THE LIVING WAGE ACT OF 2006

D.C. Official Code §§ 2-220.01 – 2-220.11

Recipients of new contracts or government assistance shall pay affiliated employees and subcontractors who perform services under the contracts no less than the current living wage.

Effective January 1, 2018, the living wage rate is $14.20 per hour.

The requirement to pay a living wage applies to:

- **All recipients of contracts in the amount of $100,000 or more, and all subcontractors that receive $15,000 or more from the funds received by the recipient from the District of Columbia, and**
- **All recipients of government assistance in the amount of $100,000 or more, and all subcontractors of these recipients that receive $50,000 or more from the government assistance received by the recipient from the District of Columbia.**

"Contract" means a written agreement between a recipient and the District government.
"Government assistance" means a grant, loan, or tax increment financing that result in a financial benefit from an agency, commission, instrumentality, or other entity of the District government.
"Affiliated employee" means any individual employed by a recipient who received compensation directly from government assistance or a contract with the District of Columbia government, including employees of the District of Columbia, any employee of a contractor or subcontractor of a recipient who performs services pursuant to government assistance or contract. The term "affiliated employee" does not include those individuals who perform only intermittent or incidental services with respect to the contract or government assistance or who are otherwise employed by the contractor, recipient, or subcontractor.

Certain exemptions apply: 1) contracts or agreements subject to wage determinations required by federal law which are higher than the wage required by this Act; 2) contracts performed by regulated utilities; 3) contracts for services needed immediately to prevent or respond to a disaster or imminent threat declared by the Mayor; 4) contracts awarded to recipients that provide trainees with services, including but not limited to case management and job readiness services, provided the trainee does not replace employees; 5) employees under 22 years of age employed during a school vacation period, or enrolled as a full-time student who works less than 25 hours per week; 6) tenants or retail establishments that occupy property constructed or improved by government assistance, provided there is no receipt of direct District government assistance; 7) employees of nonprofit organizations that employ not more than 50 individuals and qualify for 501(c)(3) status; 8) Medicaid provider agreements for direct care services to Medicaid recipients, provided, that the direct care service is not provided through a home care agency, a community residence facility, or a group home for persons with intellectual disabilities as those terms are defined in section 2 of the Health-Care and Community Residence Facility, Hospice, and Home Care Licensure Act of 1983; D.C. Official Code § 44-501; and 9) contracts or agreements between managed care organizations and the Health Care Safety Net Administration or the Medicaid Assistance Administration to provide health services.

Home Care Final Rule: The Department of Labor extended overtime protections to home care workers and workers who provide companionship services. Employers within this industry are now subject to recordkeeping provisions.

Each recipient and subcontractor of a recipient shall provide this notice to each affiliated employee covered by this notice, and shall also post this notice in a conspicuous site in its place of business.

All recipients and subcontractors shall retain payroll records created and maintained in the regular course of business under District of Columbia law for a period of at least 3 years.

To file a claim, visit: Department of Employment Services , Office of Wage-Hour, 4058 Minnesota Avenue, NE, Suite 3600, Washington, D.C. 20019; call: (202) 671-1880; or file your claim on-line: does.dc.gov. Go to "File a Claim" tab.

GOVERNMENT OF THE DISTRICT OF COLUMBIA

Department of Employment Services

MURIEL BOWSER
MAYOR

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DIRECTOR

LIVING WAGE ACT FACT SHEET

The Living Wage Act of 2006; D.C. Official Code §§ 2-220.01 – 2-220.11 provides that District of Columbia government contractors and recipients of government assistance (grants, loans, tax increment financing) in the amount of $100,000 or more shall pay affiliated employee wages at no less than the current living wage rate.

Effective January 1, 2018, the living wage rate is $14.20 per hour.

Subcontractors of D.C. government contractors who receive $15,000 or more from the contract and subcontractors of the recipients of government assistance who receive $50,000 or more from the assistance are also required to pay their affiliated employees no less than the current living wage rate.

"Affiliated employee" means any individual employed by a recipient who receives compensation directly from government assistance or a contract with the District of Columbia government, including any employee of a contractor or subcontractor of a recipient who performs services pursuant to government assistance or a contract. The term "affiliated employee" does not include those individuals who perform only intermittent or incidental services with respect to the government assistance or contract, or who are otherwise employed by the contractor, recipient or subcontractor.

Exemptions – The following contracts and agreements are exempt from the Living Wage Act:

1. Contracts or other agreements that are subject to higher wage level determinations required by federal law (i.e., if a contract is subject to the Service Contract Act and certain wage rates are lower than the District's current living wage, the contractor must pay the higher of the two rates);

2. Existing and future collective bargaining agreements, provided that the future collective bargaining agreement results in the employee being paid no less than the current living wage;

3. Contracts for electricity, telephone, water, sewer or other services provided by a regulated utility;

4. Contracts for services needed immediately to prevent or respond to a disaster or imminent threat to public health or safety declared by the Mayor;

5. Contracts or other agreements that provide trainees with additional services including, but not limited to, case management and job readiness services, provided that the trainees do not replace employees subject to the Living Wage Act;

6. An employee, under 22 years of age, employed during a school vacation period, or enrolled as full-time student, as defined by the respective institution, who is in high school or at an accredited institution of higher education and who works less than 25 hours per week; provided that he or she does not replace employees subject to the Living Wage Act;

7. Tenants or retail establishments that occupy property constructed or improved by receipt of government assistance from the District of Columbia; provided, that the tenant or retail establishment did not receive direct government assistance from the District of Columbia;

8. Employees of nonprofit organizations that employ not more than 50 individuals and qualify for taxation exemption pursuant to Section 501 (c) (3) of the Internal Revenue Code of 1954, approved August 16, 1954 (68 A Stat. 163; 26. U.S.C. §501(c)(3));

9. Medicaid provider agreements for direct care services to Medicaid recipients, **provided, that** the direct care service is not provided through a home care agency, a community residence facility, or a group home for persons with intellectual disabilities as those terms are defined in section 2 of the Health-Care and Community Residence Facility, Hospice, and Home Care Licensure Act of 1983; D.C. Official Code § 44-501; and

10. Contracts or other agreements between managed care organizations and the Health Care Safety Net Administration or the Medicaid Assistance Administration to provide health services.

Enforcement

The Department of Employment Services (DOES) Office of Wage-Hour and the D.C. Office of Contracting and Procurement share monitoring responsibilities.

Furthermore, as of November 12, 2015, the US Court of Appeals upheld "The Home Care Final Rule", issued on October 1, 2013, which had an effective date of January 1, 2015. The Department of Labor issued the Home Care Final Rule to extend overtime protections to home care workers. Employers within this industry are now subject to recordkeeping provisions.

If you learn that a contractor subject to this law is not paying at least the current living wage, you should report it to the contracting officer. If you believe that your employer is subject to this law is not paying at least the current living wage, you may file a complaint with the DOES Office of Wage - Hour, located at 4058 Minnesota Avenue, N.E. Suite 3600, Washington, D.C. 20019, call (202) 671-1880, or file your claim on-line: www.does.dc.gov. Go to "File a Claim" tab.

For questions and additional information, contact the Office of Contracting and Procurement at (202) 727-0252 or the Department of Employment Services on (202) 671-1880.

Please note: *This fact sheet is for informational purposes only as required by Section 106 of the Living Wage Act. It should not be relied on as a definitive statement of the Living Wage Act or any regulations adopted pursuant to the law.*