

CITY AND COUNTY OF SAN FRANCISCO

# Office of Labor Standards Enforcement

ANNUAL REPORT FISCAL YEAR 2024 - 2025



# Report Highlights

FISCAL YEAR 2024 - 2025

The Office of Labor Standards Enforcement (OLSE) achieved record results for workers and employers in fiscal year **2024-25**. Overall collections exceeded **\$21.6** million, the highest amount in the office's history. This achievement was further reinforced with a record number of cases resolved and workers affected. Year after year, OLSE has set new performance records while meeting the highest standards of public service.

OLSE respectfully submits this report to the Board of Supervisors, satisfying the reporting requirements of the Minimum Wage, Minimum Compensation, Health Care Accountability, Fair Chance, and Formula Retail ordinances while also summarizing OLSE's outcomes for Fiscal Year **2024-2025**.

**\$21.6 Million** in Collections

highest amount ever

**454** Cases Resolved

more than any prior year

**17,767** Workers Affected

highest number in OLSE history

**100,875** Points of Public Engagement

achieved through varied means  
of communication

**NEW** Statutory Authority

Transition Employment legislation,  
effective February 19, 2025

# I. BACKGROUND

1999

- 1. Prevailing Wage - Motor Bus Services
- 2. Prevailing Wage - Janitorial Services
- 3. Public Works Prevailing Wage

2000

- 4. Minimum Compensation

2001

- 5. Health Care Accountability

2002

- 6. Prevailing Wage - Parking Lots & Garages

2003

- 7. Minimum Wage
- 8. Prevailing Wage - Theatrical Workers

2004

- 9. Prevailing Wage - Moving Services

2005

- 10. Sweatfree Contracting
- 11. Professional Services Minimum Contractual Rate

2006

- 12. Prevailing Wage - Solid Waste Hauling
- 13. Paid Sick Leave

2007

- 14. Health Care Security

2008

2012

2013

- 15. Family Friendly Workplace

2014

- 16. Fair Chance
- 17. Prevailing Wage - Trade Shows

2015

- 18. Formula Retail Employee Rights
- 19. Prevailing Wage - Broadcast Services
- 20. Prevailing Wage - City Property, Sales, Transfers, and Leases

San Francisco administers more labor laws than any other local government agency in the United States. This distinction is further reinforced by the recent establishment of the first municipal labor and employment code in the country. Overseeing groundbreaking policies like the nation's first minimum wage (MWO), paid sick leave (PSLO), formula retail (FRERO), and paid parental leave (PPLO) ordinances, OLSE is responsible for cultivating a culture of labor compliance. This is prominently seen in OLSE's administration of the Health Care Security Ordinance (HCSO), a groundbreaking protection for workers and unique to the City.

San Francisco continues to shape labor policies nationwide, with **65** U.S. cities and counties enacting their own minimum wage laws and more than **37** U.S. states, municipalities, and counties adopting paid sick leave laws. Furthermore, cities such as New York, Chicago, Philadelphia, and Seattle have modeled their fair workweek laws after San Francisco's formula retail ordinances, affirming the City's role as a trailblazer in the advancement of worker rights.

These policies only become relevant through effective implementation. OLSE diligently conducts outreach and enforcement initiatives to uphold the growing number of laws passed by San Francisco voters and the Board of

Supervisors. These two pages provide a timeline, illustrating the history and evolution of labor policies in San Francisco. Some laws apply exclusively to city contracts, leases, or permits, while others apply to employers citywide. Appendix A, located at the end of this report, provides a breakdown of labor laws enforced by OLSE.

The timeline only reflects the initial passage of each law and does not capture subsequent amendments. Nearly half of the laws have annually adjusted rates, and many have been legislatively amended (in some cases multiple times), resulting in significant changes in enforcement.

Although not reflected in the timeline, OLSE also monitors new state and federal legislation that could affect local enforcement - **SB 312**, **AB 2488**, and **AB 130** create prevailing wage requirements that impact OLSE's enforcement. Additionally, **AB 2123** eliminates the two-week vacation spend-down requirements for Paid Family Leave, which affects the analysis of PPLO complaints. OLSE is also tracking the progress of **AB 1198** and **SB 79**, which could affect OLSE efforts.

The timeline also does not include pending legislation before the Board of Supervisors or measures that may be calendared as ballot initiatives for future elections.



