



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 180846 (As Amended, 11/20/18)

Introduced September 27, 2018

**Councilmembers Squilla, Quiñones Sánchez, Parker, Blackwell, Bass,
Greenlee, Henon, Gym, Jones, Council President Clarke, Councilmembers
Johnson, Green and Reynolds Brown**

**Referred to the
Committee on Labor and Civil Service**

AN ORDINANCE

Amending Section 17-1305 of The Philadelphia Code, entitled "Compensation Required to be Paid to Employees," to revise the compensation required to be provided in connection with application of the Philadelphia 21st Century Minimum Wage Standard; and amending Section 19-2604 of the Code, entitled "Tax Rates, Credits, and Alternative Tax Computation," to make the wage rates related to the tax credit for new job creation consistent with Section 17-1305; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 17-1305 of The Philadelphia Code is hereby amended to read as follows:

§ 17-1305. Compensation Required to be Paid to Employees.

Except as otherwise provided in this Chapter, an Employer subject to this Chapter shall provide its covered Employees the following minimum compensation:

- (1) Minimum Wage Standard. The Employer shall pay each Employee an hourly wage, excluding benefits, equal to: [at least the higher of:
 - (a) 150% of the federal minimum wage or
 - (b) \$12.00 multiplied by the CPI Multiplier, provided that the minimum wage shall not be less than the previous year's minimum wage. The CPI

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Multiplier shall be calculated annually by the Director of Finance, for wages to be provided on and after January 1 of each year by dividing the most recently published Consumer Price Index for all Urban Consumers (CPI-U) All Items Index, Philadelphia, Pennsylvania, by the most recently published CPI-U as of January 1, 2015.]

(a) *Between January 1, 2019 and June 30, 2019, \$12.40;*

(b) *Between July 1, 2019, and June 30, 2020, \$13.25;*

(c) *Between July 1, 2020, and June 30, 2021, \$13.75;*

(d) *Between July 1, 2021, and June 30, 2022, \$14.25;*

(e) *Between July 1, 2022 and June 30, 2023, \$15.00; and*

(f) *Starting July 1, 2023, and thereafter, \$15.00 multiplied by the CPI Multiplier, provided that the minimum wage shall not be less than the previous year's minimum wage. The CPI Multiplier shall be calculated annually by the Director of Finance, for wages to be provided on and after July 1 of each year, by dividing the most recently published Consumer Price Index for all Urban Consumers (CPI-U) All Items Index, Philadelphia, Pennsylvania, by the most recently published CPI-U as of July 1, 2022.*

* * *

SECTION 2. Section 19-2604 of The Philadelphia Code is hereby amended to read as follows:

§ 19-2604. Tax Rates, Credits, and Alternative Tax Computation.

* * *

(7) Credit for New Job Creation.

(a) Definitions. For purposes of this subsection, the following definitions shall apply.

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(3) New Job. A full-time job, created within the City and County of Philadelphia by a company within five (5) years from the start date, the average hourly rate, excluding benefits, for which must be equal to [at least the higher of:

(i) 150% of the federal minimum wage or

(ii) \$12.00 multiplied by the CPI Multiplier. The CPI Multiplier shall be calculated annually by the Director of Finance, for wages to be provided on and after January 1 of each year by dividing the most recently published Consumer Price Index for all Urban Consumers (CPI-U) All Items Index, Philadelphia, Pennsylvania, by the most recently published CPI-U as of January 1, 2015.] *the minimum wage rate then applicable as set forth in Section 17-1305 of this Code (entitled "Compensation Required to be Paid to Employees")*.

* * *

SECTION 3. This Ordinance shall be effective 120 days after it becomes law, and shall apply to all contracts, contract amendments and contract renewals entered into, and financial aid provided, thereafter, regardless whether a request for proposals or invitation to bid was issued before or after the effective date. The escalating wage requirements set forth in this Ordinance, including adjustments based on a CPI multiplier, shall apply to any such contract, contract amendment or contract renewal on the respective dates provided for in this Ordinance during the course of the contract only with respect to contracts of longer than one year. During the course of a contract, amendment or renewal with a term of a year or less, the wage rate at the time the contract, amendment or renewal is effective shall remain the wage rate for the duration of such contract, amendment or renewal with a term of one year or less; any escalation of the wage rate shall apply if such term is extended by a contract amendment or renewal, but shall apply only to work performed during such extended period. For purposes of this Section 3, the term "contract" includes any contract, lease, license, concession agreement, franchise agreement or agreement for financial aid.

Explanation:

[Brackets] indicate matter deleted.
Italics indicate new matter added.

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