

1 CITY OF SANTA FE, NEW MEXICO
2 PROPOSED AMENDMENT(S) TO BILL NO. 2025-21
3 Living Wage Update

4
5 Mayor and Members of the City Council:

6
7 This amendment WILL change the caption. _____

8 This amendment WILL NOT change the caption. X

9 I intend to propose amending Bill No. 2025-21 as follows:

10
11 CITY OF SANTA FE, NEW MEXICO

12 BILL NO. 2025-21

13 INTRODUCED BY:

14
15 Mayor Alan Webber

16 AMENDMENT G – MAGENTA – Councilors L. Garcia and Pilar Faulkner

17
18 A BILL

19 AMENDING SFCC 1987, SECTION 28-1.5 (“LIVING WAGE ORDINANCE”), TO
20 INCREASE THE CITY’S BASE MINIMUM WAGE AND UPDATE THE FORMULA FOR
21 CALCULATING THE MINIMUM WAGE ANNUALLY.

22 BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SANTA FE:

23 Section 1. Section 28-1.1 of SFCC 1987 (being Ord. No. 2002-13, § 1) is included

24 for reference without amendments:

25 28-1.1 Short title.

26 This section may be cited as the "Living Wage Ordinance".

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lowering absenteeism, and thereby improving productivity and the quality of the services provided by employees;

~~[H]~~ (8). When businesses do not pay a livable wage, the community bears the cost in the form of increased demand for taxpayer-funded social services including homeless shelters, soup kitchens and healthcare for the uninsured. Coupled with high real estate values, low wages reduce the ability of low- and moderate-income residents to access affordable housing. As a result, the city has had to invest significant tax dollars to support affordable housing including funding to nonprofit organizations, purchasing land, building infrastructure and waiving fees. In addition, the city has allocated significant tax dollars to operate after school and summer recreation programs and to support nonprofit organizations offering an array of human services and children and youth services, all of which are needed by very low-income residents and their families;

~~[I]~~ (9). It is in the public interest to require certain employers benefiting from city actions and funding, and from the opportunity to do business in the city, to pay employees a minimum wage, a "living wage", adequate to meet the basic needs of living in Santa Fe;

~~[J]~~ (10). According to the 2000 Census, approximately twelve and three-tenths percent (12.3%) of the Santa Fe community lives below the poverty level; and

~~[K]~~ (11). According to the New Mexico department of labor, twenty -three and one-half percent (23.5%) of Santa Feans who are employed in the nongovernmental sector earn hourly wages of ten dollars and fifty cents (\$10.50) per hour or less.

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[L] (12). The governing body has reviewed the impact of previous minimum wage increases, relevant studies and other appropriate data, and finds that the city's minimum wage should be upwardly adjusted each year to keep pace with increases in the cost of living.

[M] (13). The governing body has found that limiting coverage of the minimum wage just to businesses with twenty-five (25) or more employees has hindered compliance and has created an uneven playing field among local businesses.

B. In 2025, the governing body of the city finds as follows:

- (1) The legislative findings in SFCC 1987, Section 28-1.2, numbered 1 through 4, 6 through 8, 12, and 13 remain relevant today.
- (2) Updating the legislative findings in SFCC 1987, Section 28-1.2, numbered 5 and 9 results as follows:
 - i. The average earnings per job in Santa Fe County are twelve percent (12%) below the national average.
 - ii. According to the 2023 Census, approximately twelve and two-tenths percent (12.2%) of the Santa Fe community lives below the poverty level.
- (3) According to American Community Survey data, median gross rent for occupied units paying rent in the city of Santa Fe increased by twenty eight percent (28%) between 2015 and 2021, rising from \$970 to \$1,245.
- (4) The city has implemented, or attempted to implement, numerous strategies to address housing affordability, including, but not limited to, the Santa Fe Homes Program, Low Priced Dwelling Units, Affordable Housing Trust Fund, three percent (3%) High-End Excise Tax for Affordable Housing, and donation of City-owned land.

