

SEATTLE CITY COUNCIL

Legislative Summary

CB 118499

Record No.: CB 118499	Type: Ordinance (Ord)	Status: Passed
Version: 4	124968	In Control: City Clerk
		File Created: 09/02/2015

Final Action: 12/23/2015

Title: AN ORDINANCE relating to taxicab, transportation network company, and for-hire vehicle drivers; amending Section 6.310.110 of the Seattle Municipal Code; adding a new Section 6.310.735 to the Seattle Municipal Code; and authorizing the election of driver representatives.

Notes: Waiting to bring forward after budget.

Sponsors: Licata,O'Brien

Filed with City Clerk:

Mayor's Signature:

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: jodee.schwinn@seattle.gov

Filing Requirements/Dept Action:

Histo	ory of Legislat	ive File			Legal Notice Published:	☐ Yes	□ No	
Ver-	Acting Body:		Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Clerk		09/02/2015	sent for review	v Council President's Office			
	Action Text: Notes:	The Cour	ncil Bill (CB) wa	s sent for revie	w. to the Council President's Offic	cei	,	
1	Council Presiden		09/02/2015	sent for reviev	Culture Committee			
	Action Text: Notes:	The Cour	ncil Bill (CB) wa	is sent for revie	w. to the Finance and Culture Co	mmittee		
- 1	Full Council		09/08/2015	referred	Finance and Culture Committee			
	Action Text: Notes:	The Cour	ncil Bill (CB) wa	is referred, to th	ne Finance and Culture Committe	e		
1	Finance and Cul		09/09/2015			•		
	Action Text: Notes:	The Cour	ncil Bill (CB) wa	s discussed in	Committee.			

1 Finance and Culture

09/23/2015 discussed

Committee

Action Text:

The Council Bill (CB) was discussed.

1 Finance and Culture

10/02/2015 pass as amended

Pass

Committee

Action Text:

The Committee recommends that Full Council pass as amended the Council Bill (CB).

In Favor: 7 Chair Licata, Vice Chair Godden, Member Burgess, Alternate Bagshaw,

O'Brien, Harrell, Sawant

Opposed: 0

3 Full Council

12/14/2015 passed as amended

Pass

Action Text:

The Motion carried, the Council Bill (CB) was passed as amended by the following vote, and the

President signed the Bill:

Notes:

ACTION 1:

Motion was made by Councilmember O'Brien, duly seconded and carried, to amend CB 118499 by sustituting Version 5 for Version 4.

ACTION 2:

Motion was made by Councilmember O'Brien, duly seconded and carried, to amend CB 118499 by substituting Version 6 for Version 5.

ACTION 3:

Motion was made and duly seconded to pass the Bill as amended.

In Favor: 8

Council President Burgess, Councilmember Godden, Councilmember

González, Councilmember Harrell, Councilmember Licata,

Councilmember O'Brien, Councilmember Rasmussen, Councilmember

Sawant

Opposed: 0

4 City Clerk

12/16/2015 submitted for

Mayor

Mayor's signature

Action Text:

The Council Bill (CB) was submitted for Mayor's signature. to the Mayor

Notes:

4 Mayor

12/23/2015 returned unsigned

Action Text:

The Council Bill (CB) was returned unsigned.

Notes:

Note

12/23/2015 returned

City Clerk

Action Text:

The Council Bill (CB) was returned, to the City Clerk

Notes:

4 City Clerk

Mayor

12/23/2015 attested by City

Clerk

Action Text:

The Ordinance (Ord) was attested by City Clerk.

Notes:



December 23, 2015

Honorable Tim Burgess, President Seattle City Council 600 4th Avenue, Floor 2 Seattle, WA 98104

Dear Council President Burgess,

I am transmitting Council Bill 118499 without my signature, understanding that it will become law.

The tremendous growth of Transportation Network Companies (TNCs) in Seattle, both in terms of popularity and the number of trips, demonstrates that this new business model is changing how people move around the city. These companies are providing valuable new tools for city residents and innovating at a tremendous pace.

I said consistently during this debate that I support the right of workers to organize to create a fair and just workplace. I remain concerned that this ordinance, as passed by the Council, includes several flaws, especially related to the relatively unknown costs of administering the collective bargaining process and the burden of significant rulemaking the Council has placed on City staff. My office has shared my concerns with the Council throughout the debate.

