



City of New Bedford
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CITY OF NEW BEDFORD
Jonathan F. Mitchell, Mayor

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PRESS RELEASE

Mayor Mitchell asks Council to Repeal “10% Pay Penalty” For Employees Living Outside City

*Mayor cites extensive vacancies in city government and the need to
compete with other municipalities for qualified staff*

New Bedford, Massachusetts– Mayor Jon Mitchell has filed a proposed ordinance with the City Council which would abolish the City’s “10% pay penalty” for non-resident employees in management positions.

In November 2020, the Mayor vetoed a Council-initiated ordinance that established the 10% pay reduction for non-resident management employees; the Council overrode the Mayor’s veto and the City has experienced significant difficulties in hiring and retention due, in part, to the “10% pay penalty.”

At the time of his veto, the Mayor expressed serious concern that the sweeping residency ordinance passed by the Council would make it more difficult for the City to attract talent. His concern has been validated in the period since, and the negative impact of the salary penalty has only increased as competition for municipal employees has grown fierce and the labor market has tightened. Successful recruiting and hiring have become even more challenging for historically hard-to-fill positions. The City currently has roughly 200 vacant positions out of an estimated non-school workforce of 1,300.

The Mayor again noted in his submission to the Council, the “10% pay penalty” devised by the Council was not based on any research regarding the potential effect it would have if enacted. “Such a radical policy departure should have been grounded in an analysis of the experience of other cities with a similar policy, or perhaps a survey of current City employees about how a pay reduction might affect their residency preferences,” said Mayor Jon Mitchell. “The Council never offered up such evidence – or even pointed to another city that had adopted a similar measure. Some Councilors have expressed their concerns about the barrier to hiring the penalty poses, and now they’ll have an opportunity to do something about it.”

In support of his veto, the Mayor also took issue with the provision established by the Council which lifts the ten percent pay reduction once an employee reaches ten years of service, posing the rhetorical question: “How does this serve the City’s interests? Is it conceivable that a job candidate would be more willing to take the job if the pay cut ended some ten years later? The provision seems rather like a reward for longevity. I fully support incentivizing employee retention, but not if the “reward” is to permit employees to leave the city, not out of necessity, but by choice. Regrettably, the existing ordinance has the pernicious effect of undermining the notion that New Bedford is a great place to live—which I, along with the entire Council—would vociferously reject.”

The Mayor added “There can be no doubt that the “10% pay penalty” for non-residents has made it more difficult for us to attract talented candidates, so I ask the members of the City Council to give this repeal measure their full consideration.”