



# COUNTY OF LOS ANGELES WORKFORCE DEVELOPMENT PROGRAMS DIRECTIVE



EFFECTIVE DATE: July 01, 2017

NUMBER: WDP D16-01

## SUBSIDIZED EMPLOYMENT MINIMUM WAGE

### EXECUTIVE SUMMARY

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This directive provides guidance to Service Providers administering County of Los Angeles Workforce Development programs on the County's policy of minimum wage for all subsidized employment within the greater County of Los Angeles.

### REFERENCES

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- County of Los Angeles Minimum Wage Ordinance (LA County Code Ch. 8.100)

### BACKGROUND

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On July 21, 2015, the County of Los Angeles Minimum Wage Ordinance (Ordinance) passed requiring employers to pay their employees who perform at least (2) hours of work per week within the unincorporated areas of the County the effective minimum wage rate. The Ordinance also dictates that the minimum wage rate will increase every year on July 1 until it reaches \$15.00 per hour for employees of all employers, regardless of the size of the employer. The minimum wage rate for employees of large employers with 26 or more employees will gradually increase yearly, starting at \$10.50 per hour on July 1, 2016, then \$12.00 (2017), \$13.25 (2018), \$14.25 (2019), and \$15.00 (2020). The minimum wage for small employers with 25 or less employees will gradually increase, starting at \$10.50 per hour on July 1, 2017, then \$12.00 (2018), \$13.25 (2019), \$14.25 (2020) and \$14.00 (2021). Beginning July 1, 2022, the minimum wage will be adjusted annually based on changes to the Consumer Price Index in order to help workers keep up with the cost of living. Posters announcing the Ordinance are attached to this directive in both English (attachment I) and Spanish (attachment II).

County of Los Angeles Board of Supervisors found it necessary to pass the Ordinance because income inequality is a substantial issue facing the County. The cost of living in the County rises each year while the wages for low income County residents were failing to follow. This often leads to low income workers becoming reliant on the County as a provider of social services which comes with a cost to the community and tax payers. By passing this Ordinance the County ensures workers receive reasonable wages for their work and thereby promotes an employment environment, which protects the government resources and promotes the health, safety, and welfare of workers.

The purpose of this directive is to implement a standard Subsidized Employment Minimum Wage Rate across all cities and unincorporated areas in the County of Los Angeles.

In addition, this directive is to ensure fairness and consistency of minimum wage payment for participants enrolled in subsidized employment amongst all workforce programs funded by County of Los Angeles.

## **POLICY AND PROCEDURES**

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County is requiring that all Service Providers ensure that beginning July 1, 2017, participants enrolled in any subsidized employment service through any workforce development program funded by County of Los Angeles shall be paid at minimum \$12.00 per hour if employed in the greater County of Los Angeles. This policy expands on the Ordinance to include all employers in the County; large employers with 26 or more employees as well as small employers with 25 or less employees, and regardless of city or unincorporated area. Subsidized employment subject to the minimum wage rate requirements of this directive includes, but is not limited to, On-the-Job Training, Paid Work Experience, Paid Internship, and Transitional Jobs.

Therefore, the minimum wage rate requirement for subsidized employment shall increase yearly, starting at \$12.00 per hour on July 1, 2017, then \$13.25(2018), \$14.25 (2019), and \$15.00 (2020) and as updated through County adjustments based on Consumer Price Index statistics thereafter.

## **ACTION**

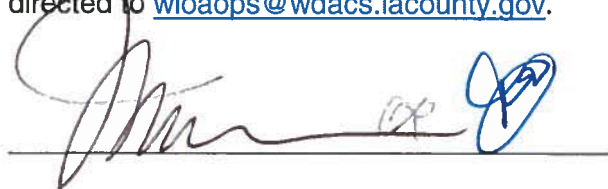
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Service Providers must ensure that the policies and procedures described herein are communicated throughout the operations, management and governance structure of the contractor organization and that this Directive is appropriately maintained until further notice.

## **INQUIRIES**

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Inquiries regarding this directive and the policies and procedures described herein should be directed to [wioaops@wdacs.lacounty.gov](mailto:wioaops@wdacs.lacounty.gov).



**Josie Marquez, Assistant Director  
Workforce and Community Services Branch**

**Attachments:**

- I. County of Los Angeles Minimum Wage Ordinance Announcement (English)
- II. County of Los Angeles Minimum Wage Ordinance Announcement (Spanish)