As this ordinance takes effect, my administration will begin its work to determine what it will take to implement the law. I believe it will be necessary to seek additional clarifying legislation from the Council. I look forward to working with councilmembers in 2016 on their ordinance.

Sincerely,

Edward B. Murray

Mayor, City of Seattle

cc: Honorable Members of the Seattle City Council

Monica Martinez Simmons, City Clerk

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2015 DEC 23 AM 11: 53

WHEREAS, the Director of FAS has authority to adjust fees to cover the cost of the regulatory
functions FAS performs on behalf of the public; and
WHEREAS, should this legislation go into effect, the Director may exercise that authority to

raise additional revenue through fees to cover the additional costs; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Findings

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A. In order to protect the public health, safety and welfare, The City of Seattle is granted express authority to regulate for-hire and taxicab transportation services pursuant to Chapters 46.72 and 81.72 RCW. This authority includes regulating entry, requiring a license, controlling rates, establishing safety requirements, and any other requirement to ensure safe and reliable transportation services.

B. Seattle Municipal Code (SMC) Chapter 6.310 is an exercise of The City of Seattle's power to regulate the for-hire and taxicab transportation industry. SMC Chapter 6.310, in subsection 6.310.100.A, states: "Some of its regulatory purposes are to increase the safety, reliability, cost-effectiveness, and the economic viability and stability of privately-operated for-hire vehicle and taxicab services within The City of Seattle."

C. The purpose of this ordinance is to ensure safe and reliable for-hire and taxicab transportation service pursuant to RCW 46.72.160 and RCW 81.72.210, respectively, and to exercise the City's authority to regulate for-hire transportation pursuant to RCW 46.72.001, which states: "The legislature finds and declares that privately operated for hire transportation service is a vital part of the transportation system within the state. Consequently, the safety, reliability, and stability of privately operated for hire transportation services are matters of statewide importance. The regulation of privately operated for hire transportation services is thus an essential governmental function. Therefore, it is the intent of the legislature to permit political subdivisions of the state to regulate for hire transportation services without liability under federal antitrust laws." RCW 81.72.200, governing taxicab transportation, has a similar statement of legislative intent.

D. As the City is acting under specific state statutory authority, it is immune from liability under antitrust laws.

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E. At present, entities that hire, contract with, or partner with for-hire drivers for the purpose of assisting them with, or facilitating them in, providing for-hire transportation services to the public establish the terms and conditions of their contracts with their drivers unilaterally, and may impose changes in driver compensation rates or deactivate drivers from dispatch services without prior warning or discussion. Terms and conditions that are imposed without meaningful driver input, as well as sudden and/or unilateral contract changes, may adversely impact the ability of a for-hire driver to provide transportation services in a safe, reliable, stable, cost-effective, and economically viable manner.

- F. Unilateral terms and working conditions established and imposed without driver input by entities that hire, contract with, or partner with for-hire drivers, as well as sudden and/or unilateral changes in those terms and conditions, have resulted in driver unrest and transportation service disruptions around the country.
- G. There is currently no effective mechanism for for-hire drivers to meaningfully address the terms and conditions of their contractual relationship with the entity that hires, contracts with, or partners with them. For-hire drivers lack the power to negotiate these issues effectively on an individual basis.
- H. Business models wherein companies control aspects of their drivers' work, but rely on the drivers being classified as independent contractors, render for-hire drivers exempt from minimum labor requirements established by federal, state, and local law.
- I. Establishing a process through which for-hire drivers and the entities that control many aspects of their working conditions collectively negotiate the terms of the drivers' contractual relationships with those entities will enable more stable working conditions and better ensure that drivers can perform their services in a safe, reliable, stable, cost-effective, and economically

viable manner, and thereby promote the welfare of the people who rely on safe and reliable forhire transportation to meet their transportation needs.

1. Drivers working under terms that they have negotiated through a collective negotiation process are more likely to remain in their positions over time, and to devote more time to their work as for-hire drivers, because the terms are more likely to be satisfactory and responsive to the drivers' needs and concerns. Such drivers accumulate experience that will improve the safety and reliability of the for-hire transportation services provided by the driver coordinator and reduce the safety and reliability problems created by frequent turnover in the for-hire transportation services industry.

