

# LIVING WAGE FAQs

## **Which contracts are subject to the requirements of the Living Wage Ordinance generally?**

- Service contracts only; and
- Valued at \$20,000 or more.

## **Do the amendments effective July 1, 2016, apply to existing contracts?**

- The new provisions do not apply to existing contracts subject to living wage unless the contract is amended to extend its term or otherwise.
- The exercise of a renewal option that is part of the original contract is not considered an extension that would trigger the new provisions.
- The new provisions will apply to all new contracts effective on or after July 1, 2016, subject to the criteria set forth in “Which contracts are subject to the requirements of the Living Wage ordinance generally?” above.

## **Who are Covered Employees under the Ordinance?**

- For contracts effective prior to July 1, 2016:
  - Full-time City employees;
  - Anyone employed by a vendor under a City contract subject to the Living Wage Ordinance who expends any time working on the contract;
  - Does NOT include employees covered by state or federal prevailing wage.
- For contracts effective on or after July 1, 2016:
  - Full-time, part-time, and seasonal City employees (as classified by HR);
  - Full-time, part-time and seasonal employees of vendors under a City contract subject to living wage who expend any time working on the contract (see Rates below for a more detailed definition of these terms);
  - Does NOT include employees covered by state or federal prevailing wage.

## **Who are Covered Employers?**

- For contracts effective prior to July 1, 2016:
  - A contractor or subcontractor under a contract subject to living wage has not been granted an exemption.
- For contracts effective on or after July 1, 2016:
  - Same as above PLUS;
  - Any entity that receives 25% or more of its annual funding from the City.

### **Do the Living Wage rates increase over time?**

- The rates are re-evaluated every year and adjustments take effect on April 30th;
- Wages paid to covered employees by covered employers under contracts to which the ordinance applies must be increased on April 30 each year to at least the adjusted Living Wage minimum rate for that year;
- DEI calculates the adjusted rate each year;
  - For contracts effective prior to July 1, 2016, the increase is indexed to the Federal Poverty Rate;
  - For contracts effective on or after July 1, 2016, the increase is indexed to the Consumer Price Index.

### **What are the current Living Wage rates?**

- The adjusted living wage rates can be found at: <https://www.cincinnati-oh.gov/inclusion/current-living-wage-rates/>