Contract Laws



Citywide Laws



Both Citywide and Contractor Laws



Expired Laws

- 21. Prevailing Wage - Loading and Unloading

- 22. Prevailing Wage - Security Guards

- 23. Paid Parental Leave

- 24. Lactation in the Workplace

- 25. Consideration of Salary History

- 26. Labor Peace in Port Vessels

- 27. Citywide Project Labor Agreement

- 28. Prevailing Wage Housing Sustainability District

- 29. Public Health Emergency Leave

- 30. Employee Protections

- 31. Health Plan Requirements for Specified COVID-19 Essential Services

- 32. COVID-Related Employment

- 33. Hazard Pay

- 34. Worker Protections

- 35. Domestic Workers Equal Access to Paid Sick Leave

- 36. Residential Construction Wage Theft Prevention

- 37. Paid Health Emergency Leave

- 38. Military Leave Pay Protection

- 39. Displaced Worker Protection

- 40. San Francisco Labor and Employment Code

- 41. Prevailing Wage on Housing Projects

- 42. Transfer Tax Reduction

- 43. Transition Employment Requirements

2016

2017

2018

2019

2020

2021

2022

2023

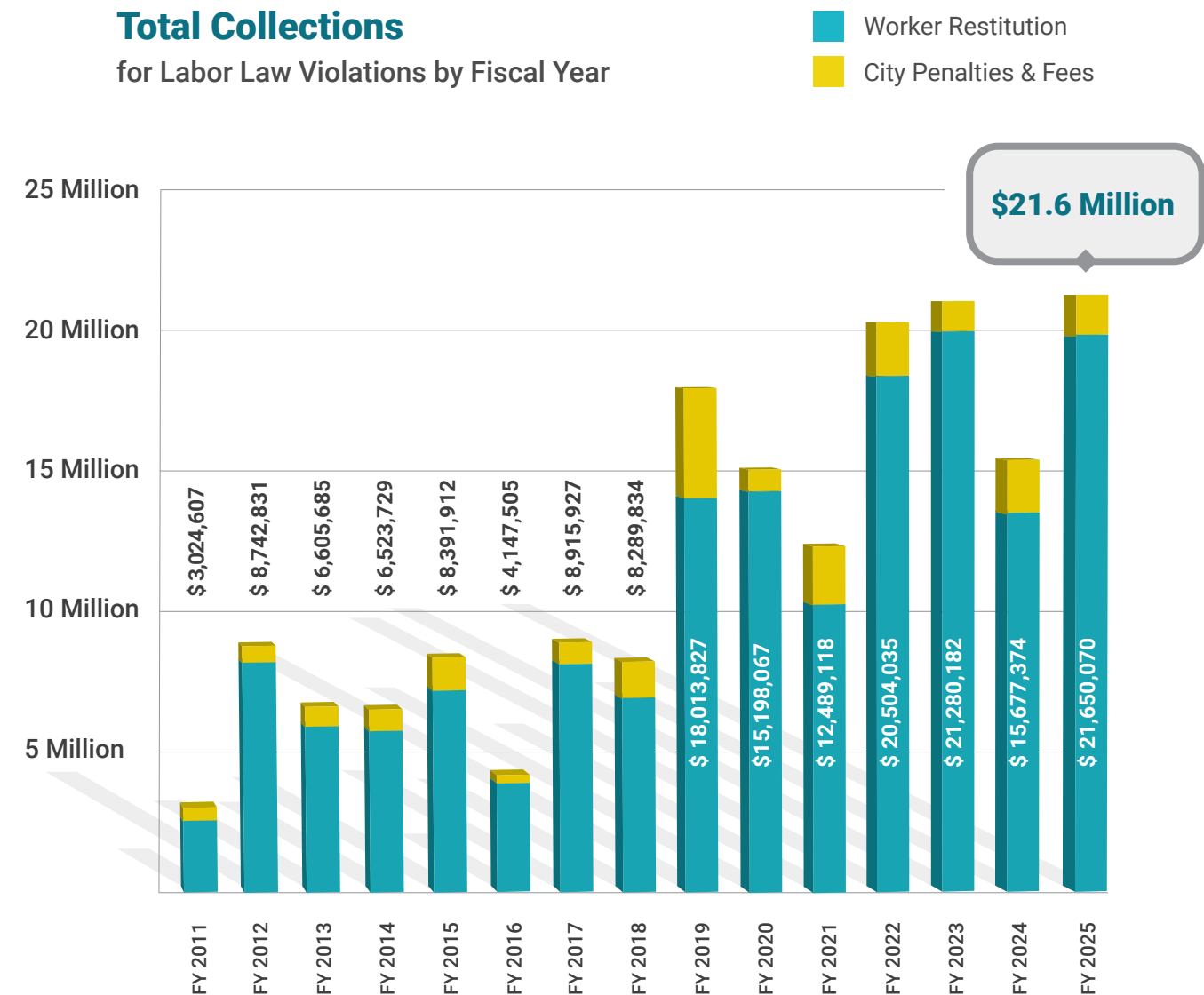
2024

2025

# II. RECORD COLLECTIONS

for workers

OLSE achieved record results for San Francisco workers in fiscal year 2024-25. Over **\$21.6 million** was collected in restitution and penalties; the highest amount ever collected. The total amount includes back wages, benefits, penalties, and interest paid directly to workers as a result of enforcement actions by OLSE. This total does not include assessments, projections, or forecasts, but rather represents actual payments made by employers to current and former employees. Whether pursuing a single worker complaint or conducting a comprehensive audit, OLSE strives to establish a strong atmosphere of labor compliance throughout the City, elevating standards for workers and employers.



**\$21,650,070**

**Total Collected**  
in Fiscal Year 2024-2025

Once again, HCSO investigations yielded the highest annual collection, surpassing all other labor laws. In FY 24-25, OLSE collected over \$15.5 million for 6,751 workers through HCSO case settlements. These collections underscore the City's commitment to preserving workers' access to health care.

Another area of notable success includes administration of the City's contract laws. Minimum Compensation and Health Care Accountability enforcement resulted in over \$2 million in collections for 1,163 workers. Additionally, Prevailing Wage enforcement collected almost \$1.5 million for 1,005 workers. These laws protect workers on City contracts and level the playing field for all.

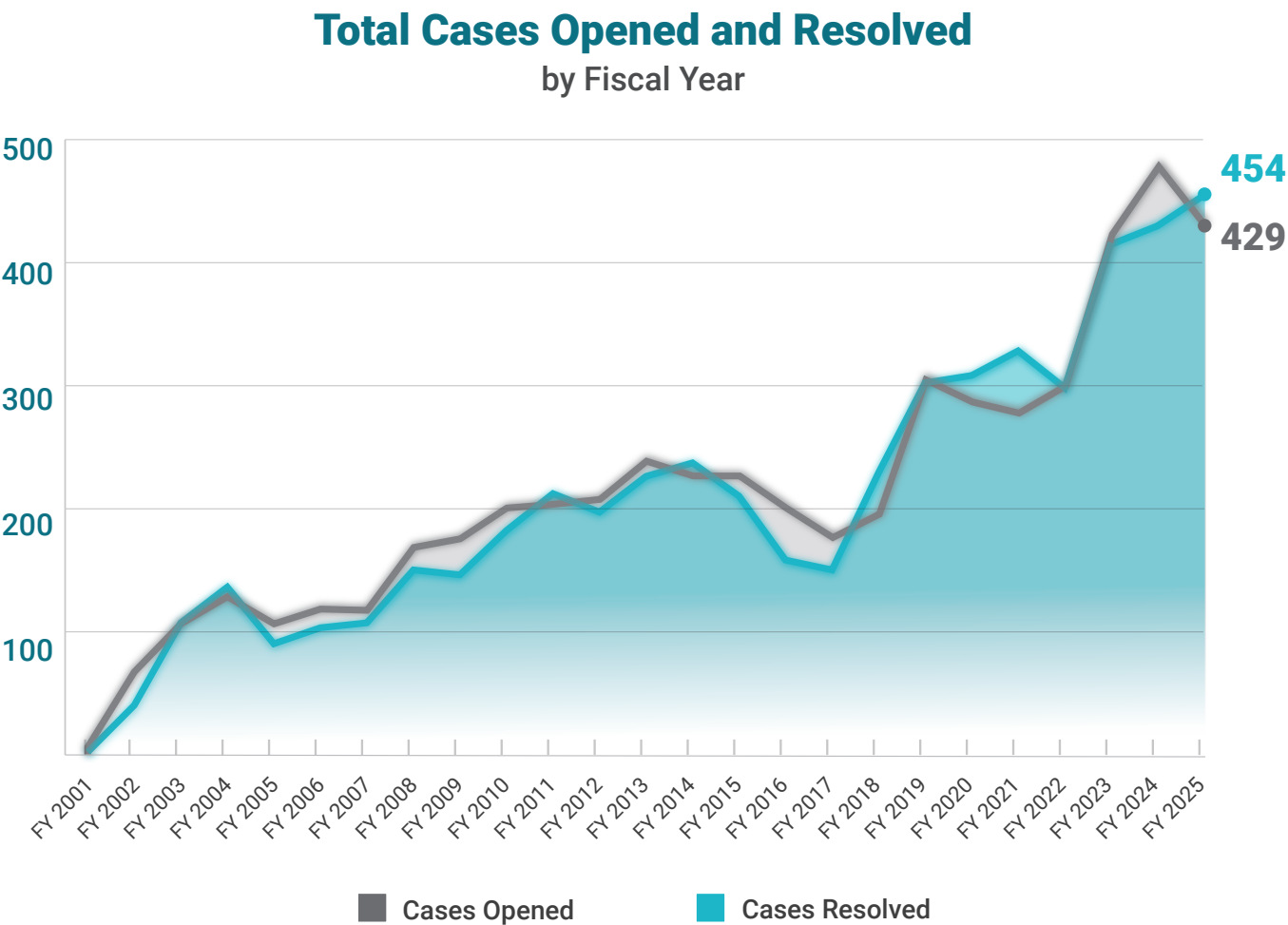
In FY 24-25, Paid Parental Leave enforcement also yielded impressive results by collecting \$1.3 million for 114 workers.

