

OFFICE OF AFFIRMATIVE ACTION/CONTRACT COMPLIANCE

2015 Living Wage Summary

January 29, 2015

On June 15, 2000, Toledo City Council passed the "Living Wage" Ordinance which requires the City of Toledo and certain employers doing business with the City of Toledo to pay employees working on City funded contracts, at least 110% above the Federal Poverty Level (for a family of four (4)) with a minimum level of health insurance or 130% above the Federal Poverty Level when health insurance is not made available.

The living wage rate is to be adjusted annually according to the current Federal Poverty Level in the Federal Register. Based upon the current guidelines, the 2015 living wage rate is \$12.82 per hour with a minimum level of health insurance and \$15.16 per hour when health insurance is not provided.

There are 10 exemptions to the Living Wage Ordinance. The 10 exemptions were developed to help ensure that companies were not unfairly penalized and to ensure that economic development efforts were not unnecessarily impeded. The exemptions are listed below:

- (1) Contractors or subcontractors with fewer than 25 employees;
- (2) Financial assistance recipients with fewer than 50 employees;
- (3) Recipients of Community Development Block Grant funding;
- (4) Seasonal employees;
- (5) Interns;
- (6) Non-profit organizations whose sole purpose is to provide cultural, social or educational services;
- (7) Organizations whose primary mission is to provide job readiness and training services, and whose sole purpose of requesting funding is to provide those services;
- (8) Businesses that pay their employees the prevailing wage rate, or pay their employees pursuant to the Davis Bacon Act;
- (9) Volunteers; and,
- (10) Contractors, subcontractors or employees of financial assistance recipients working on a project which the Mayor has determined are crucial to the economic development of the City.

Many contractors fall under one or more of the 10 exemptions contained in the ordinance, with the majority of those that are exempt falling into one of three categories: fewer than 25 employees, the payment of Prevailing Wage rates, or a contract that is under the \$10,000.00 Living Wage threshold.

<http://aspe.hhs.gov/poverty/15poverty.cfm>