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BUREAU OF CONTRACT ADMINISTRATION

1149 S. BROADWAY, SUITE 300 LOS ANGELES, CA 90015 (213) 847-1922

http://bca.lacitv.gov

June 27, 2025

To: ALL CITY CONTRACTORS SUBJECT TO THE LIVING WAGE ORDINANCE

JULY 1, 2025 LIVING WAGE ORDINANCE WAGE RATE INCREASE

In accordance with Section 10.37.2(a) of the Los Angeles Administrative Code, the Bureau of Contract Administration hereby issues this notice. Section 10.37.2 (a) of the Living Wage Ordinance provides that the wage rates paid to employees working on contracts subject to the Ordinance shall be adjusted annually.

The living wage rates, effective July 1, 2025, will increase to \$17.87 per hour with health benefits remaining at \$1.25 per hour, or \$19.12 per hour if health benefits are not provided. For "Airport Employees," the living wage rate, effective July 1, 2025, will increase to \$19.87 per hour with health benefits increasing to \$6.09 per hour, respectively or \$25.96 per hour if health benefits are not provided.* These increases are applicable to service contractors, lessees, licensees, City financial assistance recipients, and their subcontractors who are subject to the Living Wage Ordinance. Additionally, subject contractors, lessees, licensees and City financial assistance recipients are required to notify their subcontractors, if any, of the wage rate adjustments, and to ensure that the increases are provided to their affected employees beginning July 1, 2025.

Contractors that have been exempt from the provisions of the Living Wage Ordinance must provide notice of the living wage adjustment to their subcontractors, to ensure their compliance with the Living Wage Ordinance. Contractors with a collective bargaining supersession waiver or any other exemption from the LWO must still ensure compliance with the City Minimum Wage Ordinance.

The 8½" x 11" "Notice to Employees" (English & Spanish) must be provided to all affected employees. It is suggested that a copy be distributed with their paychecks. Also, the aforementioned notices and the "Living Wage Ordinance Notice to Employees" poster are available on the BCA website (bca.lacity.gov) by clicking on the "Living Wage Rates and Posters" link on the home page. Please print and display in a conspicuous location accessible to all affected employees.

*A referendum petition was filed against the ordinance amending the Living Wage Ordinance (Council File #14-1371-S13). As a result, the amendment to the Living Wage Ordinance is suspended until such time the City Clerk determines whether the referendum petition is Sufficient. If the City Clerk determines the referendum petition is Sufficient, the amendment will remain suspended until further notice. However, if the City Clerk determines the referendum petition is Insufficient, the day following the Clerk's determination the cash rate will be \$22.50 per hour and the health benefit will be \$7.65 per hour. (Amended Sections 10.37.2(a)(2)(i)(b) and 10.37.2(a)(2)(ii)(b) of the Los Angeles Administrative Code). The status of the Referendum Against Ordinance #188610 may be found here.



Please be advised that Los Angeles Administrative Code Section 10.37.6(c) states in part:

Compliance with this article shall be required in all City contracts to which it applies. Contracts shall provide that violation of this article shall constitute a material breach thereof and entitle the Awarding Authority to terminate the contract and otherwise pursue legal remedies that may be available.

If you have any questions regarding the Living Wage Ordinance, you may contact the Office of Contract Compliance via email at BCA.EEOE@lacity.gov.

Sincerely,

McGlinchey, Lynda McGlinchey,

Compliance Program Manager II Bureau of Contract Administration

