

Let's Give Oakland Voters a Choice on Minimum Wage...

The Oakland Sustainable & Fair Compensation Act of 2014

A sustainable and fair compromise to the Lift Up initiative that is slated for the November 2014 ballot in Oakland.

- **Includes reasonable phase in \$13 in 3:** Instead of increasing overnight to \$12.25 on Mar. 2, 2015 (a 53% increase in less than 9 months) as with Lift Up (“Initiative”), this Act would increase the minimum wage in Oakland to \$13/hr in three years as follows:

- Med-Large organizations (over 20 FTEs): \$13 by July 1, 2017, starting with \$11 on July 1, 2015, \$12 in 2016, and then indexed to inflation from 2018 on
- Small organizations (20 FTEs or less): \$13 by July 1, 2019 (2-year reprieve), starting at \$11 on July 1, 2017 and following the same steps as for med/large

| Year | Existing Lift Up Initiative | 13 in 3: Med-Large Orgs (>20 FTEs) | 13 in 3: Local/ Small Business & Non-Profits |
|-------------|------------------------------------|--|---|
| 2014 | 8/9 | 8/9 | 8/9 |
| 2015 | 12.25 | 11 | 9 |
| 2016 | 12.53 | 12 | 10 |
| 2017 | 12.81 | 13 | 11 |
| 2018 | 13.11 | 13.30 | 12 |
| 2019 | 13.42 | 13.60 | 13 |
| 2020 | 13.72 | 13.92 | 13.30 |

- Small organization <= 20 FTEs (Full Time Equivalents working 40 hrs/wk; vs. Lift Up’s definition of 10 employees or less working at least 2 hrs/wk for an employer)
- **Provides paid sick leave:** Sick pay accrual of 1 hour for 30 hours worked up to 3 days for small businesses (<=20) and 5 days for med/large businesses versus Lift Up’s 5 days for “small businesses” 10 employees or less and 9 days for employers over 10 employees.
- **Protects small local restaurants by accounting for gratuities:** Many “minimum wage” employees make several times minimum wage with gratuities, which would be accounted for by this Act but are not taken into account by the Lift Up initiative.
- **Youth and summer internships and trainee programs NOT included:** Trainee programs and youth internship programs and trainees would not be subject to this Act as they are in the Initiative, instead following the 25% state minimum wage increase already approved (or another yet to be approved in the future at the state or federal level).
- **Social service-providing employees on fixed reimbursements NOT included:** Direct care social service employees whose salaries are paid by fixed state/federal reimbursements would not be subject to this Act as they are by the Initiative, instead following the 25% state minimum wage increase already approved (or another yet to be approved in the future at the state or federal levels of government).
- **Collective bargaining agreements exempted:** Collective bargaining agreements would be exempted by this Act the same way they are exempted by the Initiative.
- **No other provisions:** Unlike the Initiative, this Act has no other provisions, as it already would enact two major cost-driving policies at the same time – increasing the minimum wage and providing paid sick leave.

Why this proposal makes sense for Oakland...

This proposal offers a sustainable way to achieve fair and sustainable compensation for Oakland workers, small/local businesses, and non-profit organizations:

- ✓ **Phase-in critical for all business and non-profit organization planning**
- ✓ **Aligns with regional and statewide approaches, offering a level playing field for businesses and non-profit organizations**
- ✓ **Offers extra protections for small businesses, non-profits, and local restaurants**
- ✓ **Protects youth internships and job training programs that would otherwise be impacted**
- ✓ **Protects social services that would otherwise be put out of business**
- ✓ **Avoids costly and divisive lawsuits**
- ✓ **Avoids costly and divisive campaigns**

Bottom Line: Keep Oakland's Economy Booming for All!

This is a sustainable approach to achieving fair and sustainable compensation that will keep Oakland's economy booming and ensure that the boom benefits more of those in need.