

OFFICE OF LABOR STANDARDS ENFORCEMENT

PATRICK MULLIGAN, DIRECTOR



Labor Standards Fact Sheet

Information and requirements for contractors and subcontractors bidding on public works contracts in the City and County of San Francisco:

- Pay workers the correct prevailing wage rates for each craft, classification and type of work performed. *SF Administrative Code 6.22(e)(1); CA State Labor Code Section 1773 and 1774*
- Submit certified payroll reports and fringe benefit statements into the City's electronic payroll reporting system (LCPtracker). *SF Administrative Code 6.22(e)(6); CA State LC Section 1776*
- Maintain Office of Labor Standards Enforcement (OLSE) daily sign in sheets documenting all hours worked and the classifications of work performed. *SF Administrative Code 6.22(e)(7)(C)*
- Display OLSE provided posters at the jobsite, informing workers of Prevailing Wage requirements. *SF Administrative Code 6.22(e)(7)(D)*
- Furnish employees with itemized pay stubs and retain payroll records. *CA State Labor Code Section 226*
- Employ apprentices registered in a state-approved apprenticeship program and make apprenticeship training contributions. *CA State Labor Code Section 1777.5*
- Register with the California Department of Industrial Relations (DIR). *CA State Labor Code Section 1725.5*
- Comply with local labor laws including the *Minimum Compensation Ordinance, Health Care Accountability Ordinance, Health Care Security Ordinance, Fair Chance Ordinance and miscellaneous Prevailing Wage Ordinances* where applicable. *SF Administrative Code Ch. 14, 12P, 12Q, 12T and 21C*

- All work is subject to compliance monitoring and enforcement by the San Francisco Office of Labor Standards Enforcement (OLSE). *SF Administrative Code 6.24 and 6.22(e)(7)(A)*
- OLSE Compliance Officers have the right to engage in random inspections of job sites and to have access to the employees of the contractor, employee time sheets, inspection logs, payroll records and employee paychecks. *SF Administrative Code 6.22(e)(7)(B)*
- Failure to comply with prevailing wage requirements shall result in a forfeiture of back wages due plus penalties of not less than \$50 per day per worker, and may result in disqualification as a contractor or subcontractor on any public work or improvement for the City and County of San Francisco for a period of up to five years. *SF Administrative Code 6.22.(e)(8)(A); CA State Labor Code Section 1775*

Labor Standards Resources

The current prevailing wage rates are available on the Internet, from OLSE or the Awarding Department. For specific information about prevailing wage requirements you can visit the websites listed below:

OLSE Website	https://sfgov.org/olse/prevailing-wage <ul style="list-style-type: none"> • Prevailing Wage News • Public Works Requirements • Public Works Tools and Resources for Contractors • Links to Statutory Authority Regarding Prevailing Wage <ul style="list-style-type: none"> ➢ SF Administrative Code, Ch. 6.22 ➢ SF Administrative Code, Ch. 21C ➢ CA Labor Code sections pertaining to Public Works • Link to LCPtracker
DIR Prevailing Wage Rates (including Scope of Work, Travel, and Holiday Provisions)	http://www.dir.ca.gov/OPRL/PWD/
DIR Public Works Contractor Registration	https://www.dir.ca.gov/Public-Works/Contractor-Registration.html
DIR Public Works Manual	http://www.dir.ca.gov/dlse/PWManualCombined.pdf
Apprentice Wage Rates	https://www.dir.ca.gov/oprl/pwappwage/PWAppWageStart.asp
Apprenticeship Programs, Requirements & Forms	http://www.dir.ca.gov/DAS/PublicWorksForms.htm
Contractors State License Status	https://www.cslb.ca.gov/OnlineServices/CheckLicenseII/checklicense.aspx
Information on laws for non - trade employees performing work on City Contracts	www.sfgov.org/olse <ul style="list-style-type: none"> • Minimum Compensation Ordinance (MCO) • Health Care Accountability Ordinance (HCAO) • Health Care Security Ordinance (HCSO) • Paid Sick Leave Ordinance (PSLO) • Paid Parental Leave Ordinance (PPLO) • Fair Chance Ordinance (FCO)

For more information, call OLSE at (415) 554-6573 or email prevailingwage@sfgov.org

GENERAL SERVICES AGENCY

OFFICE OF LABOR STANDARDS ENFORCEMENT

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Citywide Project Labor Agreement (PLA) (SF Public Works and SF Recreation and Parks Only)

Background: On February 18, 2019, the San Francisco Board of Supervisors passed the Citywide Project Labor Agreement Ordinance ([Section 6.27 of the SF Administrative Code](#)). This Ordinance directed the City to negotiate a Project Labor Agreement (PLA) with the San Francisco Building Construction Trades Council.

