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Page 2, Lines 5,6

Section 1. Effective April 1, 2015, a new Chapter 14.20 “Wage and Tip Compensation Requirements” is added to Title 14 of the Seattle Municipal Code as follows:...

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:...

Rulemaking amendment

In order to not 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:

Page 17, Lines 22 – 24

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.

Technical correction amendments. In addition this green sheet would amend the following sections:

Page 9 line 26 replaces the word employer with individual or entity in recognition that the requested information may be in the possession of individuals or entities other than the employer.

The Director shall have the authority to sign and issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence, including but not limited to books, records, correspondence, and documents in the possession or under the control of the ~~employer~~ individual or entity subpoenaed.

Page 12, line 9 adds the word appeal:

If the last day of the appeal period so computed is a Saturday, Sunday, or federal or City holiday, the appeal period shall run until 5:00 pm on the next business day.

Page 13, line 1 replaces superior court with King County Superior Court.

3. If an employer fails to comply with any final order issued by the Director or the Hearing Examiner, the Director shall refer the matter to the City Attorney for the filing of a civil action in King County Superior Court, the Seattle Municipal Court, or any other court of competent jurisdiction to enforce such order.

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

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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.