- 2. Establishing the drivers' contractual terms through a collective negotiation process will also help ensure that the compensation drivers receive for their services is sufficient to alleviate undue financial pressure to provide transportation in an unsafe manner (such as by working longer hours than is safe, skipping needed breaks, or operating vehicles at unsafe speeds in order to maximize the number of trips completed) or to ignore maintenance necessary to the safe and reliable operation of their vehicles. Enabling driver participation in the formulation of vehicle equipment standards and safe driving practices will help ensure that those standards and practices are responsive to driver needs, including changing conditions, and that drivers will agree with and follow those standards and practices.
- J. Collective negotiation processes in other industries have achieved public health and safety outcomes for the general public and improved the reliability and stability of the industries at issue including, but not limited to, job security provisions, scheduling predictability, job training, methods of communicating health and safety information and enforcing health and safety standards, processes for resolving disputes with minimal rancor or conflict, and reductions

	LEG Driver Collective Bargaining ORD D6
1	in industrial accidents, vehicular accidents, and inoperative or malfunctioning equipment. In
2	other parts of the transportation industry, for example, collective negotiation processes have
3	reduced accidents and improved driver and vehicle safety performance.
4	Section 2. Section 6.310.110 of the Seattle Municipal Code, last amended by Ordinance
5	124524, is amended as follows:
6	6.310.110 Definitions
7	* * *
8	"Commencement date" means a calendar date set by the Director after the effective date
9	of the ordinance introduced as Council Bill 118499 for the purpose of initiating certain processes
10	pursuant to Section 6.310.735 and establishing timelines and deadlines associated with them.
11	* * *
12	"Director" means the Director of Finance and Administrative Services or the director of
13	any successor department and the Director's authorized designee.
14	"Driver coordinator" means an entity that hires, contracts with, or partners with for-hire
15	drivers for the purpose of assisting them with, or facilitating them in, providing for-hire services
16	to the public. For the purposes of this definition, "driver coordinator" includes but is not limited
17	to taxicab associations, for-hire vehicle companies, and transportation network companies.
18	"Exclusive driver representative" (EDR) means a qualified driver representative, certified
19	by the Director to be the sole and exclusive representative of all for-hire drivers operating within
20	the City for a particular driver coordinator, and authorized to negotiate, obtain and enter into a
21	contract that sets forth terms and conditions of work applicable to all of the for-hire drivers
22	employed by that driver coordinator.

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"Personal vehicle" means a vehicle that is not a taxicab or for-hire vehicle licensed under this ((chapter)) Chapter 6.310. A personal vehicle that is used to provide trips via a transportation network company application dispatch system is subject to regulation under this ((ehapter)) Chapter 6.310.

"Qualifying driver" means a for-hire driver, who drives for a driver coordinator and who satisfies the conditions established by the Director pursuant to Section 6.310.735. In establishing such conditions, the Director shall consider factors such as the length, frequency, total number of trips, and average number of trips per driver completed by all of the drivers who have performed trips in each of the four calendar months immediately preceding the commencement date, for a particular driver coordinator, and any other factors that indicate that a driver's work for a driver coordinator is significant enough to affect the safety and reliability of for-hire transportation. A for-hire driver may be a qualifying driver for more than one driver coordinator.

"Qualified driver representative" (QDR) means an entity that assists for-hire drivers operating within the City for a particular driver coordinator in reaching consensus on desired terms of work and negotiates those terms on their behalf with driver coordinators.

Section 3. A new Section 6.310.735 is added to the Seattle Municipal Code as follows: 6.310.735 Exclusive driver representatives

A. The Director shall promulgate a commencement date that is no earlier than 180 days and no later than 240 days from the effective date of the ordinance introduced as Council Bill 118499.

- B. The process of designating a QDR shall be prescribed by Director's rule. The designation of a QDR shall be based on, but not limited to, consideration of the following factors:
 - 1. Registration with the Washington Secretary of State as a not-for-profit entity;
- 2. Organizational bylaws that give drivers the right to be members of the organization and participate in the democratic control of the organization; and
- 3. Experience in and/or a demonstrated commitment to assisting stakeholders in reaching consensus agreements with, or related to, employers and contractors.
- C. An entity wishing to be considered as a QDR for for-hire drivers operating within the City must submit a request to the Director within 30 days of the commencement date or at a later date as provided in subsection G of this section. Within 14 days of the receipt of such a request, the Director will notify the applicant in writing of the determination. Applicants who dispute the Director's determination may appeal to the Hearing Examiner within 10 days of receiving the determination. The Director shall provide a list of all QDRs to all driver coordinators.
- 1. An entity that has been designated as a QDR shall be required to establish annually that it continues to satisfy the requirements for designation as a QDR.
- 2. An entity that has been designated as a QDR and that seeks to represent the drivers of a driver coordinator shall notify the driver coordinator of its intent to represent those drivers within 14 days of its designation as a QDR. That notice may be provided by any means reasonably calculated to reach the driver coordinator, including by written notice mailed or delivered to a transportation network company or taxicab association representative at the mailing address listed with the City.

