

No.	Decision Points	Descriptions
1	Effective date of the minimum wage rate change	July 1 st of every year
2	The annual minimum wage increases	<ul style="list-style-type: none"> • \$1.50hr in year 2 • \$1.25hr in year 3 • \$1.25hr in year 4 • \$1.00hr in year 5 • \$ 0.75hr in year 5 • Annually thereafter, the minimum wage would increase based on the consumer price index for Urban Wage Earners and Clerical Workers (CPI-W) for the Los Angeles Metropolitan area, published by the Bureau of Statistics
3	MWO application to small businesses	<ul style="list-style-type: none"> • For the first five years of the MWO small businesses were offered a deferral rate, which was one year behind the minimum wage rate for all other businesses. <ul style="list-style-type: none"> ○ To qualify as a small business, the average number of employees employed for the previous calendar year or for new businesses the average number of employees employed during the first pay period must be 25 or less. • On July 1, 2022, the minimum wage rate became the same for all businesses.
4	MWO application to non-profit corporations	<ul style="list-style-type: none"> • Non-profit organizations with 26 or more employees were allowed to apply for the deferral rate with compelling evidence such as <ul style="list-style-type: none"> ○ The CEO or highest paid employee's salary (calculated on an hourly basis) must be less than five times the lowest wage paid. ○ Is a transitional employer ○ Serves as a child-care provider ○ Is funded primarily by city, county, state or federal grants or reimbursements

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5	MWO application for non-profit corporations which qualify as a Transitional Employers	<ul style="list-style-type: none"> • Can receive a limited exemption that allows the Non-profit/Transitional employer to pay an employee holding a transitional job wage less than the City's minimum wage during the first 18 months of employment. • Transitional employers are defined as nonprofits that have been certified by the City and "provide supportive services and transitional jobs for the hardest to employ." "Hardest to employ" is defined to mean those "persons who have been out of the workforce for an extended period of time and who face considerable barriers when trying to enter the mainstream workforce."
6	MWO application to employees age 14-17	<ul style="list-style-type: none"> • Employees who are 14-17 years of age shall be paid not less than 85 percent of the minimum wage (rounded to the nearest nickel) during their first 160 hours of employment. After 160 hours of employment, they will be paid the applicable minimum wage rate.
7	MWO application to different types of businesses	<ul style="list-style-type: none"> • The City of Los Angeles has a separate MWO for Hotel Workers and Healthcare Workers.
8	Sick Time Benefits	<ul style="list-style-type: none"> • The City of Los Angeles MWO requires employers to offer employees paid sick leave if employees work 30 days or more within a year. • Paid sick leave starts accruing on the first day of employment. • The employee may use paid sick leave after the 90th day of employment. • Employers must provide either 48 hours of paid sick leave at the beginning of the year or provide 1 hours of sick leave per every 30 hours worked. • Accrued unused paid sick leave shall carry over to the following year of employment and may be capped at 72 hours. • Payout of the accrued paid sick leave is not required upon termination, resignation, retirement or other separation from employment. • If an employee is separated and rehired within one year of the separation, previously accrued and unused paid sick leave shall be reinstated.

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9	Enforcement of MWO	<ul style="list-style-type: none"> • The City of Los Angeles' Office of Wage Standards of the Bureau of Contract Administration in the Public Works Division bears the administrative responsibilities of the MWO. • This Division is responsible for investigating possible violations of the MWO. • After the investigation, this division has the authority to issue notices of corrections if it has been determined that there is a violation of the MWO. • There is an administrative appeal process, and a hearing officer is assigned to conduct the hearing. • The hearings shall be open to the public and tape recorded.
10	MWO Violation and Fine Amounts	<ul style="list-style-type: none"> • Up to \$500 <ul style="list-style-type: none"> ○ Failure to post notice ○ Failure to allow access to payroll records ○ Failure to maintain payroll records ○ Failure to allow access for inspection of books and records or to interview employees ○ Failure to provide employers name, address, and telephone number in writing ○ Failure to cooperate with the Division's investigation ○ Failure to post Notice of Correction to employees • Up to \$1000 per employee <ul style="list-style-type: none"> ○ Retaliation for an employee exercising rights under the MWO • Late Payment Penalty <ul style="list-style-type: none"> ○ 10% of the administrative fine for each month the amount is unpaid ○ Compounded each month to include already accrued late administrative fines and penalties that remain unpaid
11	MWO Reports	<ul style="list-style-type: none"> • The MWO requires that every three years staff commission a study to review the state of the City's economy; minimum wage impacts to select industries. • The MWO also requires that economic data, including jobs, earnings and sales tax is collected on an annual basis.