

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 Labor & Employment Code 101.1, 103.1; 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 Labor & Employment Code 103(e)(2)(A); 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 Labor & Employment Code 103.3(c)(3)*
- Display OLSE provided posters at the jobsite, informing workers of Prevailing Wage requirements. *SF Labor & Employment Code 103.3(c)(4)*
- Furnish employees with itemized pay stubs and retain payroll records. *SF Labor & Employment Code 103.3(e)(1) and (2); CA State Labor Code Section 226*
- Employ apprentices registered in a state-approved apprenticeship program and make apprenticeship training contributions. *SF Labor & Employment Code 104.2; 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. *Labor and Employment Code Articles 111, 121, 142 and 102.*

- All work is subject to compliance monitoring and enforcement by the San Francisco Office of Labor Standards Enforcement (OLSE). *SF Labor & Employment Code 103.3(c)(1)*
- 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 Labor & Employment Code 103.3(c)(2)*
- 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 Labor & Employment Code 103.3(c)(5) and 106; CA State Labor Code Section 1776(h)*

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://sf.gov/information/understanding-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">➢ Labor and Employment Code Art.102➢ 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/CheckLicensell/checklicense.aspx
Information on laws for non - trade employees performing work on City Contracts	www.sf.gov/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



2026 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 13, 2026*	Tuesday, July 14, 2026*
Tuesday, February 10, 2026*	Tuesday, August 11, 2026*
Tuesday, March 10, 2026*	Tuesday, September 08, 2026*
Tuesday, April 14, 2026*	Tuesday, October 13, 2026*
Tuesday, May 12, 2026*	Tuesday, November 10, 2026*
Tuesday, June 09, 2026*	<i>No Training in December 2026</i>

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

<https://sf.gov/take-payroll-training>

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://sf.gov/take-payroll-training>

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 January 1, 2026

Labor Requirements per CCSF Contract

Minimum Compensation Ordinance (MCO)

Wages and Time Off Requirements

Covered Employers

- Applies to a company that has 5 or more employees, anywhere in the world AND subcontractors working on the City Contract

Covered Employees

- Any employee who works on a City contract for services

Employer Requirements

- **For-profit rate** is \$21.54/hour as of 7/1/25
- **Non-profit rate** is \$21.55/hour as of 7/1/25; \$23.00/hour as of 1/1/26
- **Public Entities rate** is \$22.00/hour as of 1/1/25; \$23.00/hour as of 1/1/26
- 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
- Posting Requirements
- Employee must sign a “Know Your Rights” form

Contact the MCO unit: mco@sfgov.org and (415) 554-7903

Health Care Accountability Ordinance (HCAO)

Covered Employers

- If a non-profit with a grant contract, the contract is exempt from HCAO
- For a company that has > 20 workers (for profit) / > 50 workers (nonprofit), anywhere in the world
- Applies to your subcontractors working on the City Contract.

Covered Employees

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

Employer Requirements

- A) Offer a compliant health plan with no premium charge to the employee. See Minimum Standards
OR
- B) Pay \$7.50* per hour to SF General Hospital (not Healthy San Francisco and not a benefit to employees)
OR
- C) Pay \$7.50* 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.

- Posting Requirements
- Employee must sign a “Know Your Rights” form

*Rate changes every July 1

Contact the HCAO unit: hcao@sfgov.org and (415) 554-7903

City and County Labor Laws for Companies Operating in the City & County of San Francisco

Health Care Security Ordinance (HCSO)

Covered Employers

- Employers with 20 or more workers worldwide

Covered Employees

- 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**

Employer Requirements

- As of 1/1/2026, spend \$2.74* or \$4.11* (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:
 - By signing an official HCSO voluntary waiver, and
 - If they show they have insurance through another employer
- Posting Requirement

* Rate changes every January 1st

Contact the HCSO unit: hcso@sfgov.org and (415) 554-7892

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