- D. Driver coordinators who have hired, contracted with, partnered with, or maintained a contractual relationship or partnership with, 50 or more for-hire drivers in the 30 days prior to the commencement date, other than in the context of an employer-employee relationship, must, within 75 days of the commencement date, provide all QDRs that have given the notice specified in subsection 6.310.735.C.2 the names, addresses, email addresses (if available), and phone number (if available) of all qualifying drivers they hire, contract with, or partner with.
- E. QDRs shall use driver contact information for the sole purpose of contacting drivers to solicit their interest in being represented by the QDR. The QDR may not sell, publish, or otherwise disseminate the driver contact information outside the entity/organization.
- F. The Director shall certify a QDR as the EDR for all drivers contracted with a particular driver coordinator, according to the following:
- 1. Within 120 days of receiving the driver contact information, a QDR will submit statements of interest to the Director from a majority of qualifying drivers from the list described in subsection 6.310.735.D. Each statement of interest shall be signed, dated, and clearly state that the driver wants to be represented by the QDR for the purpose of negotiations with the driver coordinator. A qualifying driver's signature may be provided by electronic signature or other electronic means. The Director shall determine by rule the standards and procedures for submitting and verifying statements of interest by qualifying drivers choosing an EDR.
- a. The methods for submitting and verifying statements of interest by qualifying drivers choosing an EDR may include, but not be limited to: signature verification, unique personal identification number verification, statistical methods, or third party verification.
- 2. Within 30 days of receiving such statements of interest, the Director shall determine if they are sufficient to designate the QDR as the EDR for all drivers for that particular

driver coordinator, and if so, shall so designate the QDR to be the EDR, except that, if more than one QDR establishes that a majority of qualifying drivers have expressed interest in being represented by that QDR, the Director shall designate the QDR that received the largest number of verified affirmative statements of interest to be the EDR.

3. Within 30 days of receiving submissions from all QDRs for a particular driver coordinator, the Director shall either certify one to be the EDR or announce that no QDR met the majority threshold for certification.

G. If no EDR is certified for a driver coordinator, the Director shall, upon the written request from a designated QDR or from an entity that seeks to be designated as a QDR, promulgate a new commencement date applicable to that driver coordinator that is no later than 90 days after the request, provided that no driver coordinator shall be subject to the requirements of Section 6.310.735 more than once in any 12-month period. The QDR, any other entity that seeks to be designated as a QDR, and the driver coordinator shall then repeat the processes in subsections 6.310.735.C, 6.310.735.D, and 6.310.735.F.

H. 1. Upon certification of the EDR by the Director, the driver coordinator and the EDR shall meet and negotiate in good faith certain subjects to be specified in rules or regulations promulgated by the Director, including, but not limited to, best practices regarding vehicle equipment standards; safe driving practices; the manner in which the driver coordinator will conduct criminal background checks of all prospective drivers; the nature and amount of payments to be made by, or withheld from, the driver coordinator to or by the drivers; minimum hours of work, conditions of work, and applicable rules. If the driver coordinator and the EDR

reach agreement on terms, their agreement shall be reduced to a written agreement. The term of

such an agreement shall be agreed upon by the EDR and the driver coordinator, but in no case shall the term of such an agreement exceed four years.

2. After reaching agreement, the parties shall transmit the written agreement to the

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4 Director. The Director shall review the agreement for compliance with the provisions of this

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reliable, and economical for-hire transportation services and otherwise advance the public policy

Chapter 6.310, and to ensure that the substance of the agreement promotes the provision of safe,

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goals set forth in Chapter 6.310 and in the Preamble to and Section 1 of the ordinance introduced

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as C.B. 118499. In conducting that review, the record shall not be limited to the submissions of the EDR and driver coordinator nor to the terms of the proposed agreement. The Director shall

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have the right to gather and consider any necessary additional evidence, including by conducting

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public hearings and requesting additional information from the EDR and driver coordinator.

