

## **Be it ordained by the People of the City of Greensboro:**

### Section 1. Summary

The City of Greensboro shall adopt a Minimum Wage Ordinance. The Minimum Wage Ordinance will raise the minimum wage for those employed in Greensboro who are not otherwise exempt to \$8.50 per hour 180 days after the ordinance is enacted and to \$9.82 per hour one year after enactment; the minimum wage will then increase as the Consumer Price Index increases, beginning January 1, 2011.

### Section 2. Findings.

#### ***Hard work should be rewarded. It is not.***

It is really hard to live on a minimum wage. Even for those who work 40 hours a week, it is a tremendous challenge just to make ends meet, to put food on the table, to pay for child care and healthcare and clothes and heat. A person who works 40 hours/week at a minimum wage job at the current minimum wage of \$6.55/hour earns \$1,129 per month before taxes. After taxes of *at least* \$86 have been taken out of his or her paycheck, after tax monthly income is reduced to no more than \$1,043. For a *full time* worker who has a child, average *monthly* expenses are: housing \$709, food \$244, childcare \$477, health care \$469, transportation \$243, and other needs \$257 – a total of \$2,335 in monthly expenses. Each month, this worker comes up short by \$1,292.

When minimum wage workers cannot make ends meet, they are given extremely difficult, and oftentimes horrible, choices: choices between food and health care, between heating and clothing, between working a second or third job and taking care of their children. These hard working adults often cannot afford what others take for granted: the security of decent and safe housing, decent childcare for their children, enough food for their family, medical attention and medical services.

If we want everyone to work, then work should pay. Hard working adults should be able to afford to put a roof over their children's heads and food on the table, and still have enough left over for child-care and health care. It is a travesty to expect people to work hard and pay them no more or little more than welfare. Work should pay.

#### ***Hard work used to be rewarded. It is no longer rewarded.***

Workers used to share in the gains of rising worker productivity. Between 1947 and 1973, worker productivity rose 104 percent and the minimum wage rose 101 percent, adjusting for inflation. The middle class grew in size, income, and homeownership. By 1973, the middle 60% of households earned 60% of all household income. Between 1973 and 2007, productivity rose 83 %, but the minimum wage fell 22 %, adjusting for inflation. By 2007, the middle 60% of households earned only 47% of all household income. As productivity rose more than 80 %, middle class families took home less money, and 5% fewer families were in the middle class.

#### ***A higher minimum wage will help workers and their families.***

The primary goal of this ordinance is to increase the amount of money in the pockets of people who work for the lowest wages, which will help them and their families. As stated above, a worker who works full time and has one child earns for her hard work \$1,292 per month less than it takes to live a minimally decent life in Greensboro. For the child of a minimum wage worker, this might mean the difference between having heat during winter and not having heat, between having health insurance and not having health insurance, having food throughout the month and not having enough food to eat. It will mean more children who are healthy, going to school, well fed and able to learn.

#### ***A higher minimum wage is good for businesses and for the Greensboro community.***

Data from other cities that have raised the minimum wage shows that businesses primarily offset higher labor costs by having more productive workers, by raising prices a very small amount (1 % for most

businesses, 3-4 % for many restaurants), and by paying minimum wage workers a larger share of total wages. Workers who earned more worked harder, increasing productivity enough to offset a significant portion of the raised minimum wage. There was little evidence of large-scale layoffs or relocations. The data from cities that have raised the minimum wage therefore shows that the concerns expressed by those who have argued against the measure are unfounded.

In addition, when businesses do not pay a livable wage, the surrounding community and the taxpayers pay many of the costs instead, through increased demand for homeless shelters, soup kitchens and health care for the uninsured. When more jobs pay a decent wage, there will be a more stable work force for our City, an increase in consumer income, a decrease in poverty, and a boost for neighborhood businesses. It is therefore in the interest of the city to ensure that employers pay their employees a more adequate minimum wage.

