



CITY OF BOSTON JOBS AND LIVING WAGE ORDINANCE

THE LIVING WAGE DIVISION • (617) 918-5236

NOTICE TO VENDORS

Requirements of the Boston Jobs and Living Wage Ordinance

All City of Boston departments awarding service contracts must provide vendors responding to Invitation for Bids (IFB), Request for Proposals (RFP) and unadvertised contracts with a copy of this notice.

1. **COVERED VENDOR:** Any for-profit or not-for-profit employer who employs at least 25 full-time equivalents (FTEs) and who has been awarded a service contract of \$25,000 or more from the City of Boston must comply with the provisions of the Boston Jobs and Living Wage Ordinance. FTE is defined in the ordinance as a formula to calculate the number of employee work hours which equal one full-time position. For the purposes of this ordinance, full-time shall mean the standard number of working hours, between 35 hours and 40 hours per week that is used by the covered vendor to determine full-time employment.
2. **COVERED SUBCONTRACTOR:** Any subcontractor, who is awarded a subcontract of \$25,000 or more from a Covered Vendor and the subcontract is paid from the funds of the City of Boston service contract, **is also a Covered Vendor** and must comply with the provisions of the Boston Jobs and Living Wage Ordinance.
3. **AFFIDAVIT AND AGREEMENT REQUIRED:** All vendors proceeding with IFBs, RFPs or Unadvertised Contracts must file a Vendors Living Wage Affidavit (Form LW-8). At the time a Covered Vendor is awarded a service contract or signs an unadvertised service contract with the City of Boston, the Covered Vendor must execute and file a Covered Vendors Living Wage Agreement (Form LW-2).
4. **PAYMENT OF LIVING WAGE:** Covered Vendors subject to the ordinance **must pay the living wage** to all their employees who expend time on a covered service contract or covered service subcontract. **The living wage is subject to an annual adjustment each July 1st.** On July 1st, 2019 the living wage will rise to **\$15.31/hr.**
5. **MAINTENANCE OF PAYROLL RECORDS:** Each Covered Vendor shall maintain payrolls for all Covered Employees and basic records relating thereto for a period of three years. The records shall contain the name and address of each employee, job title and classification, number of hours worked each day, gross wages, deductions made, actual wages paid, a copy of the social security returns, and evidence of payment thereof, a record of fringe benefit payments including contributions to approved plans, funds or programs and/or additional cash payments, and such other data as may be required by the Living Wage Division from time to time.
6. **EXAMINATION OF PAYROLL RECORDS:** Each Covered Vendor shall permit the Living Wage Administrator or his/her designee to observe work being performed upon the work site, to interview employees and to examine the books and records relating to the payrolls being investigated.

- 7. COVERED EMPLOYEE FACT SHEET (FORM LW-4) AND POSTER:** All Covered Vendors shall provide each Covered Employee with a *Covered Employee Living Wage Fact Sheet (Form LW-4)* containing information about the ordinance. In addition, all Covered Vendors shall hang a poster containing information about the ordinance in a conspicuous location visible to all employees. The Living Wage Administrator shall provide the fact sheet and poster to Covered Vendors.
- 8. QUARTERLY AND BIENNIAL REPORTS (FORMS LW-9, LW-9A):** Covered Vendors **shall provide quarterly or biannual reports** to the Living Wage Administrator of their employment activities. Not-for-profit vendors with 50 or more FTEs and all for-profit vendors shall be required to provide such reports quarterly. Not-for-profit vendors with less than 50 FTEs shall be required to provide such reports biannually. **If you do not receive a reporting form, contact the Living Wage Division at (617) 918-5236 or visit <https://owd.boston.gov/partner-forms/> to download the appropriate form.**
- 9. EARNED INCOME TAX CREDIT:** Certain employees who earn less than \$54,000 per year **may** be eligible for a federal and/or state tax credit called the Earned Income Tax Credit (EITC). Your payroll clerk is required to keep on hand the appropriate Internal Revenue Service forms (Form W-5), information, and instructions in the event any of your employees requests assistance in claiming these tax credits.
- 10. PENALTIES AND REMEDIES:** In the event the Director of the Living Wage Division determines, after notice and hearing, that any Covered Vendor has failed to pay the living wage or has otherwise violated the provisions of the ordinance, the Director may order any or all of the following penalties and relief:

 - Fines in the amount of \$300 for each Covered Employee for each day that the Covered Vendor is in violation of this ordinance;
 - The filing of a complaint with the pertinent state or federal agency;
 - Wage restitution for each affected employee;
 - Suspension of ongoing contracts and subcontract payments; and
 - Ineligibility for future contracts with the City for three years or until all penalties and restitution have been paid in full.
 - Any other action deemed appropriate and within the discretion and authority of the City.
 - None of the above remedies is intended to be exclusive or a prerequisite for asserting a claim for relief to enforce the right granted under the ordinance in a court of law. The ordinance shall not be construed to limit an employee's right to initiate a court action for wrongful termination.
- 11. FIRST SOURCE HIRING AGREEMENT (FORM LW-10):** All Covered Vendors who are awarded a covered service contract or covered service subcontract shall sign a First Source Hiring Agreement (Form LW-10) with one or more referral agencies or One-Stop Career Centers.
- 12. DESIGNATED DEPARTMENT:** The Living Wage Division of the Office of Workforce Development is the City's "designated department" responsible for the overall implementation, compliance and enforcement of this ordinance. The "contracting department" is the agency awarding the service contract. The Living Wage Division is located at 43 Hawkins Street, Boston, MA 02114, telephone: (617) 918-5236. Any questions concerning the ordinance, regulations, or the current living wage hourly rate, should be referred to the Living Wage Division.
- 13. REGULATIONS:** The Boston Jobs and Living Wage Regulations are available during normal business hours at the Office of the Living Wage Division.