

## ARTICLE VI. LIVABLE WAGES\*

\*Cross references: Personnel, Ch. 24.

### Sec. 21-80. Findings and purpose.

In enacting this article, the city council states the following findings and purposes:

- (a) Income from full-time work should be sufficient to meet an individual's basic needs;
- (b) The City of Burlington is committed to ensuring that its year-round employees (full and part time) have an opportunity for a decent quality of life and are compensated, and not dependent on public assistance, to meet their basic needs;
- (c) The city is committed, through its contracts with vendors and provision of financial assistance, to encourage the private sector to pay its employees a livable wage and contribute to employee health care benefits;
- (d) The creation of jobs that pay livable wages promotes the prosperity and general welfare of the city and its residents, increases consumer spending with local businesses, improves the economic welfare and security of affected employees and reduces expenditures for public assistance;
- (e) It is the intention of the city council in passing this article to provide a minimum level of compensation for city employees and employees of entities that enter into service contracts or receive financial assistance from the City of Burlington.

(Ord. of 11-19-01)

### Sec. 21-81. Definitions.

As used in this article, the following terms shall be defined as follows:

- (a) *Contractor* or *vendor* is a person or entity that has a contract with the City of Burlington primarily for the furnishing of services (as opposed to the purchasing of goods) where the total amount of the contract or contracts exceeds fifteen thousand dollars (\$15,000.00) for any twelve-month period, including any subcontractors of such contractor or vendor. A person or entity that has a contract with the City of Burlington for the use of property under the jurisdiction of the board of airport commissioners, or any person or entity that has a sublease or other agreement to perform services on such property, shall also be considered a contractor under this article.
- (b) *Grantee* is a person or entity that is the recipient of financial assistance from the City of Burlington in the form of grants administered by the city, including any contractors or subcontractors of the grantee, that exceeds fifteen thousand dollars (\$15,000.00) for any twelve-month period.
- (c) *Covered employer* means the City of Burlington (except that the Burlington School Department shall not be considered a covered employer), a contractor or vendor or a grantee as defined above.
- (d) *Covered employee* means an "employee" as defined below, who is employed by a "covered employer," subject to the following:

(1) An employee who is employed by a contractor or vendor is a "covered employee" during the period of time he or she expends on furnishing services funded by the city, notwithstanding that the employee may be a seasonal employee;

(2) An employee who is employed by a grantee who expends at least half of his or her time on activities funded by the city is a "covered employee".

(e) *Employee* means a person who is employed on a full-time or part-time regular basis (i.e., nonseasonal). "Employee" shall not refer to volunteers working without pay or for a nominal stipend, persons working in an approved apprenticeship program, persons who are hired through youth employment programs or student workers or interns participating in established educational internship programs.

(f) *Employer assisted health care* means health care benefits provided by employers for employees (or employees and their dependents) at employer cost or at an employer contribution towards the purchase of such health care benefits provided that the employer cost or contribution consists of at least one dollar and twenty cents (\$1.20) per hour. (Said amount shall be adjusted every two (2) years for inflation, by the chief administrative officer of the city.)

(g) *Livable wage* has the meaning set forth in section 21-82.

(Ord. of 11-19-01)

Sec. 21-82. Livable wages required.

(a) Every covered employer shall pay each and every covered employee at least a livable wage as established under this article.

(1) For a covered employer that provides employer assisted health care, the livable wage shall be at least nine dollars and ninety cents (\$9.90) per hour on the effective date of this article [Dec. 19, 2001].

(2) For a covered employer that does not provide employer assisted health care, the livable wage shall be at least eleven dollars and sixty-eight cents (\$11.68) per hour on the effective date of this article [Dec. 19, 2001].

(3) Tipped covered employees and other covered employees whose compensation consists of more than hourly wages shall be paid an hourly wage which, when combined with the other compensation, will at least equal the livable wage as established under this article.

(b) The amount of the livable wage established in this section shall be adjusted by the chief administrative officer of the city, as of JulyMarch first of each year based upon a report of the Joint Fiscal Office of the State of Vermont that describes the basic needs budget for a single person utilizing a model of two (2) adults residing in a two (2) bedroom living unit in an urban area with the moderate cost food plan. Should there be no such report from the joint fiscal office, the chief administrative officer shall obtain and utilize a basic needs budget that applies a similar methodology. Prior to MayMarch first of each calendar year, the chief administrative officer will provide public notice of this adjustment by publishing a notice in a newspaper of general circulation, by posting a written notice in a prominent place in City Hall, by sending written notice to the city council and, in the case of covered employers that have provided an address of record to the chief administrative officer, by written letter to each such covered employer.