### Section 3. The Greensboro Minimum Wage Ordinance

1. Title
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#### **1. TITLE**

This Chapter shall be known as the “Minimum Wage Ordinance”

#### **2. AUTHORITY**

This Chapter is adopted pursuant to the powers vested in the City of Greensboro, under the laws and Constitution of the State of North Carolina and the City Charter including, but not limited to, the police powers vested in the City.

#### **3. DEFINITIONS**

As used in this Chapter, the following capitalized terms shall have the following meanings:

“Agency” shall mean the Human Relations Department or such other City department or agency as the City shall by resolution designate.

“City” shall mean the City of Greensboro, North Carolina.

“Employee” shall mean any person who: (a) In a particular week performs at least two (2) hours of work within the geographic boundaries of the City; and (b) Qualifies as an employee entitled to payment of a minimum wage from any employer under the North Carolina minimum wage law, as provided under Sections 95-25.3 and 95-25.14 of the North Carolina Wage and Hour Act.

“Employer” shall mean any person, as defined in Section 95-25.2 of the North Carolina Wage and Hour Act, including corporate officers or executives, who directly or indirectly or through an agent or any other person, including through the services of a temporary services or staffing agency or similar entity, employs or exercises control over the wages, hours or working conditions of any Employee.

“Minimum Wage” shall have the meaning set forth in Section 4 of this Chapter.

#### **4. MINIMUM WAGE**

- (a) 180 days after the effective date of this Chapter either by approval of the City Council or the voters of the City, the Minimum Wage in the City shall be \$8.50 per hour.
- (b) One year after the effective date of this Chapter, the Minimum Wage in the City shall be \$9.82 per hour.
- (c) Beginning on January 1, 2011, and each year thereafter, the Minimum Wage shall increase by the rate corresponding to the prior year's increase, if any, in the Consumer Price Index for the Greensboro-High Point, North Carolina Metropolitan Statistical Area.
- (d) This Minimum Wage will apply to the wages of all Employees working within the geographical limits of the City except employees of any governmental units within the City, including, but not limited to, the City of Greensboro.

#### **5. IMPLEMENTATION AND ENFORCEMENT**

- (a) Implementation. The Agency shall be authorized to coordinate implementation and enforcement of this Chapter and may promulgate appropriate guidelines or rules for such purposes. Any guidelines or rules promulgated by the Agency shall have the force and effect of law and may be relied on by Employers, Employees and other parties to determine their rights and responsibilities under this Chapter. Any guidelines or rules may establish procedures for ensuring fair, efficient and cost-effective implementation of this Chapter, including supplementary procedures for helping to inform Employees of their rights under this Chapter, for monitoring Employer compliance with this Chapter, and for providing administrative hearings to determine whether an Employer or other person has violated the requirements of this Chapter.
- (b) Administrative Enforcement. The Agency is authorized to take appropriate steps to enforce this Chapter. The Agency may investigate any possible violations of this Chapter by an Employer or other person. Where the Agency has reason to believe that a violation has occurred, it may order any appropriate temporary or interim relief to mitigate the violation or maintain the status quo pending completion of a full investigation or hearing. Where the Agency, after a hearing that affords a suspected violator due process, determines that a violation has occurred, it may order any appropriate relief including, but not limited to, reinstatement, the payment of any back wages unlawfully withheld, and the payment of liquidated damages, as provided in Section 95-25.22 of the North Carolina Wage and Hour Act. A violation for unlawfully withholding wages shall be deemed to continue from the date immediately following the date that the wages were due and payable, to the date immediately preceding the date the wages are paid in full. Where prompt compliance is not forthcoming, the Agency may take any appropriate enforcement action to secure compliance, including initiating a civil action pursuant to Section 5(c) of this Chapter and/or, except where prohibited by state or federal law, requesting that City agencies or departments revoke or suspend any registration certificates, permits or licenses held or requested by the Employer or person until such time as the violation is remedied. In order to compensate the City for the costs of investigating and remedying the violation, the Agency may also order the violating Employer or person to pay to the City a sum of not more than \$50 for each day or portion thereof and for each Employee or person as to whom the violation occurred or continued. Such funds shall be allocated to the Agency and shall be used to offset the costs of implementing and enforcing this Chapter. The amounts of all sums and payments authorized or required under this Chapter shall be updated periodically for inflation, beginning January 1, 2011, using the inflation rate and procedures set forth in Section 4(c) of this Chapter. An Employee or other person may report to the Agency in writing any suspected violation of this Chapter. The Agency shall encourage reporting pursuant to this subsection by keeping confidential, to the maximum extent permitted by applicable laws, the name and other identifying information of the Employee or person reporting the violation. Provided, however, that with the authorization of such person, the Agency may disclose his or her name and identifying information as necessary to enforce this Chapter or for other appropriate purposes.