**Total Collections by Law**  
in Fiscal Year 2024-25

| Ordinance                                         | Total Collected |
|---------------------------------------------------|-----------------|
| Health Care Security                              | \$15,652,983    |
| Formula Retail Employee Rights                    | \$551,462       |
| Prevailing Wage                                   | \$1,499,833     |
| Minimum Compensation & Health Care Accountability | \$2,093,040     |
| Minimum Wage                                      | \$326,255       |
| Paid Parental Leave                               | \$1,348,614     |
| Paid Sick Leave                                   | \$166,145       |
| Worker Protections                                | \$11,738        |

# III. RECORD CASES RESOLVED

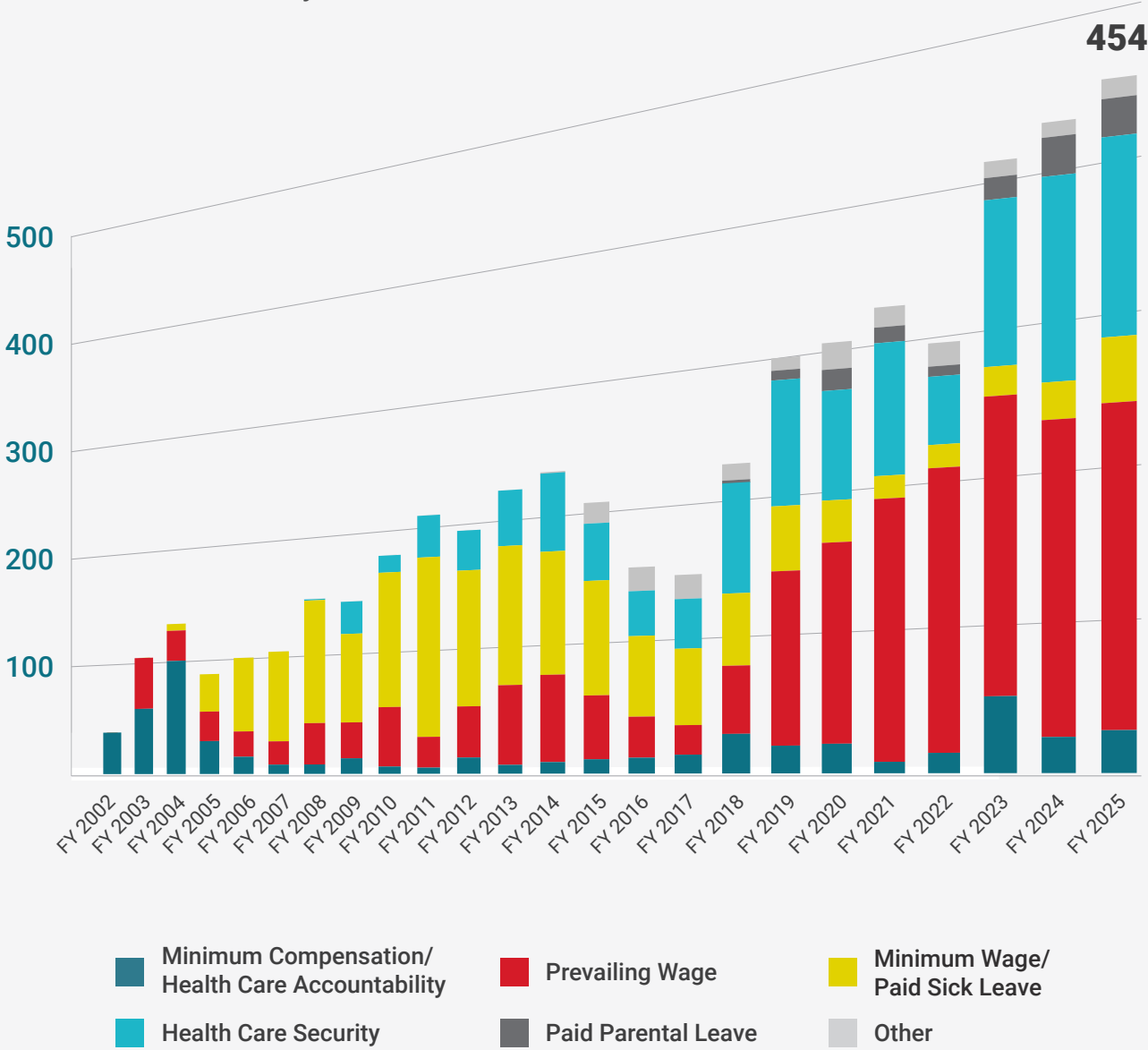
In FY 24-25, OLSE resolved more cases than any prior year, successfully resolving **454** cases. This milestone is the result of a significant increase in cases opened in the prior two years, as well as the dedicated efforts of OLSE staff and critical legal support by the City Attorney. The office is efficiently collaborating across teams and collectively working to keep pace with increased workflow.



For the ninth consecutive year, Prevailing Wage enforcement accounted for the largest number of case resolutions. Additionally, the year saw a marked increase in Minimum Wage and Paid Sick Leave cases, contributing to a 5.8% growth in OLSE's overall case settlement. These outcomes are a direct result of OLSE's proactive stakeholder engagement, driving efficient and

effective compliance, and ensuring timely resolution of all labor complaints. This year's success underscores OLSE's commitment to upholding labor standards and is clearly reflected in the accompanying charts.