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Following this review, the Director shall notify the parties of the determination in writing, and

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shall include in the notification a written explanation of all conclusions. Absent good cause, the

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Director shall issue the determination of compliance within 60 days of the receipt of an

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a. If the Director finds the agreement compliant, the agreement is final and

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binding on all parties.

agreement.

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b. If the Director finds it fails to comply, the Director shall remand it to the parties with a written explanation of the failure(s) and, at the Director's discretion,

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recommendations to remedy the failure(s).

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determines its adherence to the provisions of this Chapter 6.310 and that the agreement furthers

c. The agreement shall not go into effect until the Director affirmatively

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the provision of safe, reliable, and economical for-hire transportation services and the public

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policy goals set forth in the Preamble to and Section 1 of the ordinance introduced as C.B. 118499.

3. Unless the EDR has been decertified pursuant to subsection 6.310.735.L or has lost its designation as a QDR, the EDR and the driver coordinator shall, at least 90 days before the expiration of an existing agreement approved pursuant to subsections 6.310.735.H.2.c or 6.310.735.I.4.c, meet to negotiate a successor agreement. Any such agreement shall be subject to approval by the Director pursuant to subsection 6.310.735.H.2. If the parties are unable to reach agreement on a successor agreement within 90 days after the expiration of an existing agreement, either party must submit to interest arbitration upon the request of the other pursuant to subsection 6.310.735.I, and the interest arbitrator's proposed successor agreement shall be subject to review by the Director pursuant to subsections 6.310.735.I.3 and 6.310.735.I.4.

- 4. Nothing in this section 6.310.735 shall require or preclude a driver coordinator from making an agreement with an EDR to require membership of for-hire drivers in the EDR's entity/organization within 14 days of being hired, contracted with, or partnered with by the driver coordinator to provide for-hire transportation services to the public.
- I. If a driver coordinator and the EDR fail to reach an agreement within 90 days of the certification of the EDR by the Director, either party must submit to interest arbitration upon the request of the other.
- 1. The interest arbitrator may be selected by mutual agreement of the parties. If the parties cannot agree, then the arbitrator shall be determined as follows: from a list of seven arbitrators with experience in labor disputes and/or interest arbitration designated by the American Arbitration Association, the party requesting arbitration shall strike a name. Thereafter

consider the following criteria:

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the other party shall strike a name. The process will continue until one name remains, who shall be the arbitrator. The cost of the interest arbitration shall be divided equally between the parties.

2. The interest arbitrator shall propose the most fair and reasonable agreement

3 concerning subjects specified in rules or regulations promulgated by the Director as set forth in 4 5 subsection 6.310.735.H.1 that furthers the provision of safe, reliable, and economical for-hire 6 transportation services and the public policy goals set forth in the Preamble to and Section 1 of 7 the ordinance introduced as C.B. 118499. The term of any agreement proposed by the interest 8 arbitrator shall not exceed two years. In proposing that agreement, the interest arbitrator shall

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- a. Any stipulations of the parties;
- b. The cost of expenses incurred by drivers (e.g., fuel, wear and tear on vehicles, and insurance);
- c. Comparison of the amount and/or proportion of revenue received from customers by the driver coordinators and the income provided to or retained by the drivers;
- d. The wages, hours, and conditions of employment of other persons, whether employees or independent contractors, employed as for-hire or taxicab drivers in Seattle and its environs, as well as other comparably sized urban areas;
- e. If raised by the driver coordinator, the driver coordinator's financial condition and need to ensure a reasonable return on investment and/or profit;
- f. Any other factors that are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment; and
- g. The City's interest in promoting the provision of safe, reliable, and economical for-hire transportation services and otherwise advancing the public policy goals set

forth in Chapter 6.310 and in the Preamble to and Section 1 of the ordinance introduced as C.B. 118499.

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3. The arbitrator shall transmit the proposed agreement to the Director for review in accordance with the procedures and standards set forth in subsection 6.310.735.H.2. With the proposed agreement, the arbitrator shall transmit a report that sets forth the basis for the arbitrator's resolution of any disputed issues. The Director shall review the agreement as provided in subsection 6.310.735.H.2.