- (c) Civil Enforcement. The Agency, the City Attorney, any person aggrieved by a violation of this Chapter, any entity a member of which is aggrieved by a violation of this Chapter, or any other person or entity acting on behalf of the public as provided for under applicable state law, may bring a civil action in a court of competent jurisdiction against the Employer or other person violating this Chapter and, upon prevailing, shall be entitled to such legal or equitable relief as may be appropriate to remedy the violation including, without limitation, the payment of any back wages unlawfully withheld, the payment of an additional sum as liquidated damages as provided in Section 95-25.22 of the North Carolina Wage and Hour Act to each Employee or person whose rights under this Chapter were violated for each day or portion thereof that the violation occurred or continued, reinstatement in employment and/or injunctive relief, and shall be awarded reasonable attorneys' fees and costs. Provided, however, that any person or entity enforcing this Chapter on behalf of the public as provided for under applicable state law shall, upon prevailing, be entitled only to equitable, injunctive or restitutionary relief, and reasonable attorneys' fees and costs.
- (d) Interest. In any administrative or civil action brought for the nonpayment of wages under this Section, the Agency or court, as the case may be, shall award interest on all due and unpaid wages at the rate of interest specified in North Carolina General Statute 24-1, which shall accrue from the date that the wages were due and payable, to the date the wages are paid in full.

## **6. NOTICE AND POSTING**

- (a) By December 1 of each year, the City shall publish and make available to employers a bulletin announcing the adjusted Minimum Wage rate for the upcoming year. In conjunction with this bulletin, the City shall by December 1 of each year publish and make available to employers, in English and Spanish, a notice suitable for posting by Employers in the workplace informing employees of the current Minimum wage rate and of their rights under this chapter. When possible the internet and city website will be used to accomplish the requirement of notice and posting.
- (b) Every employer shall post in a conspicuous place at any workplace or job site where any employee works the notice published each year by the city informing employees of the Current Minimum Wage rate and of their rights hereunder.

## **7. RELATIONSHIP TO OTHER REQUIREMENTS**

This chapter provides for the payment of a Greensboro Minimum Wage and shall not be construed to preempt or otherwise limit the applicability of any other State or Federal law, regulation, requirement, policy, standard or private agreement that provides for payment of higher or supplemental wages, benefits or rights. It is the intent of the City of Greensboro not to change anything in the present State or Federal laws that pertain to the regulation of the minimum wage except to provide for a higher minimum wage within the geographical boundaries of the City of Greensboro and to enforce the higher minimum wage.

## **8. EFFECTIVE DATE**

This Chapter shall become effective immediately upon adoption, whether by the City Council or by voter approval. This chapter is intended to have prospective effect only.

## **9. SEVERABILITY**

If any part of or provision of this Chapter, or the application of this chapter to any person or circumstance, is held invalid, the remainder of this chapter, including the application of such part or provisions to other persons or circumstances, shall not be affected by such a holding and shall continue in full force and effect. To this end, the provisions of this Chapter are severable.