### Number of Cases Resolved by Law by Fiscal Year

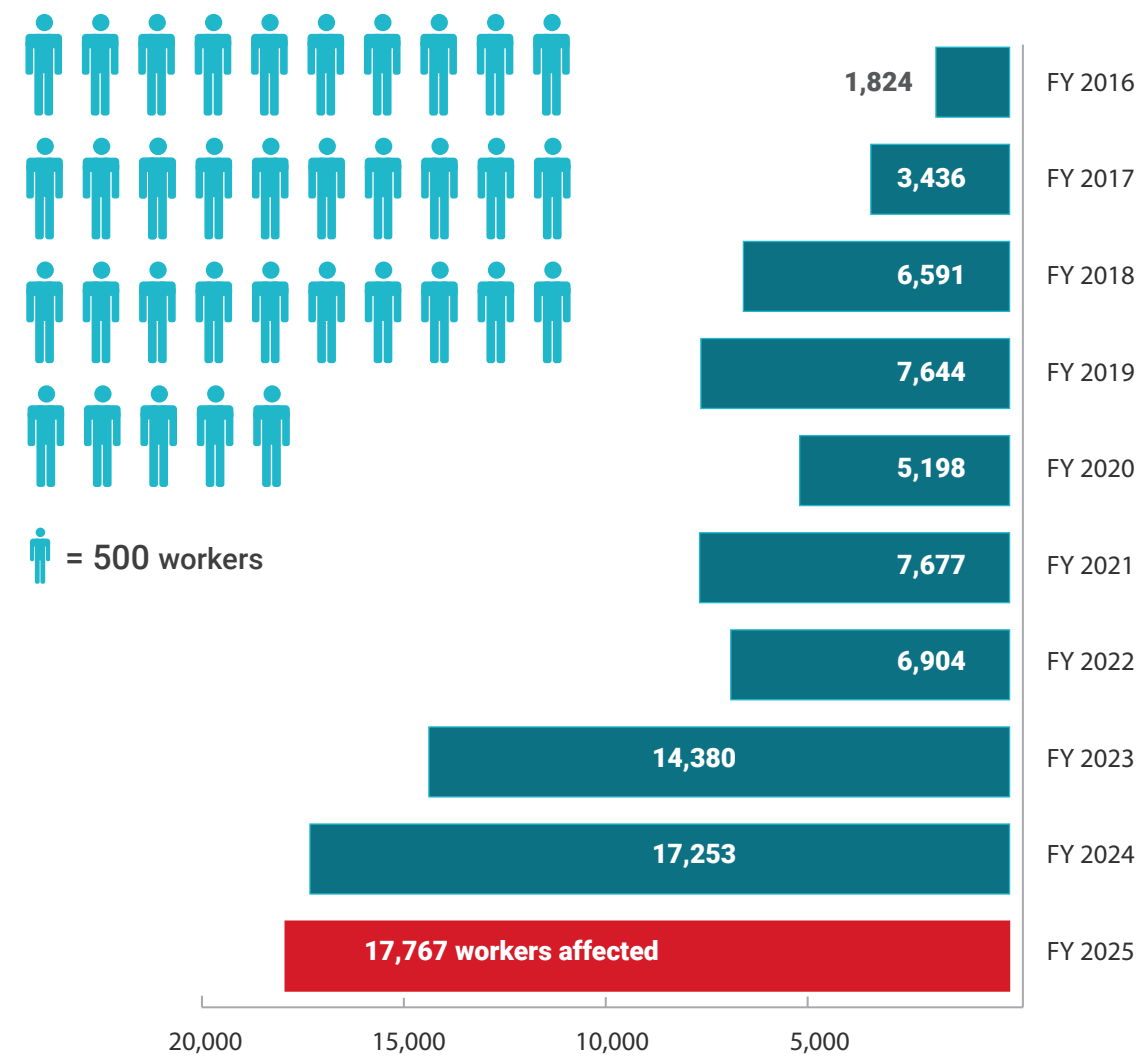


# RECORD Number of IV. WORKERS AFFECTED

In FY 24-25, OLSE's efforts led to successful results for a record number of workers. OLSE staff collected back wages, penalties, and other remedies for **17,767 workers**. This represents the largest number ever, eclipsing last year's record.

**17,767**  
**workers affected**

from OLSE resolved cases, highest to date



## V. Policy Spotlight Health Care Security Ordinance

HCSO was passed unanimously by the Board of Supervisors (BOS) and signed into law by then-Mayor Gavin Newsom in August 2006. It was created to address the health care needs of San Francisco's uninsured residents and workers, while also aiming to reduce the financial burden on taxpayers.

Since its passage in 2006 and delayed implementation in 2008, the HCSO has withstood legal challenges and undergone key amendments, solidifying its role in expanding health care access.

The HCSO is comprised of two components:

1. An Employer Spending Requirement (ESR): which mandates that covered employers make health care expenditures on behalf of their covered employees.
2. Healthy San Francisco (HSF): a health access program that includes the City Option Fund; a medical reimbursement account.

OLSE enforces the HCSO requirements, ensuring that covered employers meet their obligations under the ordinance. Meanwhile, the San Francisco Department of Public Health (DPH) operates Healthy San Francisco and administers the City Option program. The City Option was created by the BOS as a voluntary way for employers to comply with their HCSO spending obligations by contributing to health care spending accounts on behalf of their covered employees.

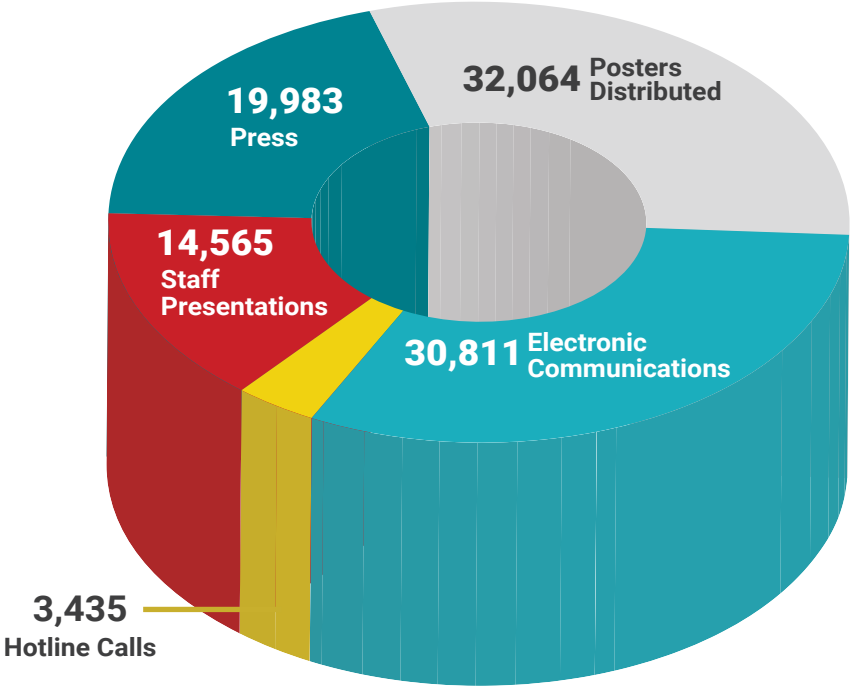
Employers have several options to comply with the requirements of HCSO. The vast majority choose compliant health insurance plans that may include medical, dental, and vision, or utilize private health reimbursement accounts and health savings accounts.

