



Living Wage NYC

Our City. Our Lives. Our Future.

The Fair Wages for New Yorkers Act:

Summary of Changes in Revised Bill

October 2011

The revisions to the Fair Wages for New Yorkers Act serve to further focus coverage on large development projects and businesses that receive substantial amounts of taxpayer-funded subsidies – and can reasonably be asked in return to pay their workers at least \$10 per hour. They include:

1. Focusing the living wage requirement on large development projects by raising the amount of city subsidy a project must receive from \$100,000 to \$1 million. By raising the threshold to this level the bill focuses on the large, mixed-use development projects like Hudson Yards, Willets Point, Coney Island and Atlantic Yards that receive millions in taxpayer-funded subsidies, but nonetheless threaten to create poverty wage jobs.
2. Expanding the exemption for small businesses to exclude all small businesses with annual revenue of \$5 million or less. This makes sure that only larger businesses, not mom and pops, are covered.
3. Exempting all manufacturing businesses since most workers in manufacturing already receive a living wage
4. Exempting all aspects of affordable housing projects, including retail tenants.
5. Confirming that subsidies such as the Industrial and Commercial Abatement Program (ICAP), the J-51 Housing subsidy program or other as-of-right subsidies are not covered. Only discretionary subsidy packages negotiated by the city or its agents (the Economic Development Corporation and the Industrial Development Agency) are covered.

6. Providing greater flexibility for businesses with tipped workers like restaurants by allowing any tips that workers receive to be count towards the living wage. So long as a worker's tips bring him or her up to the \$10 living wage, the employer is not required to raise his or her pay.
7. Reducing the length of coverage of the living wage from 30 years to 10 years or the duration of the subsidy, whichever is longer.
8. Reducing the length of time employers must retain pay records to six years, which is the standard under New York State law.