

ORDINANCE NO. 3714
ORDINANCE OF THE MARIN COUNTY BOARD OF SUPERVISORS
AMENDING SECTION 2.50.050 OF CHAPTER 2.50 OF THE MARIN COUNTY CODE
PERTAINING TO THE LIVING WAGE RATE

WHEREAS, the County of Marin implemented in 2006 a cost of living adjustment (COLA) component to the Living Wage Ordinance (LWO) to automatically adjust the living wage rate annually, based upon change to the October-October San Francisco-Oakland-San Jose area Consumer Price Index ("Bay Area CPI") for all urban consumers; and

WHEREAS, currently the LWO requires a non-benefitted wage rate of at least \$14.80 per hour, and at least \$13.00 per hour if benefits are provided, for eligible employees, contractors and subcontractors, and the Bay Area CPI is currently estimated to increase by 3.0 percent from October 2018 to October 2019; and

WHEREAS, Governor Jerry Brown signed SB 3 (Leno) in 2016 to increase the state's minimum wage to \$15.00 per hour by 2022, anticipated to increase to \$13.00 effective January 1, 2020 and \$14.00 January 1, 2021; and

WHEREAS, Section 2.50.050 (c) of the LWO currently caps the County's LWO wage rate to \$15.00 per hour, consistent with the state's minimum wage path per SB 3; and

WHEREAS, in 2017 the state had re-based In-Home Support Services (IHSS) costs to include 1) newly added costs due to the increasing state minimum wage, 2) sick leave pay for IHSS workers, and 3) additional costs due to federal action to require overtime pay, and these "realigned" costs also included an ongoing 7 percent MOE inflation factor starting FY 2019-20, where previously the annual MOE inflator was 3.5 percent; and

WHEREAS, this 2017 IHSS funding package included a reopener provision as counties contended from the outset that an ongoing 7 percent inflator was unsustainable; counties began advocating for amendments to Governor Brown's IHSS deal; and

WHEREAS, Governor Gavin Newsom's recent 2019-20 IHSS package mitigated many of these added costs in 2018 and 2019 with a re-based MOE, additional state funding, and lower inflators in 2017 and 2018, and also reduced the ongoing MOE inflator to 4 percent beginning 2020-21; and

WHEREAS, in addition, the 2019-20 IHSS funding package included a "10 percent over three years" option that further helps to offset IHSS COLA costs for counties in higher cost labor markets by allowing counties to approve wage and/or benefit increases greater than the state minimum wage with continued state participation in sixty-five percent of non-federal costs; and

WHEREAS, Marin County has taken advantage of this "10 percent" option with its last two CPI increases, and anticipates this option to be available through February 1, 2023, significantly reducing the County's costs for any CPI adjustments impacting IHSS providers, which otherwise would require counties to fund 100% of non-federal costs; and

WHEREAS, the County Administrator now recommends that Section 2.50.050 of the LWO be amended to 1) amend the current \$15.00 per hour wage cap, affording a 3.0% COLA effective January 1, 2020 and subsequent annual CPI increases contingent upon continued state participation in 65 percent of all non-federal costs of IHSS wage and/or benefit increases; and 2) amend the October-October Bay Area CPI timeframe to April-April to better align with consideration of the annual Proposed Budget.

Because IHSS providers are paid by the State, staff will work with the California Department of Social Services to implement the change as soon as possible, expected to be on a February 1 basis consistent with the 10 percent option schedule approved by the state.

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF MARIN DOES HEREBY ORDAIN AS FOLLOWS:

SECTION I. Section 2.50.050 entitled Living Wage Rate, of Chapter 2.50 of the Marin County Code is hereby amended to read as follows (changes in **bold**):

"Section 2.50.050 Living Wage Rate"

"(c) The wage rates required in subsection (a) of this section shall be adjusted annually, effective January 1, to reflect the increase during the preceding year in the Consumer Price Index for all urban consumers in the San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical Area, as published in **April** of each year by the U.S. Department of Labor, Bureau of Labor Statistics. These annual Consumer Price Index adjustments to the wage rate will be increased **only if the state continues to participate in no less than 65 percent of non-federal costs for wage and benefit increases impacting IHSS program providers**. The adjustment shall be rounded to the nearest five cent increment; shall become effective every January 1 without need for the Marin County Board of Supervisors to annually adopt an ordinance; and shall be posted by the County Administrator on its website for the notice of all county departments, contractors and subcontractors."

PASSED AND ADOPTED at a regular meeting of the Board of Supervisors of the County of Marin held on this 29th day of October 2019 by the following vote

AYES: SUPERVISORS Judy Arnold, Dennis Rodoni, Damon Connolly, Katie Rice,
Kathrin Sears

NOES: NONE

ABSENT: NONE


KATHRIN SEARS, PRESIDENT
MARIN COUNTY BOARD OF SUPERVISORS

ATTEST:


Matthew H. Hymel
Clerk of the Board of Supervisors