- 2006**
  - HCSO passed by BOS
  - Legal challenge begins, claiming ESR were preempted by ERISA
- 2007**
  - Implementation delayed; DPH authorized to create reimbursement accounts
- 2008**
  - Ninth Circuit grants emergency motion, allowing HCSO to take effect
  - HCSO employer provisions take effect
  - DPH's City Option Fund created
- 2009**
  - Ninth Circuit denies petition to rehear the lawsuit
- 2010**
  - U.S. Supreme Court denies review, ending the legal challenge
- 2011**
  - Amendment expands notice, extends time to use funds, and requires surcharges to benefit workers
- 2012**
  - Civil Grand Jury recommends eliminating revocable expenditures
- 2015**
  - 3-year phase out of revocable expenditures via amendment
- 2021**
  - COVID emergency amendments:
    - No annual reporting for 2019-2020
    - HCSO applies to teleworkers

# VI. SUPERIOR PUBLIC ENGAGEMENT

## OLSE Outreach

Fiscal Year 2024-2025



OLSE’s dedicated efforts to provide education to workers and employers continued to deliver results, recording over 100,000 points of contact in fiscal year 2024-25. Staff presentations expanded to reach over twice as many individuals compared to prior years. By offering more in-person trainings, webinars, and on-demand content, OLSE has made San Francisco labor laws more accessible to workers and employers than ever before. On average, OLSE’s website receives approximately **36,000** views per month.

### Employer Engagement

In FY 24-25, OLSE continued its commitment to leveling the playing field for employers. Staff engaged with employers through annual mailings, in-person trainings, webinars, electronic communications, media, hotline calls, and City contractor meetings. These efforts ensure that employers remain fully informed of changes in San Francisco's labor laws and receive a full range of support towards their compliance.

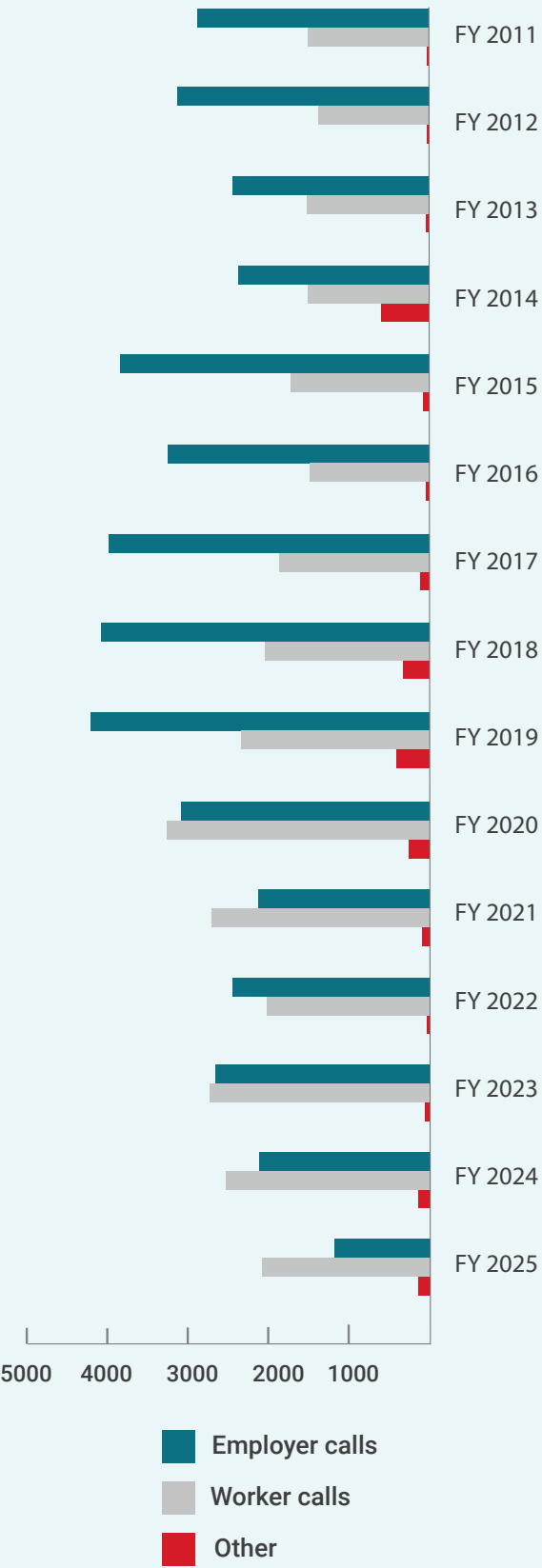
## Multilingual Telephone Hotlines

OLSE maintains 12 separate, multilingual phone hotlines, each dedicated to a specific ordinance or policy area. Callers are assisted in English, Spanish, Cantonese, Mandarin, Filipino, or any other language upon request.

In FY 24-25, worker calls to the multilingual hotlines remained on track with recent years; however, there was a noticeable decrease in employer calls. This is attributable to OLSE’s expanded outreach and refined website, enabling employers to find answers to many of their questions. While increasingly more questions are handled via email, the hotlines remain an important access point for the public.

| Fiscal Year | Total Calls |
|-------------|-------------|
| FY 2011     | 4,380       |
| FY 2012     | 4,543       |
| FY 2013     | 3,966       |
| FY 2014     | 4,466       |
| FY 2015     | 5,628       |
| FY 2016     | 4,768       |
| FY 2017     | 5,955       |
| FY 2018     | 6,440       |
| FY 2019     | 6,958       |
| FY 2020     | 6,600       |
| FY 2021     | 4,922       |
| FY 2022     | 4,497       |
| FY 2023     | 5,443       |
| FY 2024     | 4,807       |
| FY 2025     | 3,435       |

## OLSE Hotline Calls by Fiscal Year



**Bridging to**  
**VII. TARGET COMMUNITIES**

OLSE administers a program dedicated to reaching workers who may be more vulnerable to wage theft and other labor law violations. OLSE contracts with Chinese Progressive Association and its subcontractors (Asian Law Caucus, Mission Action, Filipino Community Center, La Raza Centro Legal, South of Market Community Action Network and Trabajadores Unidos Workers United). These organizations conduct consultations with low-income and immigrant workers to bridge the divide and encourage workers to file complaints about employment law violations with the appropriate enforcement agency.