Effective Date: July 14, 2020

COVERED PROJECTS:

- (1) Funded wholly or in part by a general obligation bond or a revenue bond with an estimated project value which exceeds the following threshold amounts:
 - \$5 Million from 7/14/2020 – 7/13/2021
 - \$3 Million from 7/14/2021 – 7/13/2022
 - \$1 Million from 7/14/2022 – 7/13/2040
- (2) Funded by a source other than a general obligation bond or a revenue bond with an estimated project value which exceeds \$10 million

COVERED CONTRACTORS are required to:

1. Utilize trade appropriate union hiring halls to hire workers
2. Pay fringe benefit contributions on behalf of workers directly to appropriate Union Trust Fund programs
3. Complete and sign a *Letter of Assent, Craft Assignment Form or Statement of Exemptions (for LBE)*
4. Attend a mandatory pre-job conference

CERTIFIED LOCAL BUSINESS ENTERPRISE (LBE) EXEMPTION:

1. Exempt until payments of \$5 million are issued on covered projects
2. The LBE contractor has 30 days to sign a *Letter of Assent* and must comply with the PLA across all current, ongoing, and subsequent covered projects when the LBE reaches \$5M threshold on covered projects
3. LBEs wishing to be exempt from the terms and conditions of the PLA must complete and sign a *Statement of Exemption* form prior to project participation and payroll reporting.

FOR MORE INFORMATION

Visit OLSE website at: <https://sfgov.org/olse/citywide-project-labor-agreement>

PLA Hotline: (415) 554-6573

Email: prevailingwage@sfgov.org

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2022 OLSE/LCPtracker Training Schedule

No fees or registration required

Payroll Reporting Training

*Includes an overview of prevailing wage and Citywide PLA
 (2nd Tuesday of the Month)*

Tuesday, January 11, 2022*	Tuesday, July 12, 2022*
Tuesday, February 8, 2022*	Tuesday, August 9, 2022*
Tuesday, March 8, 2022*	Tuesday, September 13, 2022*
Tuesday, April 12, 2022*	Tuesday, October 11, 2022*
Tuesday, May 10, 2022*	Tuesday, November 8, 2022*
Tuesday, June 14, 2022*	<i>No Training in December 2022</i>

*Live webinars will be conducted on Microsoft Teams. Please visit OLSE's website for up-to-date information.

<https://sfgov.org/olse/trainings>

Time:

For City Staff - upon request - please email prevailingwage@sfgov.org

10:30 am - 12:00 pm - City Contractor & Subcontractors

Webinar:

Available 24/7 & covers the basics of submitting certified payrolls.

<https://sfgov.org/olse/trainings>

For certified payroll reporting training questions, please contact Jimmy Hewitt:
 (415) 554-6211, james.hewitt@sfgov.org

San Francisco Labor Laws for City Contractors

Effective July 1, 2021

Minimum Compensation Ordinance (MCO) – 12P

Wages and Paid Time Off (PTO)

For a company that has 5 employees or greater, anywhere in the world. Includes subcontractors.

Any employee who works on a City contract for services:

- For-profit rate is \$18.55/hour as of 7/1/21
- Non-profit rate is \$17.34/hour as of 7/1/21
- Public Entities rate is \$18.00/hour as of 7/1/21
- 0.04615 hours of Paid Time Off (PTO) per hour worked (can be used as vacation or sick leave, and is vested and cashed out at termination)
- 0.03846 hours of Unpaid Time Off per hour worked – allowed without consequence
- Employee must sign a “Know Your Rights” form
- Posting Requirement

Health Care Accountability Ordinance (HCAO) – 12Q

For a company that has > 20 workers (for profit)/ > 50 workers (nonprofit), anywhere in the world – Includes subcontractors

Any employee who works **at least 20 hours a week** on a City contract for services:

- Either:
 - A) Offer a compliant health plan with no premium charge to the employee. See Minimum Standards
 - OR
 - B) Pay \$5.85 per hour to SF General Hospital (not Healthy San Francisco and not a benefit to employees)
 - OR
 - C) Pay \$5.85 per hour to covered employee. N/A to SFO and San Bruno Jail locations. Employee must live outside of SF and work on a City contract outside of SF. See HCAO for more details.
- Employee must sign a “Know Your Rights” form
- Posting Requirement

Video

<https://youtu.be/Jgy5OpPzQqM>

** Rate changes every July 1

Health Care Security Ordinance (HCSO)

Any employee who works **an average of 8 hours a week** in the City of San Francisco (whether or not on a City contract) and is **not covered by the HCAO**:

- Spend \$2.12 or \$3.18 (depending on your size) per hour on their health care (e.g. health insurance, or a contribution to Healthy San Francisco)
- Employee can only waive their rights:
 - o By signing an official HCSO voluntary waiver, and
 - o If they show they have insurance through another employer
- Posting Requirement

Fair Chance Ordinance (FCO) – 12T

Hiring Process

- You may not ask about criminal background in a job application or at the start of the hiring process
- Job announcements must include language specified by the law
- You may inquire into criminal background after an interview or once a conditional offer has been made
- If you intend to consider criminal background in your hiring decision, you must give the applicant the opportunity to provide evidence of rehabilitation or mitigating circumstances
- Posting Requirement

Office of Labor Standards and Enforcement (OLSE)

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