

1 CITY OF SANTA FE, NEW MEXICO

2 ORDINANCE NO. 2007-43

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4
5 AN ORDINANCE

6 AMENDING ARTICLE 28-1 SFCC 1987 REGARDING THE LIVING WAGE;
7 REQUIRING ALL BUSINESSES TO PAY A LIVING WAGE AND MAKING CHANGES
8 REGARDING FUTURE INCREASES.

9
10 BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

11 Section 1. Section 28-1.2 SFCC 1987 (being Ord. #2002-13, §2 as amended) is
12 amended to read:

13 28-1.2 Legislative Findings.

14 The governing body of the city has determined that:

15 A. The public welfare, health, safety and prosperity of Santa Fe require wages and
16 benefits sufficient to ensure a decent and healthy life for workers and their families;

17 B. Many Santa Fe workers earn wages insufficient to support themselves and their
18 families;

19 C. Many Santa Fe workers cannot participate in civic life or pursue educational,
20 cultural, and recreational opportunities because they must work such long hours to meet their
21 households' most basic needs;

22 D. Minimum wage laws promote the general welfare, health, safety and prosperity
23 of Santa Fe by ensuring that workers can better support and care for their families through their
24 own efforts and without financial governmental assistance;

25 E. The average earnings per job in Santa Fe County is twenty-three percent (23%)

1 below the national average and the cost of living is eighteen percent (18%) higher than the
2 national average;

3 F. Housing costs in Santa Fe are much higher than in most other parts of New
4 Mexico, and low income workers must therefore spend a disproportionate percentage of their
5 income sheltering themselves and their families;

6 G. Livable wages also benefit employers and the economy as a whole by improving
7 employee performance, reducing employee turnover, lowering absenteeism, and thereby
8 improving productivity and the quality of the services provided by employees;

9 H. When businesses do not pay a livable wage, the community bears the cost in the
10 form of increased demand for taxpayer-funded social services including homeless shelters, soup
11 kitchens and healthcare for the uninsured. Coupled with high real estate values, low wages reduce
12 the ability of low- and moderate-income residents to access affordable housing. As a result, the
13 city has had to invest significant tax dollars to support affordable housing including funding to
14 nonprofit organizations, purchasing land, building infrastructure and waiving fees. In addition,
15 the city has allocated significant tax dollars to operate after school and summer recreation
16 programs and to support nonprofit organizations offering an array of human services and children
17 and youth services, all of which are needed by very low-income residents and their families;

18 I. It is in the public interest to require employers benefiting from city actions and
19 funding, and from the opportunity to do business in the city, to pay employees a minimum wage,
20 a "living wage", adequate to meet the basic needs of living in Santa Fe;

21 J. According to the 2000 Census, approximately twelve and three-tenths percent
22 (12.3%) of the Santa Fe community lives below the poverty level; and

23 K. According to the New Mexico department of labor, twenty-three and one-half
24 percent (23.5%) of Santa Feans who are employed in the nongovernmental sector earn hourly
25 wages of ten dollars and fifty cents (\$10.50) per hour or less.

1 L. The governing body has reviewed the impact of previous minimum wage
2 increases, relevant studies and other appropriate data, and finds that the city's minimum wage
3 should be upwardly adjusted each year to keep pace with increases in the cost of living.

4 M. The governing body has found that limiting coverage of the minimum wage just
5 to businesses with twenty-five or more employees has hindered compliance and has created an
6 uneven playing field among local businesses.