In FY 24-25, OLSE’s community contractors reported conducting 448 consultations, reflecting the focus on in-person consultations and the program’s effectiveness in helping workers connect with the appropriate enforcement agencies.



**VIII. SWEATFREE PROTECTIONS**

San Francisco’s Sweatfree Contracting Ordinance, adopted by the Board of Supervisors in 2005, prohibits contractors who supply textiles to the City from engaging in human rights abuses. The Ordinance also established the Sweatfree Procurement Advisory Group (SPAG), a volunteer body that meets quarterly, to advise the City on implementation and possible expansion of this law.

In FY 24-25, pursuant to its contract with the City and as mandated by the ordinance, Worker Rights Consortium (WRC) completed inspections in three countries and corrected labor violations in factories producing textiles for City departments. Investigations of factories in Thailand and

Haiti uncovered violations of the City’s ordinance and WRC continues to engage with the factory owners to cure all violations. A follow-up inspection of a factory in Vietnam resulted in confirming the factory maintained some of the corrective actions warranted from the initial 2019 investigation while identifying new and reoccurring violations that are being corrected.



**IX. PROJECT LABOR AGREEMENT**

In FY 24-25, as the portfolio of covered projects continued to expand, OLSE successfully met the increasing demands of the Citywide Project Labor Agreement (PLA). To date, 39 projects—valued at a combined \$756 million—have been awarded under the PLA. OLSE conducted 91 pre-job meetings, transitioned three Local Business Enterprises (LBEs) from exempt to covered status mid-project, and successfully closed out seven projects. Additionally, OLSE convened two Joint Administrative Committee meetings in January and July 2025. Greg Hardeman of Elevator Constructors Local 8, Eddie Reyes of Ironworkers Local 377, and Bill Blackwell of Plumbers Local 38 joined City officials to review the PLA’s administrative responsibilities.



# X. LOOKING FORWARD



Year after year, OLSE strives to set new standards in labor compliance and government efficiency. Records established during FY 24-25 in collections, case settlements, and impacted workers are representative of the dedication and discipline exhibited by staff. Never complacent with success, OLSE will continue to seek creative solutions to new workplace challenges and emerging industries, while always exhibiting the highest level of public service.

OLSE will expand its efforts towards worker and employer outreach, ultimately supporting a strong atmosphere of labor compliance and leveling the playing field for all.



## APPENDIX A: OLSE LAWS

### Division 1: San Francisco Citywide Labor Laws

#### L.E.C. Article 1 Minimum Wage

Requires employers in San Francisco to pay employees a minimum hourly wage rate. The rate will increase based on the Consumer Price Index increase. Covers all employers with employees in San Francisco.

#### L.E.C. Article 2 Professional Services Minimum Contractual Rate

Requires contracting entities to pay independent contractors no less than the San Francisco minimum wage.

#### L.E.C. Article 11 Paid Sick Leave

Requires employers to provide employees paid sick leave for employees' own care and to care for a family member or designated person. Covers all employers with employees in San Francisco.

#### L.E.C. Article 12 Domestic Worker Equal Access to Paid Sick Leave

Establishes a portable paid sick leave system for domestic workers. Covers domestic workers paid as employees or as independent contractors.

#### L.E.C. Article 13 Public Health Emergency Leave

Provides up to 80 hours of paid leave that employees may use when unable to work due to qualifying reasons related to a Public Health or Air Quality Emergency.

#### L.E.C. Article 14 Paid Parental Leave

Requires employers to provide supplemental compensation to employees receiving California Paid Family Leave benefits to bond with a new child. Covers employers with 20 or more employees worldwide.

#### L.E.C. Article 15 Military Leave Pay Protection Act

Requires employers to provide supplemental compensation to employees on military duty for up to 30 days. Covers businesses with 100 or more employees worldwide.

#### L.E.C. Article 21 Health Care Security

Requires employers to spend a minimum hourly amount on health care for each covered employee. Covers for-profit employers with 20 or more workers worldwide and non-profit employers with 50 or more workers worldwide.

#### L.E.C. Article 31 Lactation in the Workplace

Requires employers to provide employees with breaks and appropriate space to express breast milk. Covers all employers with employees in San Francisco.

#### L.E.C. Article 32 Family Friendly Workplace

Requires employers to provide flexible or predictable work arrangements for employees with caregiving responsibilities. Covers employers with 20 or more employees worldwide.

#### L.E.C. Article 41; L.E.C. Article 42 Formula Retail Employee Rights

Regulates scheduling, part-time work, and hiring at large chain businesses. Covers formula retail employers with 40 or more locations worldwide and 20 or more employees in San Francisco.

**L.E.C. Article 81 Residential Construction Wage Theft Prevention**

Requires a Bond to be posted and certifications of compliance for private residential projects to cover worker restitution if there are violations. Covers private projects that add or create 10 or more residential or sleeping units.

**Public Health Emergency Leave** (April 17, 2020 - April 12, 2021)

Provides up to 80 hours of paid leave that employees may use when they are unable to work (or telework) for specified reasons related to COVID-19. Covers businesses with 500 or more employees worldwide.

**Employee Protections** (May 1 2020 - March 10, 2021)

Provides health and safety protections for workers, including the provision of protective equipment, social distancing, and “no contact” delivery options. Covers on-demand delivery services.

**COVID-Related Employment Protections** (March 7, 2021 - March 8, 2023)

Protects workers from losing their jobs (and other adverse action) for reasons related to COVID-19, including testing positive or quarantining due to COVID-19 symptoms or exposure. Covers all employers with employees in San Francisco.

**COVID Related Hazard Pay** (March 22, 2021 - June 15, 2021)

Requires grocery stores and drug stores to pay employees who make less than \$35/hour, an additional five dollars per hour during the public health emergency related to COVID-19. Covers grocery stores and drug stores with 500 or more employees worldwide, including at least 20 employees in San Francisco.

**Worker Protections** (April 26, 2021 - February 28, 2023)

Provides workers with items such as face coverings, gloves, hand sanitizer and disinfectants; a social distancing policy; contactless payment systems or sanitize payment systems after each use; provides for contactless delivery or pick up, if feasible; and pays workers for time spent disinfecting high-touch surfaces. Covers grocery stores, drug stores, restaurants, and on-demand delivery services.