(c) Covered employers shall provide at least twelve (12) compensated days off per year for full-time covered employees, and a proportionate amount for part-time covered employees, for sick leave, vacation or personal leave.

(Ord. of 11-19-01)

Sec. 21-83. Applicability.

(a) This article shall apply to any service contract or grant, as provided by this article that is awarded or entered into after the effective date of the article [Dec. 19, 2001]. After the effective date of the article, entering into any agreement or an extension, renewal or amendment of any contract or grant as defined herein shall be subject to compliance with this article.

(b) The requirements of this article shall apply during the term of any service contract subject to the article. Covered employers who receive grants shall comply with this article during the period of time the city's funds are being expended.

(Ord. of 11-19-01)

Sec. 21-84. Enforcement.

(a) The City of Burlington shall require, as a condition of any contract or grant covered by this section, that the affected covered employer submit a written certification, under oath, confirming payment of a livable wage as a condition of entering into said contract or grant. The affected covered employer shall agree to post a notice regarding the applicability of this section in any workplace or other location where employees or other persons contracted for employment are working. The affected covered employer shall agree to provide payroll records or other documentation, as deemed necessary by the chief administrative officer of the City of Burlington within ten (10) business days from receipt of the city's request.

(b) The City of Burlington shall have the right to modify, terminate and/or seek specific performance of any contract or grant with an affected covered employer from any court of competent jurisdiction, if the affected covered employer has not complied with this article.

(c) Any covered employer who violates this article may be barred from receiving a contract or grant from the city for a period up to two (2) years from the date of the finding of violation.

(d) A violation of this article shall be a civil offense subject to a civil penalty of from twoone hundred dollars (\$2100.00) to five hundred dollars (\$500.00). All law enforcement officers and any other duly authorized municipal officials are authorized to issue a municipal complaint for a violation of this article. Each day any covered employee is not compensated as required by this article shall constitute a separate violation.

(Ord. of 11-19-01; Ord. of 2-17-04)

Sec. 21-85. Other provisions.

(a) No affected covered employer shall reduce the compensation, wages, fringe benefits or leave available to any covered employee in order to pay the livable wage required by this article. Any action in violation of this paragraph shall be deemed a violation of this article subject to the remedies of section 21-84.

(b) Where pursuant to a contract for services with the city, the contractor or subcontractor incurs a contractual obligation to pay its employees certain wage rates, in no case except as stated in subsection 21-85(c), shall the wage rates paid pursuant to that contract be less than the minimum livable wage paid pursuant to this article.

(c) Notwithstanding subsection 21-85(b), where employees are represented by a bargaining unit or labor union pursuant to rights conferred by state or federal law and a collective bargaining labor agreement is in effect governing the terms and conditions of employment of those employees, this chapter shall not apply to those employees, and the collective bargaining labor agreement shall control.

(d) Covered employers shall inform employees making less than twelve dollars (\$12.00) per hour of their possible right to the Earned Income Tax Credit under federal and state law.

(e) The chief administrative officer of the city shall have the authority to promulgate rules as necessary to administer the provisions of this article, which shall become effective upon approval by the city council.

(Ord. of 11-19-01)

#### Sec. 21-86. Exemptions.

A partial or complete exemption from the requirement of this article may be authorized based upon a determination that compliance with the livable wage requirement would cause substantial economic hardship. Requests for exemption shall be submitted to the chief administrative officer. The finance board of the city shall consider the request for exemption with prior notice provided to the city council. A unanimous decision by the finance board shall be final. A split decision by the finance board is reviewable by the city council not later than the next meeting of the city council which occurs after the date of the finance board decision.

(Ord. of 11-19-01)

#### Sec. 21-87. Severability.

If any part or parts or application of any part of this article is held invalid, such holding shall not affect the validity of the remaining parts of this article.

(Ord. of 11-19-01)

Secs. 21-88, 21-89. Reserved.