1 **Section 3. Section 28-1.3 of SFCC 1987 (being Ord. No. 2003-8, § 2) is included**
2 **for reference without amendments:**

3 **28-1.3 Authority of the city of Santa Fe.**

4 This Living Wage Ordinance is adopted pursuant to the general welfare and police powers
5 conferred upon the city of Santa Fe by Section 3-17-1 et seq. and Section 3-18-1 et seq. NMSA
6 1978, pursuant to the powers conferred upon the city of Santa Fe by New Mexico Constitution,
7 Article X §§ 6(D) and 6(E) and the Municipal Charter Act Section 3-15-1 et seq. NMSA 1978,
8 which have been exercised by the city's adoption of its "Santa Fe Municipal Charter".

9 **Section 4. Section 28-1.4 of SFCC 1987 (being Ord. No. 2003-8, § 3) is included**
10 **for reference without amendments:**

11 **28-1.4 Purpose.**

12 The purposes of this section are:

- 13 A. To have the city of Santa Fe set an example for the public and private sectors by
14 paying its employees a minimum wage adequate to meet the basic needs of living in Santa Fe.
- 15 B. To raise the income of low-income employees of employers who contract with the
16 city, receive grants, subsidies or other benefits from the city or benefit from the opportunity to do
17 business in Santa Fe.

18 **Section 5. Section 28-1.5 of SFCC 1987 (being Ord. No. 2007-43, § 2) is amended**
19 **to read as follows:**

20 **28-1.5 Minimum wage payment requirements.**

- 21 A. The following entities shall pay the minimum wage:
 - 22 (1) The city of Santa Fe to all full-time permanent workers employed by the
23 city. However, the provisions of this section are expressly limited by and subject
24 to future union negotiations in compliance with the Fair Labor Standards Act and
25 subsequent appropriations by the governing body in compliance with the Bateman
26 Act;

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(2) Contractors for the city, that have a contract requiring the performance of a service including construction services but excluding purchases of goods, shall pay the minimum wage to their workers and subcontractors performing work under the contract if the total contract amount with the city is, or by way of amendment becomes, equal to or greater than thirty thousand dollars (\$30,000.00); and

(3) Businesses receiving assistance relating to economic development in the form of grants, subsidies, loan guarantees or industrial revenue bonds in excess of twenty-five thousand dollars (\$25,000.00) to those employed by such entity for the duration of the city grant or subsidy; and

(4) Businesses required to have a business license or business registration from the city of Santa Fe and nonprofit organizations shall pay the minimum wage to their workers for all hours worked within the city of Santa Fe that month. For purposes of this paragraph, worker shall not include any person who is related by blood or by marriage to any person who may have or possess any ownership interest in the business that employs them. For purposes of identifying persons entitled to be paid the minimum wage, all individuals employed by or providing work to the business for compensation, whether on a part-time, full-time or temporary basis, during a given month shall be counted as a worker. This definition shall include contingent or contracted workers, and persons made available to work through the services of a temporary service, staffing or employment agency or similar entity. However, interns working for a business for academic credit in connection with a course of study at an accredited school, college or university or persons working for an accredited school, college or university while also attending that school, college or university, or persons working for a business in connection with a court-ordered community service program such as teen court or workers who are in an apprenticeship program in a 501 C(3) organization (such as

1 the Santa Fe opera) shall not be counted as a worker for such purposes.

2 B. Beginning January 1, 2004, the minimum wage shall be an hourly rate of eight
3 dollars and fifty cents (\$8.50). In computing the wage paid for purposes of determining compliance
4 with the minimum wage, the value of health benefits and childcare shall be considered as an
5 element of wages. On January 1, 2006, the minimum wage shall be increased to an hourly rate of
6 nine dollars and fifty cents (\$9.50). Beginning January 1, 2009, and each year thereafter, the
7 minimum wage shall be adjusted upward by an amount corresponding to the previous year's
8 increase, if any, in the consumer price index for the western region for urban wage earners and
9 clerical workers.

10 C. Beginning January 1, 2027, the minimum wage shall be an hourly rate of seventeen
11 dollars and fifty cents (\$17.50), other than for newly hired employees, who, beginning from the
12 employee's start-date, may receive the minimum wage described in Paragraph B for up to ninety
13 days. In computing the wage paid for purposes of determining compliance with the minimum wage,
14 the value of health benefits and childcare shall be considered as an element of wages. On March 1,
15 2028, the minimum wage shall be increased by the average of the annual increase of the following
16 two factors:

17 (1) the United States Bureau of Labor Statistics Consumer Price Index for All Urban
18 Consumers, the Western Region, as published by the United States Bureau of Labor
19 Statistics ("Western Region CPI-U"); and

20 (2) Fair Market Rent ("FMR") for a two-bedroom unit in Santa Fe, New Mexico, as
21 published annually by the United States Department of Urban Development ("HUD").