**Division 1 and 2: San Francisco Labor Laws which apply Citywide and to City Contracts**

**L.E.C. Article 61; L.E.C. Article 141 Consideration of Salary History**

Bans employers from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant. Covers all employers with employees in San Francisco and City contractors.

**L.E.C. Article 71 Displaced Worker Protection Act**

Requires certain successor contractors and subcontractors to retain covered employees for at least 90 days after the termination of a covered service contract and includes notification requirements. Covers certain contractors as defined in the law and rules.

**L.E.C. Article 142; Police Code 49 Fair Chance**

Regulates employers’ use of arrest and conviction records in hiring and employment decisions. Covers all employers with 5 or more employees worldwide and City Contractors of any size.

**Division 2: San Francisco Labor Laws which apply to City Contracts**

**S.F. Admin. Ch. 6 Prevailing Wage Enforcement Authority**

Requires public works contractors to pay prevailing wage and fringe benefit rates set by the California Department of Industrial Relations for more than 60 classifications. Covers Public Works contractors.

**L.E.C. Article 102.2 Prevailing Wage for Janitorial Services**

Requires janitorial service contractors to pay prevailing wage rates set by the Board of Supervisors. Covers janitorial services contractors.

**L.E.C. Article 102.3 Prevailing Wage for Parking Lots and Garages**

Requires contractors with employees performing work in public off-street parking lots, garages or auto storage facilities to pay prevailing wage rates set by the Board of Supervisors. Covers contractors with employees performing work in public off-street parking lots, garages or auto storage facilities.

**L.E.C. Article 102.4 Prevailing Wage for Theatrical Workers**

Requires covered employers to pay prevailing wage rates set by the Board of Supervisors to individuals engaged in theatrical or technical services related to the presentation of a show. Covers contractors, leaseholders, and permit holders with theatrical workers.

**L.E.C. Article 102.5 Prevailing Wage for Workers Engaged in Solid Waste Hauling**

Requires City contractors pay prevailing wage rates set by the Board of Supervisors to workers engaged in hauling of solid waste. Covers contractors with workers engaged in hauling of solid waste.

**L.E.C. Article 102.6 Prevailing Wage for Moving Services**

Requires moving services contractors to pay prevailing wage rates set by the Board of Supervisors. Covers moving services contractors.

**L.E.C. Article 102.7 Prevailing Wage for Motor Bus Services**

Requires motor bus service contractors to pay prevailing wage rates set by the Board of Supervisors. Covers motor bus services contractors.

**L.E.C. Article 102.8 Prevailing Wage for Trade Show and Special Event Work**

Requires covered employers to pay prevailing wage rates set by the Board of Supervisors to individuals engaged in exhibit, display, or trade show work at a special event. Covers Contractors, leaseholders, permit holders with workers engaged in exhibit, display, or trade show work at a special event.

**L.E.C. Article 102.9 Prevailing Wage for Broadcast Services on City Property**

Requires covered employers to pay prevailing wage rates set by the Board of Supervisors to individuals engaged in broadcast services on City property. Covers contractors, leaseholders, permit holders with workers engaged in broadcast services on City property.

**L.E.C. Article 102.10 Prevailing Wage for Loading and Unloading**

Requires covered employers to pay prevailing wage rates set by the Board of Supervisors to individuals engaged in specified loading or unloading work. Covers contractors, leaseholders, permit holders with workers engaged in loading or unloading on City property into or from a commercial vehicle related to a show or special event.

**L.E.C. Article 102.11 Prevailing Wage for Security Guard Services**

Requires covered employers to pay prevailing wage rates set by the Board of Supervisors to individuals providing security guard services. Security guard service providers in City contracts or for events on City property.

**L.E.C. Article 109 Transition Employment Requirements**

Requires City contractors and subcontractors to comply with the City's Transitional Employment Requirements when L.E.C Article 102 contracts turn over.

**L.E.C. Article 111 Minimum Compensation**

Requires contractors to pay a minimum compensation rate and to provide paid and unpaid time off. Covers city service contractors with 5 or more employees.

**L.E.C. Article 121 Health Care Accountability**

Requires contractors to provide health benefits that meet the minimum standards set by the City. Covers city service contractors with 20 or more employees (and non-profits with 50 or more).

**L.E.C. Article 151 Sweatfree Contracting**

Prohibits contractors that supply textiles and apparel from manufacturing those goods in sweatshop conditions. Covers city contractors that supply textiles and apparel.

**S.F. Admin. Ch. 23 Sec. VIII Labor Peace Agreement for Port Vessel Operations**

Requires Labor Peace Agreements between employers operating excursion vessels under a Port lease and labor organizations. Covers employers operating excursion vessels.

**S.F. Admin. Ch. 6.27 PLA Citywide Project Labor Agreement**

Contractors performing trade work on covered projects are required to: (1) utilize union hiring halls to hire workers and apprentices; and (2) pay fringe benefit contributions to union trust fund programs. Covers contractors on public works projects issued by SF Public Works and Recreation and Parks Dept. that meet specified dollar thresholds.

**S.F. Admin. Ch. 23 Prevailing Wage for City Property Sales, Transfers, and Leases**

Requires an entity that buys, leases or receives a transfer of City property to abide by prevailing wage requirements for construction and maintenance of that property. Covers entities that buy, lease or receive a transfer of City property.

**Health Plan Requirements for Specified COVID-19 Essential Services Contracts**

(2023 - February 28, 2023)  
Covered contractors must offer their covered employees and covered employees' dependents health plan benefits that meet the minimum standards prepared by the Health Director. Covers city contractors that enter into a COVID-19 essential services contract for food service, delivery of food, or janitorial services.

**SF Planning 343 Prevailing Wage Housing Sustainability District**

Requires prevailing wage for work performed on projects located in the Central SoMa HSD. Covers project owners and contractors.

**Other Laws**

**SB-423 Streamlined Housing Approvals**

Requires construction workers on eligible multifamily projects to be paid prevailing wages, meet apprenticeship requirements, and use a skilled and trained workforce unless exempt.

**SF Planning 406b(1)(D) Prevailing Wages on certain housing projects**

Requires that all construction workers on certain affordable housing units be paid prevailing wages.

**SB-616 Amends California's Paid Sick Leave**

Modifies the alternate accrual rate to ensure that employees accrue no less than 40 hours (or 5 days) of paid sick leave by the 200th calendar day of employment, or within each calendar year or 12-month period.

**Article 12-C of the Business and Tax Regulations Code Section 1108.8 Transfer Tax Reduction for Affordable Housing**

Reduces real property transfer tax rates for transfers of qualified residential rental properties certified by OLSE that are built and financed by labor organizations.

