

Definitions for purposes of this document:

- **County of Sonoma (“County”)**: the political subdivision of the state governed by the Board of Supervisors
- **county**: the cities and towns located in the geographical location of Sonoma County
- **Living Wage Ordinance (LWO)**: Sonoma County Code Section 2-373 et seq.

Living Wage Ordinance (LWO) Summary

General Applicability: Contracts with County

The LWO generally applies to:

- For-profit service contractors that have service contracts with the County of Sonoma totaling \$25,000 or more in a 12-month period; applies to subcontractors
- Non-profit service contractors that have service contracts with the county of Sonoma totaling \$50,000 or more in a 12-month period; applies to subcontractors
- Entity or person who is an economic development assistance recipient of an amount from the County of Sonoma totaling \$100,000 or more in a 12-month period

In general, the LWO:

- Applies only to those covered employees who reside in the U.S.
- Applies only to those covered employees who spend 20% or more, or 8 hours or more per week, of his/her work time on work arising from or in connection with the subject contract

General Applicability: County Lessees, Concessionaires

- Applies to those County real property agreement holders that employ 25 employees or more (regardless of location) and have \$350,000 or more in annual gross receipts; applies to certain types of sub-agreement holders and subcontractors

General Applicability: Fair

- Fully applies to Fair lessees and service providers
- Fair temporary or seasonal employees: must be paid living wage rate (other LWO benefits do not apply)
- Fair vendors and concessionaires are exempt
- Fair permanent employees, as County of Sonoma employees, are exempt

Rate

Effective July 1, 2025, the County of Sonoma’s living wage rate is \$23.15 per hour.

- If covered employer offers either health or retirement benefits, the rate is \$21.65 per hour (\$1.50 less than the current rate)
- If covered employer offers both health and retirement benefits, the rate is \$20.15 per hour (\$3.00 less than the current rate)
- Rate will change annually based on the October Consumer Price Index for the San Francisco Bay Area published by the Bureau of Labor Statistics, with the effective date of any rate change to be July 1 of the following year
- Every four years, there will be a periodic review and potential of the living wage rate that is separate from the annual cost-of-living increase

Living Wage FAQ

Does the County of Sonoma's Living Wage Ordinance (LWO) apply to all wage earners who work in the county?

No. The LWO generally only applies to certain service contractors that have a contract with the County of Sonoma, certain economic assistance recipients, and certain leaseholders and others who use County of Sonoma property.

I'm an employee at an LWO-covered contractor of the County. My employer offers both health and retirement benefits and so my employer receives \$3.00 off the current living wage rate and pays \$20.15 per hour. If I voluntarily decline both health and retirement benefits, am I entitled to receive the full LWO rate of \$23.15 per hour?

No. The County of Sonoma encourages its contractors to offer health and retirement benefits to their employees, so if an individual employee can subscribe to either of these benefits but voluntarily declines, the employer still receives the relevant "discount."

I'm an employee at an LWO-covered contractor of the County. My employer offers health plan options for me and my dependents. Does my employer have to cover the full cost of the insurance premiums for me and my dependents, to qualify for the reduced LWO hourly rate?

No, payment of the full cost of insurance premiums is not the only way to satisfy the LWO for purposes of the wage credit. The LWO (Sonoma County Code 2-377(c)) states that an employer who "contributes to the provision" of health care benefits for covered employees and their dependents may take the wage rate credit. What it means to "contribute" could mean a wide variety of things. For most small-size (less than 50 full time employees) employers, any health care plan provided is a 'contribution' since such employers are not legally obligated to provide any health insurance in the first place. And while plan coverage and details such as premium costs do vary, employer-sponsored health care plans typically offer favorable coverage, cheaper rates, and other advantages, such as being payable on a pre-tax basis. These benefits and advantages all may serve as ways that an employer can "contribute" to provision of health care for LWO wage credit purposes.

I'm an employee for a private company that leases a building from the County in Santa Rosa. My job requires me to drive around the North Bay to serve our customers and I am rarely at the Santa Rosa building. My company has no other contracts with the County or any of its affiliated entities. Am I entitled to living wage rates under the LWO?

Most likely, no. For purposes of determining applicability of the LWO relating to employers who lease County property, the LWO (Sonoma County Code 2-376.1(b)) defines covered workers as only those who spend 20% or more of work time, or eight hours or more per week, on work at "the subject property," which here would be the leased property. For your company, drivers who do spend the minimum time at the leased building would be entitled¹ to living wage rates, whereas those drivers who don't, would not.

¹ Assuming the company is otherwise a covered employer, in accordance with Sonoma County Code 2-376.1(a).