7 **Section 2. Section 28-1.5 SFCC 1987 (being Ord. #2002-13, §5 as amended) is**
8 **amended to read:**

9 **28-1.5 Minimum Wage Payment Requirements.**

10 A. The following shall pay the minimum wage:

11 (1) The city of Santa Fe to all full-time permanent workers employed by the
12 city. However, the provisions of this section are expressly limited by and subject to future
13 union negotiations in compliance with the Fair Labor Standards Act and subsequent
14 appropriations by the governing body in compliance with the Bateman Act;

15 (2) Contractors for the city that have a contract requiring the performance of
16 a service including construction services but excluding purchases of goods, shall pay the
17 minimum wage to their workers and subcontractors performing work under the contract if
18 the total contract amount with the city is, or by way of amendment becomes, equal to or
19 greater than thirty thousand dollars (\$30,000.); and

20 (3) Businesses receiving assistance relating to economic development in the
21 form of grants, subsidies, loan guarantees or industrial revenue bonds in excess of
22 twenty-five thousand dollars (\$25,000.) to those employed by such entity for the duration
23 of the city grant or subsidy; and

24 (4) Businesses required to have a business license or business registration
25 from the city of Santa Fe and nonprofit organizations shall pay the minimum wage to

1 their workers for all hours worked within the city of Santa Fe that month. For purposes of
2 this paragraph, worker shall not include any person who is related by blood or by
3 marriage to any person who may have or possess any ownership interest in the business
4 that employs them. For purposes of identifying persons entitled to be paid the minimum
5 wage, all individuals employed by or providing work to the business for compensation,
6 whether on a part-time, full-time or temporary basis, during a given month shall be
7 counted as a worker. This definition shall include contingent or contracted workers, and
8 persons made available to work through the services of a temporary service, staffing or
9 employment agency or similar entity. However, interns working for a business for
10 academic credit in connection with a course of study at an accredited school, college or
11 university or persons working for an accredited school, college or university while also
12 attending that school, college or university, or persons working for a business in
13 connection with a court-ordered community service program such as teen court or
14 workers who are in an apprenticeship program in a 501C(3) organization (such as the
15 Santa Fe Opera) shall not be counted as a worker for such purposes.

16 B. Beginning January 1, 2004, the minimum wage shall be an hourly rate of eight
17 dollars and fifty cents (\$8.50). In computing the wage paid for purposes of determining
18 compliance with the minimum wage, the value of health benefits and childcare shall be
19 considered as an element of wages. On January 1, 2006, the minimum wage shall be increased to
20 an hourly rate of nine dollars and fifty cents (\$9.50). Beginning January 1, 2009, and each year
21 thereafter, the minimum wage shall be adjusted upward by an amount corresponding to the
22 previous year's increase, if any, in the consumer price index for the western region for urban
23 wage earners and clerical workers.

24 C. For workers who customarily receive more than one hundred dollars (\$100.) per
25 month in tips or commissions, any tips or commissions received and retained by a worker shall be

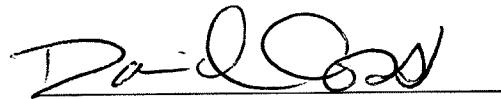
1 counted as wages and credited towards satisfaction of the minimum wage provided that, for
2 tipped workers, all tips received by such workers are retained by the workers, except that the
3 pooling of tips among workers shall be permitted.

4 D. Nonprofit organizations whose primary source of funds is from Medicaid waivers
5 are exempt.

6 E. Staff shall contract for a study or studies to review the impact of changes made to
7 the Living Wage Ordinance approved as Ordinance No. 2007-43 on businesses of less than ten
8 employees and on the student drop-out rate. The study shall be presented to the governing body
9 no later than July 1, 2009.

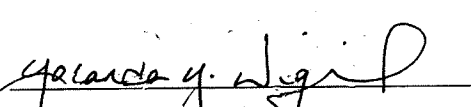
10 Section 3. This Ordinance shall become effective January 1, 2008.

11 PASSED, APPROVED and ADOPTED this 28th day of November, 2007.


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14 DAVID COSS, MAYOR

15 ATTEST:

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18 YOLANDA V. VIGIL, CITY CLERK

19 APPROVED AS TO FORM:

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21 
22 FRANK D. KATZ, CITY ATTORNEY

23
24
25 mdb/N/2007 ordinance/living wage