**APPENDIX B: MCO AND HCAO WAIVERS**

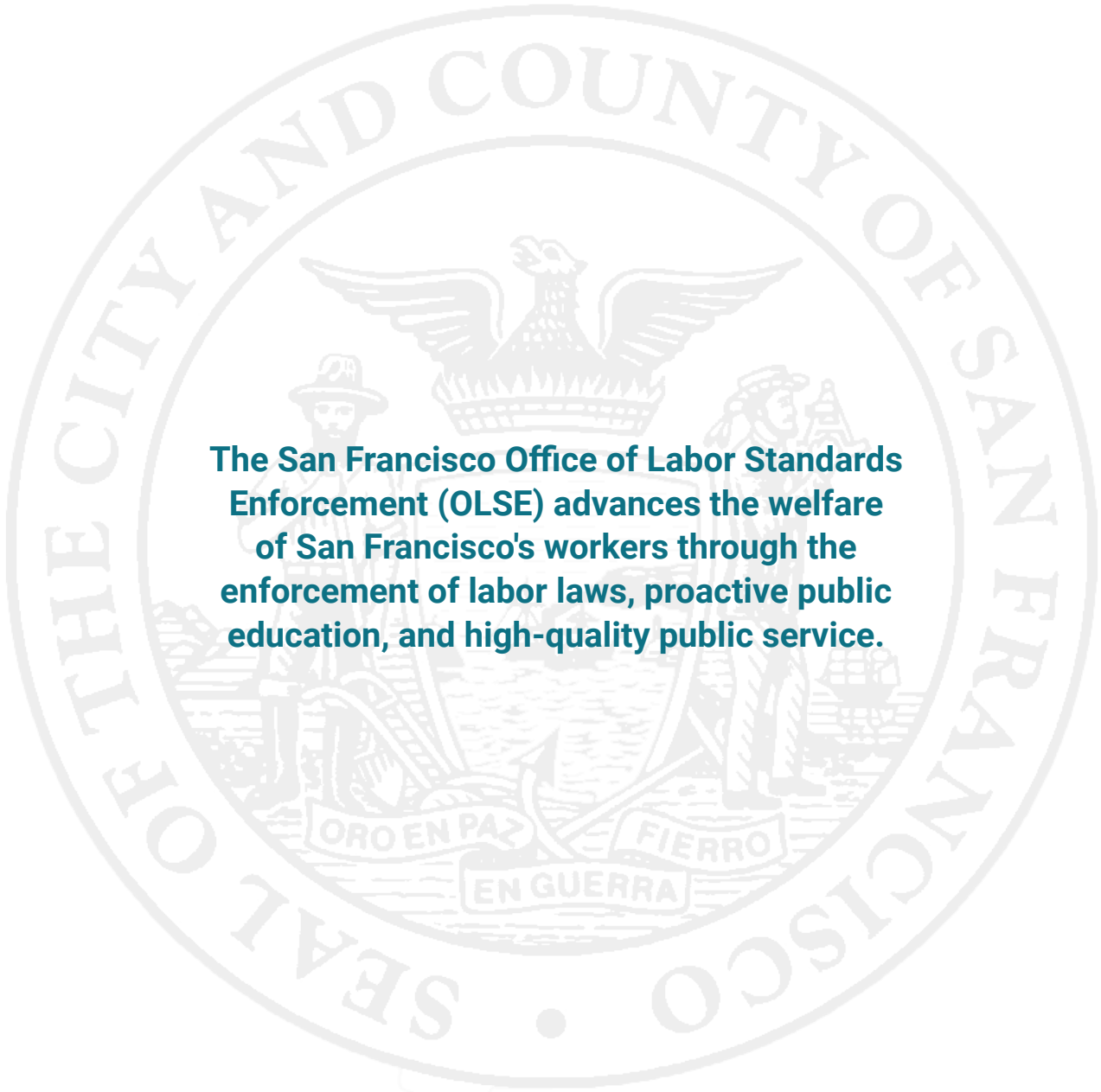
OLSE has authority to waive the requirements of the Minimum Compensation Ordinance and the Health Care Accountability Ordinance under the narrow circumstances specified in San Francisco Labor and Employment Code Articles 111 and 121. L.E.C. Code Sections 111.6(a) and 121.5(d) require OLSE to report on the number of MCO and HCAO waivers granted each year. Waivers granted in the last 10 fiscal years are as follows:

| FISCAL YEAR | MCO WAIVERS GRANTED | HCAO WAIVERS GRANTED |
|-------------|---------------------|----------------------|
| FY 15 - 16  | 2                   | 3                    |
| FY 16 - 17  | 3                   | 4                    |
| FY 17 - 18  | 3                   | 4                    |
| FY 18 - 19  | 3                   | 3                    |
| FY 19 - 20  | 3                   | 5                    |
| FY 20 - 21  | 5                   | 6                    |
| FY 21 - 22  | 10                  | 9                    |
| FY 22 - 23  | 15                  | 16                   |
| FY 23 - 24  | 15                  | 15                   |
| FY 24 - 25  | 13                  | 15                   |
| TOTAL       | 72                  | 80                   |

In FY24-25, OLSE approved 13 MCO waivers and 15 HCAO waivers. These waivers were granted for the reasons of sole source contracts and no vendors who comply, which fall under the San Francisco Labor and Employment Code subsections of 111.7(a)(i)b), 111.7(c), 121.6(a)(i), and 121.6(a)(3).

2025 RATE CHART

| LAW                                     | RATE    | START DATE | END DATE   |
|-----------------------------------------|---------|------------|------------|
| Minimum Wage                            | \$19.18 | 7/1/2025   | 6/30/2026  |
| Minimum Compensation                    | \$21.54 | 7/1/2025   | 6/30/2026  |
| Health Care Accountability              | \$7.50  | 7/1/2025   | 6/30/2026  |
| Health Care Security<br>(20-99 workers) | \$2.56  | 1/1/2025   | 12/31/2025 |
| Health Care Security<br>(100+ workers)  | \$3.85  | 1/1/2025   | 12/31/2025 |
| Health Care Security<br>(20-99 workers) | \$2.74  | 1/1/2026   | 12/31/2026 |
| Health Care Security<br>(100+ workers)  | \$4.11  | 1/1/2026   | 12/31/2026 |
| Paid Parental Leave<br>Weekly Cap       | \$2,402 | 1/1/2025   | 12/31/2025 |



**The San Francisco Office of Labor Standards Enforcement (OLSE) advances the welfare of San Francisco's workers through the enforcement of labor laws, proactive public education, and high-quality public service.**

**OFFICE OF LABOR STANDARDS ENFORCEMENT**

**1 DR. CARLTON B. GOODLETT PLACE**

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