



Text File

Introduced: 11/17/2017

Bill No: 2017-2131, Version: 1

Committee: Committee on Finance and Law

Status: Passed Finally

Ordinance supplementing the Pittsburgh Code, Title One, Administration, Article VII Procedures, Chapter 161, Contracts, by adding Section 161.45, entitled "City of Pittsburgh Minimum Wage Requirements For Designated Contracts".

**The Council of the City of Pittsburgh hereby enacts as follows:**

**Section 1.** The Pittsburgh Code, Title One, Administration, Article VII Procedures, Chapter 161, Contracts, is hereby supplementing by adding Section 161.45, entitled "City of Pittsburgh Minimum Wage Requirement For Designated Contracts":

**THE CITY OF PITTSBURGH MINIMUM WAGE REQUIREMENT FOR DESIGNATED CONTRACTS**

- (a) *Title and Purpose.* This section shall be known as the "City of Pittsburgh Minimum Wage For Designated Contracts Ordinance." The purpose of the section is to ensure that employees performing work on certain City service contracts are paid no less than fifteen dollars per hour.
- (b) *Definitions.* For the purposes of this section, the following terms are defined as follows:
1. *City.* The City of Pittsburgh and all City departments or bureaus.
  2. *Covered Service Contract.* Professional Service Contracts entered into by the City of Pittsburgh which exceed \$100,000 and are paid solely by City funds, subject to applicable laws and regulations.
  3. *Covered Employee.* An employee who in a particular week, performs at least thirty (30) hours of work for a Covered Employer and whose duties arise directly out of a Covered Service Contract. The following types of employees shall not be considered a Covered Employee for the purposes of this Section:
    - i. Employees on a construction projects subject to federal, state or local prevailing wages laws;
    - ii. Employees engaged in a bona fide training program, not to exceed 60 days in duration, under which the person will advance into permanent employment;

- iii. Employees or interns participating in a student internship program;
- iv. Individuals employed by or participating in the City's Summer Youth Employment Program;

- 4. *Covered Employer*. Any individual or entity that employs at least one Covered Employee.
- 5. *Service Contractor*. Any individual or entity that enters into a Covered Service Contract as herein defined.
- 6. *Professional Service Contract*. Any contract for the performance of professional services, as defined by Section 161.02A, entered into by the City with any contractor, except contracts where services are incidental to the delivery of products, equipment, or commodities.

(c) *Minimum Wage Requirements*. Except as otherwise provided in this ordinance, an Employer subject to this ordinance shall provide its covered Employees the following minimum compensation:

- 1. *Minimum Wage Standard*. Each Covered Employer shall pay each Covered Employee a minimum hourly wage of at least fifteen dollars per hour, excluding benefits.
- 2. *Additional compensation permissible*. Nothing in this ordinance shall be construed to limit a Covered Employer's discretion to provide greater wages or benefits to its employees.
- 3. *Adjustments*. The Minimum Wage Requirements shall be maintained at fifteen dollars per hour until the federal or state minimum wage, whichever is higher, exceeds that threshold. At such time that the federal or state minimum wage exceeds fifteen dollars per hour, the Office of Management and Budget shall review this Section and make recommendations to Council regarding any additional adjustments to the requirements of this Section.
- 4. *Reporting*. Covered Employer must maintain records relating to compliance with this Section and make such records available for inspection at the request of the City.
- 5. *Notice to Employees*. Covered Employers shall notify all Covered Employees in writing as to the wages required by this Section.

(d) *Collective Bargaining*. Nothing in this Section shall be deemed to interfere with or in any way diminish the right of employees to bargain collectively with their employers through representatives of their own choosing in order to establish wages or other conditions of work in excess of the applicable minimum standards set forth in this Section.

(e) *Exemptions*. The Office of Management and Budget may grant a partial or whole exemption from the

requirements of this section in accordance with applicable regulations.

- (f) *Required Contract Provisions.* Every Covered Service Contract thereto shall contain provisions requiring the Covered Employer to comply with the requirements of this ordinance as they exist on the date when the employer entered into its agreement with the City.
- (g) *Retaliation and Discrimination Prohibited.* A Covered Employer shall not discharge, reduce the compensation or otherwise discriminate against any employee for making a complaint to the employer, its agents, or the City relating to the Covered Employer's compliance with the requirements of this Section.
- (h) *Activity with intent to evade coverage prohibited; business justification, etc.* A Covered Employer shall not engage in any activity with the intent of evading the coverage of this section. Prohibited activities include, but are not limited to, business reorganization, subcontracting, or subleasing, where such activity has the effect of limiting or avoiding the coverage of this section and for which there is no independent business justification.
- (i) *Responsible Bidding and Use of City Funds.* Prior to commencement of the contract's term or execution by the City, each Covered Employer will certify to the satisfaction of the City that its employees are paid the Minimum Wage Commitments as provided by this Section. As part of any bid, application or proposal for any agreement or contract with the City covered by this Section, the submitter shall include an acknowledgment, in a form acceptable to the City, of the terms of this ordinance and intent to comply therewith.
- (j) *Enforcement.* The Office of Management and Budget shall enforce this Section.
- (k) *Regulations.* The Director of the Office of Management and Budget is hereby authorized to adopt regulations for the proper administration and enforcement of the provisions of this Section.
- (l) *Violations.* Violations of any of the requirements of this Section as inserted in an applicable City Service Contract shall be deemed to be a material breach of that contract, and the City shall have available remedies resulting from such a breaching, including but not limited to liquidated damages if set forth therein.
- (m) *Service Worker Prevailing Wage Ordinance.* For any Covered Service Contract that includes Building service and food service employees as defined by the City of Pittsburgh Service Worker Prevailing Wage Ordinance, Section 161.38, the Covered Employee shall be paid a wage in the amount of no less than the higher of fifteen dollars (\$15) per hour, excluding benefits, and the hourly amount required by Section 161.38(II)(k)(1)(a)(i)), in addition to the benefit and paid time off amounts required by Section 161.38 (II)(k)(1)(a)(ii) and (b) for any work performed as a Covered Employee.

---

**Introduced:** 11/17/2017

**Bill No:** 2017-2131, **Version:** 1

**Committee:** Committee on Finance and Law

**Status:** Passed Finally

---

*(n) Severability.* In the event any provision of this ordinance shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.