

Santa Fe (New Mexico) Hikes Pay for Local Workers Through Living Wage Ordinance

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Santa Fe Hikes Pay for Local Workers Through Living Wage Ordinance

Creates City-Wide Minimum Wage for All Large Businesses

To the cheers of supporters, early Thursday morning the Santa Fe City Council voted 7-to-1 to enact a minimum wage of \$8.50 per hour for all large businesses in the city. The ordinance will raise pay for thousands of local workers when it takes effect next January. By extending coverage of the law to all large employers, Santa Fe joins Washington, D.C. with one of the most extensive local wage laws in the country. Santa Fe and Washington are leading the way for the increasing number of American cities that are exploring broader local wage laws aimed at helping greater numbers of working families. "This is a victory for the whole community," says City Councilor Matthew Ortiz, one of the law's sponsors. The campaign for the new law was led by the Santa Fe Living Wage Network ? a coalition of civic leaders, local churches, community groups, and labor activists. More than 1,500 Santa Fe residents, including scores of local business

owners and many religious congregations, endorsed the living wage proposal.

“This ordinance is the natural evolution of living wage laws that have been passed across the country,” explains Paul Sonn, associate counsel at the Brennan Center for Justice at New York University School of Law. “We expect to see more cities following Santa Fe’s lead by broadening their living wage laws to help more low-income workers in their communities.” The Brennan Center served as technical and legal advisor to the city council and the Network during the campaign, and will help the city defend the new law if opponents should challenge it in court.

Last year, Santa Fe followed more than 100 municipalities across the United States by enacting a living wage law requiring businesses that receive large contracts from the city to pay their workers at least \$8.50 an hour. Now the city has extended that \$8.50 living wage to all businesses in the city employing 25 persons or more ? a model for other cities searching for ways to help low-income residents make ends meet. A wage of \$10.50 per hour will be phased in by 2008, and then the wage will be indexed to inflation.

“Santa Fe is a place with a rich history and culture, but that doesn’t mean it should be accessible only to rich people. Everyone who works here should be able to live decently, and this is why we needed the living wage ordinance,” says Carol Oppenheimer, a member of the all-volunteer Santa Fe Living Wage Network. “This is a real victory for Santa Fe’s emerging community-labor-religious alliance, which seeks to improve conditions of all workers,” explains Morty Simon, another Network member.

The city council vote followed a presentation of economic evidence by Professor Robert Pollin of the Political Economy Research Institute at the University of Massachusetts. One of the nation’s leading

researchers in the field, Pollin indicated that the living wage would raise living standards for a significant number of local families, and would not be unduly burdensome for employers.

Though these broader local wage laws reflect a recent trend, the idea is not new. Decades ago, cities such as Baltimore had minimum wages above state and national levels. “Congress and the state legislatures have failed to keep the minimum wage at a meaningful level,” says Ortiz. “This has forced leaders in communities like Santa Fe to step in to help local working people avoid economic hardship.”

Interest in broader city-wide living wage laws appears greatest in communities like Santa Fe that have high costs of living and where service workers ? many of them working for high-end hotels and restaurants ? struggle to get by on the minimum wage. While wages in Santa Fe are 23% below the national average, the cost of living is 18% above the norm. To pay an average rent in Santa Fe, a worker needs to earn at least \$15.29 an hour.

The Brennan Center provides legal and technical assistance to living wage campaigns, and other state and local policy reform initiatives, in communities across the nation. For more information, please contact [Amanda Cooper](#) at 212.998.6736 or read through our [living wage section](#). Information on the Santa Fe Living Wage Network can be found at www.santafelivingwage.org.