

Facts about Miami-Dade County's Living Wage Ordinance

On May 11, 1999, the Board of County Commissioners established a Living Wage requirement for employees on County service contracts to allow citizens to support themselves and their families above the poverty line and with dignity.

The Living Wage applies to contracts valued greater than \$100,000 for the following types of services are covered:

- food preparation and/or distribution;
- Security services;
- Routine maintenance services such as custodial, cleaning, refuse removal, repair, refinishing, and recycling;
- Clerical or other non-supervisory office work, whether temporary or permanent;
- Transportation and parking services including airport and seaport services;
- Printing and reproduction services; and,
- Landscaping, lawn, and/or agricultural services.

All service contractors at Miami-Dade Aviation Department facilities regardless of contract value must pay employees providing the following covered services a living wage:

- Ramp Service;
- Porter Assistance Services;
- Passenger Services Dispatching and Communications Services;
- Meteorological Navigation Services;
- Ticket Counter and Operations Space Service;
- Janitorial Services;
- Delayed Baggage Services;
- Security Services;
- In-warehouse cargo handling; and,
- Any other type of service that a GASP permittee is authorized to perform.

The Living Wage, annually indexed to inflation, is \$13.41 per hour or \$11.70 with a health benefit plan of \$1.71 per hour for Fiscal Year 2011 – 2012 which began October 1, 2011 through September 30, 2012.

The law provides that Service Contractors may comply with the Living Wage by paying the lower living wage, currently \$11.70, and contributing the applicable rate, currently \$1.71 per hour, towards a qualifying Health Benefit Plan for employees and, if applicable, their dependents.

If the Service Contractor pays less than the required amount for providing a Health Benefit Plan, then the Service Contractor must pay the difference between the premium it pays for the Health Benefit Plan and the required \$1.71. The Service Contractor may require that all employees enroll in a Health Benefit Plan offered by the Service Contractor, provided that the employee is not required to pay a premium contribution for employee-only coverage. If an employee must contribute towards employee only coverage, the employee may refuse coverage and must be paid the living wage for an employee without benefits, currently \$13.41.

For example:

If Employer A provides a Health Benefit Plan valued at \$1.71 per hour at no additional cost to employees for employee only coverage then Employer A qualifies to pay employees the lower living wage rate of \$11.70 per hour. If an employee refuses this coverage, the employer will not be required to pay the \$13.41 per hour as they are qualified to pay a minimum of \$11.70 per hour.

If Employer B provides a Health Benefit Plan valued at \$1.71 per hour but requires employees to pay an additional amount towards the benefits which is deducted from the \$11.70 per hour for employee only coverage, then any employee that refuses coverage must be paid \$13.41 per hour.

If Employer C provides a Health benefit plan valued at \$1.50 per hour to employees it must pay the \$0.19 (\$1.71 - \$1.50) difference to the employee. An employee under this scenario would receive a minimum hourly wage of \$11.79 (\$11.70 + \$0.19) per hour.

If the Service Contractor will be providing a qualifying Health Benefit Plan to a new employee upon the completion of such employee's eligibility period, not to exceed 90 days, then the Service Contractor may pay the lower living wage rate to the employee. If employee is not provided with a qualifying Health Benefit Plan within ninety (90) days of initial hire, then commencing on the 91st day the employee must be paid \$13.41 per hour and receive retro pay of \$1.71 per hour for the term of the eligibility period.

The Board of County Commissioners has imposed stricter guidelines for imposition of penalties and sanctions for non-compliant firms to include monetary penalties, stop payment, work stoppage, contract termination, and prohibition from participating on future County contracts.

Small Business Development, a Division of the Sustainability, Planning and Economic Enhancement Department, was given the responsibility to oversee the implementation and enforcement of the Living Wage. Since its implementation, we have recovered \$460,137.69 in underpaid wages for covered employees. Employees of Service Contractors who believe that they are victims of underpayment can file a complaint with the Small Business Development or bring an action by filing suit against the Service Contractor in any court of competent jurisdiction to enforce the provisions of the Living Wage.

For more information you can find a copy of Section 2-8.9 of the Code of Miami-Dade County which governs the Living Wage Code at <http://www.municode.com> or requested from the County Clerk. For assistance or to file a complaint of underpayment please contact us at (305) 375-3111.