22 If either factor is unchanged or decreases, then the minimum wage shall increase by a rate that is
23 equal to half the percent increase of the other factor. If both factors are unchanged or decrease, then
24 the minimum wage shall remain the same. In other words, the annual increase to the minimum
25 wage shall be calculated as follows: annual increase = 0.50 (annual percent increase (if there is
26 one) to Western Region CPI-U) + 0.50 (annual percent increase (if there is one) to the HUD's FMR

1 for a two- bedroom unit in Santa Fe). Increases to the minimum wage rate shall not exceed five
2 percent and the minimum wage shall not decrease.

3 [C] D. For workers who customarily receive more than one hundred dollars (\$100.00) per
4 month in tips or commissions, any tips or commissions received and retained by a worker shall be
5 counted as wages and credited toward[s] satisfaction of the minimum wage provided that, for tipped
6 workers, all tips received by such workers are retained by the workers, except that the pooling of
7 tips among workers shall be permitted.

8 [D] E. Nonprofit organizations whose primary source of funds is from Medicaid waivers
9 are exempt.

10 [E. — Staff shall contract for a study or studies to review the impact of changes made to
11 the Living Wage Ordinance approved as Ordinance No. 2007-43 on businesses of less than ten (10)
12 employees and on the student drop-out rate. The study shall be presented to the governing body no
13 later than July 1, 2009.]

14 **Section 6. Section 28-1.6 of SFCC 1987 (being Ord. No. 2003-8, § 5) is included**
15 **for reference without amendments:**

16 **28-1.6 Prohibitions against retaliation and circumvention.**

17 A. It shall be unlawful for any employer or employer's agent or representative to take
18 any action against an individual in retaliation for the exercise of or communication of information
19 regarding rights under this section. This section shall also apply to any individual that mistakenly,
20 but in good faith, alleges noncompliance with this section.

21 B. Taking adverse action against an individual within sixty (60) days of the
22 individual's assertion of or communication of information regarding rights shall raise a rebuttable
23 presumption of having done so in retaliation for the assertion of rights.

24 C. It shall be unlawful for any business or employer to intentionally circumvent the
25 requirements of this section by contracting portions of its operation or leasing portions of its
26 property.

1 **Section 7. Section 28-1.7 of SFCC 1987 (being Ord. No. 2004-38-, § 1) is included**
2 **for reference without amendments:**

3 **28-1.7 Reserved.**

4 Editor's note— Former subsection 28-1.7, Compliance Through Collective Bargaining Process,
5 previously codified herein and containing portions of Ordinance No. 2002-13, was repealed in its
6 entirety by Ordinance No. 2004-38.

7 **Section 8. Section 28-1.8 of SFCC 1987 (being Ord. No. 2003-8, § 6) is amended**
8 **to read:**

9 **28-1.8 Enforcement; remedies.**

10 A. *Administrative Enforcement.* The city manager, or [~~his/her~~] their designee, is
11 authorized, as appropriate and as resources permit, to enforce this section. The city manager is
12 authorized to investigate possible violations of this section. Where the city manager, after a
13 proceeding that affords a suspected violator due process, concludes that a violation has occurred,
14 the city manager may issue orders to the employer appropriate to effectuate the complaining
15 person's rights, including but not limited to back pay and reinstatement. The city manager also has
16 the power to order termination of any and all economic benefit derived by any offending party from
17 the city and has the power to revoke the employer's business license or registration.

18 B. *Criminal Penalty.* A person violating this section shall be guilty of a misdemeanor
19 and, upon conviction, for each offense may be subject to fines and imprisonment as set forth in
20 Section 1-3 SFCC 1987. A person violating any of the requirements of this section shall be guilty
21 of a separate offense for each day or portion thereof and for each worker or person as to which any
22 such violation has occurred.

23 C. *Other Remedies.* The city, any individual aggrieved by a violation of this section,
24 or any entity the members of which have been aggrieved by a violation of this section, may bring
25 a civil action in a court of competent jurisdiction to restrain, correct, abate or remedy any violation
26 of this section and, upon prevailing, shall be entitled to such legal or equitable relief as may be

1 appropriate to remedy the violation including, without limitation, reinstatement, the payment of
2 any wages due and an additional amount as liquidated damages equal to twice the amount of any
3 wages due, injunctive relief, and reasonable attorney's fees and costs.

