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Page 14, Lines 5,6

Section 2. Effective April 1, 2015, subsection A of Section 5.55.230 of the Seattle Municipal Code, last amended by Ordinance 123899, is amended as follows:...

Page 16, Lines 10,11

Section 3. Effective April 1, 2015 subsection B of Section 12A.08.060 of the Seattle Municipal Code, last amended by Ordinance 123596, is amended as follows:...

However, in order not to delay the Executive’s ability to begin the rulemaking process, this green sheet would also add a new Section 4 to read as follows, and would renumber the subsequent section:

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Section 4. Upon the effective date of this ordinance, the Director of the Office for Civil Rights is authorized and directed to promulgate rules consistent with, and to carry out, the amendments to the Seattle Municipal Code contained in this ordinance.

CB 118249 as amended creates an administrative process and civil penalty for wage and tip compensation violations to augment the City’s 2011 wage theft ordinance. This council bill parallels the City’s other labor standards ordinances and provides for enforcement through an advisory letter, individual complaint, or Director of Labor Standards’ (Director) charge. The statute of limitations to claim a violation of this ordinance is 3 years after the alleged occurrence. The Director will make a written determination whether a violation has occurred. Employers may appeal a Director’s order of violation to the Hearing Examiner. The remedies parallel those in the minimum wage ordinance and include back wages, interest and penalties. Similarly there is an affirmative duty on the employer to provide notice and retain records; and there is an explicit prohibition against retaliation.

The 2011 wage theft ordinance added explicit language around wage theft in the criminal section of the Seattle Municipal Code. Responding to concerns about a lack of teeth in the enforcement of civil claims, it also gave the City the power to revoke business licenses from companies with outstanding wage judgments issued by a court or the State Department of Labor and Industries.

Adding a civil process and remedy increases the opportunity for workers to receive the wages they are owed by providing one more enforcement avenue. The burden of proof in a civil case is lower than in a criminal case, i.e., preponderance of evidence compared to beyond a reasonable doubt.

The establishment of a civil penalty does not diminish the potential for a criminal wage theft charge and prosecution. If the Office of Labor Standards Director has reason to believe a violation of this ordinance may also be a violation of the criminal wage theft ordinance the Director may refer a complaint to either the Seattle Police Department for investigation or the City Attorney’s office for prosecution.

This council bill also expands the authority to revoke a business license to cover businesses who fail to promptly comply with a final order by the OLS Director and businesses with outstanding wage judgments from the U.S. Department of Labor for violations of the Fair Labor Standards Act.