

Minimum Wage Law Modifications

Santa Monica City Council

April 26, 2016



Background

- Jan. 12, 2016 Council Action
- Minimum Wage Working Group
- Package of Recommendations



Council Direction:

- Service Charges
- Sick Leave
- First-time Worker Exception
- Enforcement
- Wage Level Alignment
- Hotel Hardship



Service Charges:

- Clarify hotel-specific service-charge provisions
- Include healthcare and benefits surcharges
- Provide guidelines for healthcare and benefits surcharges



Sick Leave:

- Phase in with January start date
 - January 1, 2017: 4 days / 5 days
 - January 1, 2018: 5 days / 9 days
- Remove employee notification



First-time Worker Exception :

- Match State “Learner” provision
 - 85% minimum wage for first 160 hours
 - No age restriction



Enforcement:

- Adjust period of time where retaliation is presumed
- Better define unlawful compensation or other benefit reductions
- Provide flexibility in civil penalty assessments



Wage Level Alignment / Hotel Hardship:

- Hotel wage parity with Los Angeles on July 1, 2017
- Align contractor living wage with hotel wage on July 1, 2018
- Require employee notification for hotels seeking a hardship waiver



Key Dates:

- July 1, 2016: Minimum Wage Increase Effective
- January 1, 2017: Sick Leave Increase Effective
- Fall 2017: One-Year Assessment



Short-Term Actions:

- **Communication:**
 - Notices and Ads
 - Resources
 - Social Media Campaign
- **Enforcement:**
 - LA County
 - Community-Based Organizations



Ongoing Actions:

- Monitor implementation
- Review annually
- Review partners' efforts
- Evaluate potential modifications
- Coordinate regionally



QUESTIONS

www.smgov.net/minimumwage