4 D. *Nonexclusive Remedies and Penalties.* The remedies provided in this section are
5 not exclusive, and nothing in this section shall preclude any person from seeking any other
6 remedies, penalties, or relief provided by law.

7 **Section 9. Section 28-1.9 of SFCC 1987 (being Ord. No. 2002-13, § 9) is included**
8 **for reference without amendments:**

9 **28-1.9 Effect.**

10 Nothing in this Living Wage Ordinance shall be deemed to nor shall be applied in such a manner
11 so as to have a constitutionally prohibited effect as an ex post facto law or impairment of an existing
12 contract within the meaning of New Mexico Constitution, Article II, § 19.

13 **Section 10. Section 28-1.10 of SFCC 1987 (being Ord. No. 2003-8, § 7) is included**
14 **for reference without amendments:**

15 **28-1.10 Severability.**

16 The requirements and provisions of this section and their parts, subparts and clauses are severable.
17 In the event that any requirement, provision, part, subpart or clause of this section, or the application
18 thereof to any person or circumstance, is held by a court of competent jurisdiction to be invalid or
19 unenforceable, it is the intent of the governing body that the remainder of the section be enforced
20 to the maximum extent possible consistent with the governing body's purpose of ensuring a living
21 wage for persons covered by the section.

22 **Section 11. Section 28-1.11 of SFCC 1987 (being Ord. No. 2003-8, § 8) is included**
23 **for reference without amendments:**

24 **28-1.11 Notice; posting; and publication.**

25 Any business subject to the provisions of this section shall as a condition to obtaining and holding
26 a city of Santa Fe business license or registration, post and display in a prominent location next to

1 its business license or registration on the business premises a notice, in English and Spanish, that
2 the business is in compliance with the provisions of this section and in particular post the text of
3 subsections 28-1.5, 28-1.6 and 28-1.8 SFCC 1987. Failure to comply with this subsection shall be
4 construed a violation of this section and, in addition, shall be considered grounds for suspension,
5 revocation, or termination of the business license or registration.

6 **Section 12. Section 28-1.12 of SFCC 1987 (being Ord. No. 2003-8, § 9) is amended**
7 **to read as follows:**

8 ~~[The city shall conduct a review of this section on or before July 1, 2005. In conducting~~
9 ~~said review the governing body may, at its discretion and pursuant to a duly adopted resolution;~~
10 ~~appoint an ad hoc committee to advise and assist in making recommendations regarding this section~~
11 ~~and to investigate the economic and social effects of this section on Santa Fe. The city will contract~~
12 ~~with an independent third party to develop an evaluation that will generate objective measures~~
13 ~~on the effect of the Living Wage Ordinance on the health, security, and livelihood of Santa Feans~~
14 ~~by March 31, 2003. Data necessary for such an evaluation on Santa Fe city businesses will be~~
15 ~~compiled and presented to the governing body for their review on or before July 1, 2003. In~~
16 ~~compiling the data, consideration should be given to potential impacts on youth~~
17 ~~employment and possible recommendations that might prevent unforeseen consequences hurting~~
18 ~~children in the community.]~~ The city shall contract for a study or studies to determine the effects
19 of the Living Wage Ordinance No. 2025- including, but not limited to, effects on the
20 following: low-wage employment and hours in hospitality and retail sectors; business openings
21 and closures in food service and lodging sectors; Gross Receipts Tax trends in hospitality linked
22 North American Industry Classification System codes; worker turnover and vacancy durations;
23 and youth employment. The study shall be presented to the governing body no later than July 1,
24 2029.

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Respectfully submitted,


Lee Garcia (Oct 27, 2025 10:35:29 MDT)


Lee Garcia, Councilor

Respectfully submitted,


Pilar Faulkner (Oct 27, 2025 11:54:30 MDT)

Pilar Faulkner, Councilor

Amendment approved as to Form:


Erin K. McSherry, City Attorney

1 ADOPTED: _____

2 NOT ADOPTED: _____

3 DATE: _____

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6 _____

7 ANDRÉA SALAZAR, City Clerk

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