Table 31
The Self-Sufficiency Standard for Worcester County, MA, 1997
Hardwick-Hubbardston-New Braintree

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$465	$619	$619	$619	$619	$775	$619	$619
Child Care	$0	$554	$1,151	$773	$219	$1,370	$1,151	$773
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$82	$169	$240	$205	$157	$290	$270	$234
Taxes	$207	$461	$691	$533	$297	$862	$750	$593
Earned Income Tax Credit (-)	$0	$0	$0	$0	($139)	$0	$0	$0
Child Care Tax Credit (-)	$0	($42)	($80)	($80)	($46)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,114**	**$2,281**	**$3,251**	**$2,705**	**$1,842**	**$3,974**	**$3,636**	**$3,089**
Hourly Self-Sufficiency Wage	**$6.33**	**$12.96**	**$18.47**	**$15.37**	**$10.47**	**$22.58**	**$10.33 per adult**	**$8.78 per adult**

Region V. Central Massachusetts, Table 32
The Self-Sufficiency Standard for Worcester County, MA, 1997
Warren

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$465	$619	$619	$619	$619	$775	$619	$619
Child Care	$0	$599	$1,264	$844	$245	$1,509	$1,264	$844
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$82	$174	$251	$212	$160	$304	$281	$241
Taxes	$207	$482	$741	$565	$314	$924	$800	$625
Earned Income Tax Credit (-)	$0	$0	$0	$0	($125)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($46)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,114**	**$2,353**	**$3,427**	**$2,816**	**$1,902**	**$4,190**	**$3,811**	**$3,199**
Hourly Self-Sufficiency Wage	**$6.33**	**$13.37**	**$19.47**	**$16.00**	**$10.81**	**$23.81**	**$10.83 per adult**	**$9.09 per adult**

Region VI. Western Massachusetts, Table 33
The Self-Sufficiency Standard for Springfield, MA MSA— Hampden County, 1997—Springfield Area

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$502	$634	$634	$634	$634	$792	$634	$634
Child Care	$0	$511	$1,067	$735	$225	$1,292	$1,067	$735
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$86	$166	$233	$202	$159	$284	$263	$232
Taxes	$223	$449	$660	$523	$310	$835	$719	$583
Earned Income Tax Credit (-)	$0	$0	$0	$0	($128)	$0	$0	$0
Child Care Tax Credit (-)	$0	($42)	($80)	($80)	($46)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,171**	**$2,237**	**$3,145**	**$2,670**	**$1,889**	**$3,880**	**$3,531**	**$3,054**
Hourly Self-Sufficiency Wage	**$6.65**	**$12.71**	**$17.87**	**$15.17**	**$10.73**	**$22.04**	**$10.03** *per adult*	**$8.68** *per adult*

Region VI. Western Massachusetts, Table 34
The Self-Sufficiency Standard for Springfield, MA MSA— Franklin and Hampshire Counties, 1997—Northampton Area

Selected Family Types

Monthly Costs	*Adult*	*Adult + preschooler*	*Adult + infant preschooler*	*Adult + preschooler schoolage*	*Adult + schoolage teenager*	*Adult + infant preschooler schoolage*	*2 Adults + infant preschooler*	*2 Adults + preschooler schoolage*
Housing	$502	$634	$634	$634	$634	$792	$634	$634
Child Care	$0	$578	$1,170	$832	$253	$1,424	$1,170	$832
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$86	$173	$243	$212	$162	$297	$273	$242
Taxes	$223	$479	$706	$566	$329	$893	$765	$625
Earned Income Tax Credit (-)	$0	$0	$0	$0	($113)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($46)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,171**	**$2,343**	**$3,304**	**$2,819**	**$1,955**	**$4,083**	**$3,689**	**$3,202**
Hourly Self-Sufficiency Wage	**$6.65**	**$13.32**	**$18.77**	**$16.02**	**$11.11**	**$23.20**	**$10.48** *per adult*	**$9.10** *per adult*

Region VI. Western Massachusetts, Table 35
The Self-Sufficiency Standard for Hampden County, MA, 1997
West

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$544	$727	$727	$727	$727	$967	$727	$727
Child Care	$0	$511	$1,067	$735	$225	$1,292	$1,067	$735
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$90	$176	$242	$212	$169	$302	$272	$241
Taxes	$242	$491	$702	$564	$371	$913	$760	$624
Earned Income Tax Credit (-)	$0	$0	$0	$0	($78)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($44)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,235**	**$2,383**	**$3,289**	**$2,814**	**$2,104**	**$4,151**	**$3,674**	**$3,198**
Hourly Self-Sufficiency Wage	**$7.02**	**$13.54**	**$18.69**	**$15.99**	**$11.96**	**$23.58**	**$10.44 per adult**	**$9.08 per adult**

Region VI. Western Massachusetts, Table 36
The Self-Sufficiency Standard for Hampden County, MA, 1997
Brimfield-Wales

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$544	$727	$727	$727	$727	$967	$727	$727
Child Care	$0	$599	$511	$844	$245	$1,509	$1,264	$844
Food	$157	$238	$238	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$163	$183	$209	$224	$256	$235
Miscellaneous	$90	$185	$176	$223	$171	$323	$292	$252
Taxes	$242	$530	$491	$613	$385	$1,010	$847	$672
Earned Income Tax Credit (-)	$0	$0	$0	$0	($67)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($40)	($80)	($44)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,235**	**$2,519**	**$2,383**	**$2,983**	**$2,151**	**$4,487**	**$3,977**	**$3,366**
Hourly Self-Sufficiency Wage	**$7.02**	**$14.32**	**$13.54**	**$16.95**	**$12.22**	**$25.50**	**$11.30 per adult**	**$9.56 per adult**

