

COMMITTEE STAFF SUMMARY

Labor Workforce & Development Committee

Ordinance (Document 2025-178): Add Fair Wage Policy Code for certain City service contracts (add Code Chapter 5.70) (Ordinance)

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| Action Date: | April 24, 2025 |
| Committee Action: | Referred to full Council with recommendation that it be passed |
| Votes: | 5-0 |
| Ayes: | Kanal, Novick, Green, Dunphy, Smith |
| Nays: | N/A |
| Absent: | N/A |
| Impact Statements: | Financial and Budget Analysis, Community Impacts and Community Involvement |
| Prepared by: | Ashley Hernandez, Council Operations Coordinator |
| Committee meetings: | April 24, 2025 |

WHAT THE ORDINANCE DOES:

The ordinance (Document 2025-178) adds City Code Chapter 5.70. For the Fiscal Year 2024-2025, the hourly wage rate for contracts involving covered services will be set at \$19.80. In Fiscal Year 2025-2026, this hourly wage rate will be adjusted to \$19.80, plus a percentage increase based on the Cost of Living Adjustment (COLA), determined by the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the West Region.

ISSUES DISCUSSED:

- Discussed how the Council can continue to verify legislation effectively

PUBLIC TESTIMONY IN COMMITTEE:

A person submitted written testimony after the committee meeting, highlighting the fairness of the ordinance.

BACKGROUND:

The City's Fair Wage Policy was established under Ordinance No. 174839, which took effect on August 24, 2000, and is outlined in Chapter 3.99 of Portland City Code. This policy mandated that workers on city-funded contracts receive a minimum hourly wage and a total compensation package, which is adjusted annually based on the Portland-Salem Consumer Price Index (CPI-W).

On November 20, 2024, the City Council passed Ordinance 191973 repealing Portland City Code 3.99 (Fair Wage Policies) as part of the Charter Reform Code review and amendment project aimed at aligning City Code with the new Charter. PCC 3.99 outlined administrative contract requirements for contractors but was considered redundant due to the guidelines set by the State's Oregon Forward program.