- 4. In addition to the review provided for in subsection 6.310.735.I.3, a driver coordinator or EDR may challenge the proposed agreement on the following grounds: that the interest arbitrator was biased, that the interest arbitrator exceeded the authority granted by subsection 6.310.735.H and this subsection 6.310.735.I, and/or that a provision of the proposed agreement is arbitrary and capricious. In the event of such a challenge, the Director will provide notice to the driver coordinator and the EDR, allow the driver coordinator and the EDR the opportunity to be heard, and make a determination as to whether any of the challenges asserted should be sustained.
- a. If the Director finds the agreement fulfills the requirements of subsection 6.310.735.H.2, and that no challenges raised under this subsection 6.310.735.I.4 should be sustained, the Director will provide written notice of that finding to the parties and the agreement will be deemed final and binding on all parties.
- b. If the Director finds that the agreement fails to fulfill the requirements of subsection 6.310.735.H.2, or that any challenge asserted under this subsection 6.310.735.I.4 should be sustained, the Director shall remand the agreement to the interest arbitrator with a

written explanation of the failure(s) and, at the Director's discretion, recommendations to remedy the failure(s).

c. The agreement shall not go into effect until the Director affirmatively deems the agreement final and binding pursuant to subsections 6.310.735.I.3 and 6.310.735.I.4.a.

d. A driver coordinator or EDR may obtain judicial review of the Director's final determination rendered pursuant to this subsection 6.310.735.I.4 by applying for a Writ of Review in the King County Superior Court within 14 days from the date of the Director's determination, in accordance with the procedure set forth in Chapter 7.16 RCW, other applicable law, and court rules. The Director's final determination shall not be stayed pending judicial review unless a stay is ordered by the court. If review is not sought in compliance with this subsection 6.310.735.I.4.d, the determination of the Director shall be final and conclusive.

5. If either party refuses to enter interest arbitration, upon the request of the other,

either party may pursue all available judicial remedies.

J. During the term of an agreement approved by the Director under subsection 6.310.735.H or 6.310.735.I, the parties may discuss additional terms and, if agreement on any amendments to the agreement are reached, shall submit proposed amendments to the Director, who shall consider the proposed amendment in accordance with the procedures and standards in subsection 6.310.735.H.2. Any proposed amendment shall not go into effect until the Director affirmatively determines its adherence to the provisions of this Chapter 6.310 and that it furthers the provision of safe, reliable and economical for-hire transportation services and the public policy goals set forth in the Preamble to and Section 1 of the ordinance introduced as C.B.

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- 2. The Director shall have the authority to gather and consider any necessary evidence in exercising the authority provided by this subsection 6.310.735.J.
- 3. A driver coordinator shall not make changes to subjects set forth in subsection 6.310.735.H or specified in rules or regulations promulgated by the Director without meeting and discussing those changes in good faith with the EDR, even if the driver coordinator and EDR have not included terms concerning such subjects in their agreement.

K. A driver coordinator shall not retaliate against any for-hire driver for exercising the right to participate in the representative process provided by this section 6.310.735, or provide or offer to provide money or anything of value to any for-hire driver with the intent of encouraging the for-hire driver to exercise, or to refrain from exercising, that right. It shall be a violation for a

decertification will submit to the Director statements of interest from a majority of qualifying

drivers from the list described in subsection 6.310.735.K.3. The statements of interest shall be

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signed and dated and shall clearly indicate that the driver no longer wants to be represented by the EDR for the purpose of collective bargaining with the driver coordinator. The Director shall determine by rule the standards and procedures for submitting and verifying the statements of interest of qualifying drivers.

5. Within 30 days of receiving such statements of interest, the Director shall determine if they are sufficient to decertify the EDR for that particular driver coordinator. The Director shall either decertify the EDR, or declare that the decertification petition did not meet the majority threshold and reaffirm that the EDR shall continue representing all drivers for that particular driver coordinator.

a. If an EDR is decertified for a particular driver coordinator, the process of selecting a new EDR may start according to the process outlined in subsection 6.310.735.G.