Region VI. Western Massachusetts, Table 37
The Self-Sufficiency Standard for Franklin County, MA, 1997
Greenfield Area

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$491	$628	$628	$628	$628	$786	$628	$628
Child Care	$0	$578	$1,170	$832	$253	$1,424	$1,170	$832
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$85	$173	$243	$212	$162	$297	$273	$241
Taxes	$219	$477	$703	$563	$325	$891	$762	$623
Earned Income Tax Credit (-)	$0	$0	$0	$0	($116)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($46)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,154**	**$2,334**	**$3,295**	**$2,809**	**$1,941**	**$4,074**	**$3,680**	**$3,193**
Hourly Self-Sufficiency Wage	**$6.56**	**$13.26**	**$18.72**	**$15.96**	**$11.03**	**$23.15**	**$10.45 per adult**	**$9.07 per adult**

Region VI. Western Massachusetts, Table 38
The Self-Sufficiency Standard for Hampshire County, MA, 1997
West

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$567	$758	$758	$758	$758	$948	$758	$758
Child Care	$0	$578	$1,170	$832	$253	$1,424	$1,170	$832
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$93	$186	$256	$225	$175	$313	$286	$254
Taxes	$252	$534	$761	$621	$411	$963	$819	$680
Earned Income Tax Credit (-)	$0	$0	$0	$0	($46)	$0	$0	$0
Child Care Tax Credit (-)	$0	($40)	($80)	($80)	($42)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,271**	**$2,535**	**$3,496**	**$3,011**	**$2,244**	**$4,325**	**$3,880**	**$3,394**
Hourly Self-Sufficiency Wage	**$7.22**	**$14.40**	**$19.86**	**$17.11**	**$12.75**	**$24.57**	**$11.02 per adult**	**$9.64 per adult**

Region VII. Berkshires, Table 39
The Self-Sufficiency Standard for Pittsfield MA MSA— Berkshire County, 1997—Pittsfield Area

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$468	$578	$578	$578	$578	$724	$578	$578
Child Care	$0	$520	$1,032	$707	$188	$1,219	$1,032	$707
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$83	$162	$224	$194	$150	$270	$254	$224
Taxes	$208	$427	$619	$486	$252	$772	$679	$546
Earned Income Tax Credit (-)	$0	$0	$0	$0	($176)	$0	$0	$0
Child Care Tax Credit (-)	$0	($44)	($80)	($80)	($45)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,118**	**$2,161**	**$3,003**	**$2,541**	**$1,682**	**$3,662**	**$3,390**	**$2,925**
Hourly Self-Sufficiency Wage	**$6.35**	**$12.28**	**$17.06**	**$14.44**	**$9.56**	**$20.81**	**$9.63 per adult**	**$8.31 per adult**

Region VII. Berkshires, Table 40
The Self-Sufficiency Standard for Berkshire County, MA, 1997 Western Massachusetts

Selected Family Types

Monthly Costs	Adult	Adult + preschooler	Adult + infant preschooler	Adult + preschooler schoolage	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	$446	$526	$526	$526	$526	$722	$526	$526
Child Care	$0	$520	$1,032	$707	$188	$1,219	$1,032	$707
Food	$157	$238	$310	$355	$409	$416	$444	$488
Transportation	$113	$117	$117	$117	$117	$117	$227	$227
Health Care	$89	$163	$204	$183	$209	$224	$256	$235
Miscellaneous	$81	$156	$219	$189	$145	$270	$248	$218
Taxes	$199	$395	$596	$463	$218	$771	$656	$523
Earned Income Tax Credit (-)	$0	($16)	$0	$0	($204)	$0	$0	$0
Child Care Tax Credit (-)	$0	($44)	($80)	($80)	($47)	($80)	($80)	($80)
Monthly Self-Sufficiency Wage	**$1,085**	**$2,056**	**$2,923**	**$2,460**	**$1,560**	**$3,659**	**$3,309**	**$2,845**
Hourly Self-Sufficiency Wage	**$6.16**	**$11.68**	**$16.61**	**$13.98**	**$8.86**	**$20.79**	**$9.40 per adult**	**$8.08 per adult**

Acknowledgments

Wider Opportunities for Women and The Women's Educational and Industrial Union thank the following people who reviewed a draft of this report and provided comments: Randy Albelda and Michael Stone of the University of Massachusetts/Boston, Chris Tilly of the University of Massachusetts/Lowell, Larry Bailis and Hilda Kahne of Brandeis University, Charlotte Kahn of The Boston Foundation, Marta Rosa of Child Care Resource Center, Joanne Gravell of Child Care Connection, Christine Johnson-Staub of Parents United for Child Care, Alison Staton of Health Care for All, Joanne Sullivan of the Commonwealth Center for Fiscal Policy, Chris Norris of Citizens Housing and Planning Association, Maureen Fitzgerald of the Massachusetts Nonprofit Housing Association, Monica Halas of Greater Boston Legal Services, and Deborah Harris and Ruth Bourquin of Massachusetts Law Reform Institute. We also thank the many members of the Massachusetts Organizing Committee, too numerous to mention here, who reviewed and provided comments on the draft report. All of the feedback and comments were invaluable. The authors were not able to incorporate all of the suggestions, and take full responsibility for the content and accuracy of the report.

Members of the Organizing Committee for the Massachusetts Project for Family Economic Self-Sufficiency, and organizations and individuals meeting in various regions of the state have dedicated substantial time and volunteer efforts to move the Project forward in Massachusetts. We also thank the many organizations who helped provide data for the report, and Kim Clifton, Meg Earls, Christine Kavanah, and Jay Alter at WEIU for research, and administrative support.

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Cambridge Living Wage
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