

# 2013 Living Wage FAQs

## **What is a Living Wage as it pertains to the Living Wage Act of 2006?**

Effective June 2006, the “Living Wage Act of 2006,” 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 employees wages no less than the current living wage rate, as calculated by the Act. All subcontractors of contracts for \$15,000 or more must also pay their affiliated employees the living wage. (*Refer to [Living Wage Act of 2006](#) for full definition*).

## **Is the announcement retroactive? What period does this announcement cover?**

Yes. The \$13.40 rate is retroactive to January 2013.

## **Are contractors required to provide back pay for affiliated employees prior to 2013 on contemporaneous contracts?**

The District announced the calculated living wage for 2013, effective January 1, 2013 at \$13.40 an hour for affiliated employees of employers who received government assistance in the amount of \$100,000 or more. Some affiliated employees may be eligible for back pay differentials from these employers for previous years on contemporaneous contracts as allowed by law. *Contract employers are responsible for any change in living wage calculation for previous years.* Claims may be submitted to Office of Wage-Hour online at [does.dc.gov](http://does.dc.gov).

Affected employers may request a waiver if employee backpay differentials on contemporaneous contracts poses a significant financial hardship. Refer to Section 109 of the Living Wage Act (D.C. Official Code § 2-220.09 or Section 1008 of the Living Wage Final Rules for requirements needed for a waiver.

## **When will the 2014 rate be announced?**

The Department of Employment Services will calculate the adjustment no later than March 1, 2014, using the Consumer Price Index for all Urban Consumers in the Washington Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor up to 3%.

## **Are home care agencies, community residence facilities, or a group home for mentally retarded persons exempt from paying a living wage?**

No. These entities must pay a living wage. Section 111 of the Living Wage Act of 2006 requires these entities to begin paying a living wage once the law's rules are published and state plan amendments are approved. Both of these have occurred.

## **Are District government employees currently paid the living wage?**

Yes. Only employees who are considered trainees by law are paid less than the current living wage.