M. Enforcement

1. Powers and duties of Director

a. The Director is authorized to enforce and administer this section 6.310.735. The Director shall exercise all responsibilities under this section 6.310.735 pursuant to rules and regulations developed under Chapter 3.02. The Director is authorized to promulgate, revise, or rescind rules and regulations deemed necessary, appropriate, or convenient to administer the provisions of this section 6.310.735, providing affected entities with due process of law and in conformity with the intent and purpose of this section 6.310.735.

b. The Director shall investigate alleged violations of subsections
6.310.735.D and 6.310.735.H.1, and if the Director determines that a violation has occurred, the
Director shall issue a written notice of the violation. The Director may investigate alleged

	Tony Kilduff LEG Driver Collective Bargaining ORD D6
1	violations of other subsections of this section 6.310.735, and if the Director determines that a
2 .	violation has occurred, the Director shall issue a written notice of the violation. The notice shall:
. 3	1) Require the person or entity in violation to comply with the
4	requirement;
5	2) Include notice that the person or entity in violation is entitled to
6	a hearing before the Hearing Examiner to respond to the notice and introduce any evidence to
7	refute or mitigate the violation, in accordance with Chapter 3.02; and
8	3) Inform the person or entity in violation that a daily penalty of up
9	to \$10,000 for every day the violator fails to cure the violation will accrue if the violation is
10	uncontested or found committed.
11	c. The person or entity named on the notice of violation must file with the
12	Hearing Examiner's Office the request for a hearing within ten calendar days after the date of the
13	notice of violation. The Hearing Examiner may affirm, modify, or reverse the Director's notice
14	of violation.
15	d. If the person or entity named on the notice of violation fails to timely
16	request a hearing, the notice of violation shall be final and the daily penalty of up to \$10,000 will
17	accrue until the violation is cured.
18	e. Nothing in this section 6.310.735 shall be construed as creating liability
19	or imposing liability on the City for any non-compliance with this section 6.310.735.
20	2. Judicial review. After receipt of the decision of the Hearing Examiner, an
21	aggrieved party may pursue all available judicial remedies.
22	3. Private right of action. Subsections 6.310.735.D, 6.310.735.E, 6.310.735.H,
23	and 6.310.735.K may be enforced through a private right of action. Any aggrieved party,

including but not limited to an EDR, may bring an action in court, and shall be entitled to all remedies available at law or in equity appropriate to remedy any violation of this section 6.310.735. A plaintiff who prevails in any action against a private party to enforce this section 6.310.735 may be awarded reasonable attorney's fees and costs.

4. Contractual remedies. Nothing in this section shall be construed as preventing the parties to an agreement approved by the Director from pursuing otherwise available remedies for violation of such agreement.

Section 4. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of its application to any person or circumstance, does not affect the validity of the remainder of this ordinance, or the validity of its application to other persons or circumstances.

Section 5. Sections 2 and 3 of this ordinance shall take effect and be in force 150 days after the effective date of the ordinance introduced as Council Bill 118499.

Section 6. No provision of this ordinance shall be construed as a providing any determination regarding the legal status of taxicab, transportation network company, and for-hire vehicle drivers as employees or independent contractors. The provisions of this ordinance do not apply to drivers who are employees under 29 U.S.C. § 152(3).

Section 7. Should a court of competent jurisdiction, all appeals having been exhausted or all appeal periods having run, determine that any provision of this ordinance is preempted by federal law, any and all such provisions shall be deemed null and void.

1	Section 8. This ordinance shall take effect and be in force 30 days after its approval by
2	the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3	shall take effect as provided by Seattle Municipal Code Section 1.04.020.
4 ·	Passed by the City Council the 4 day of December, 2015, and
5	signed by me in open session in authentication of its passage this
6	14th day of December, 2015.
7	\circ
8	100
9	President of the City Council
10	
11	Approved by me this day of, 2015.
12	
13	
14	Edward B. Murray, Mayor
15	A
16	Filed by me this 23 day of December, 2015.
17	
18	James h. Simmone
19	Monica Martinez Simmons, City Clerk
20	
21	(Seal)

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:		
LEG	Tony Kilduff / 4-3580	N/A		

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to taxicab, transportation network company, and for-hire vehicle drivers; amending Section 6.310.110 of the Seattle Municipal Code; adding a new Section 6.310.735 to the Seattle Municipal Code; and authorizing the election of driver representatives.

Summary and background of the Legislation:

This legislation establishes a framework that would require companies that hire or contract with for-hire drivers licensed to operate in the City to bargain the terms and conditions of work with a Driver Representative if a sufficient number of such drivers chose to be represented.

For-hire drivers are generally considered to be in independent contractors and as such are not covered by the National Labor Relations Act that provides for collective bargaining between employers and unions representing employees. This legislation establishes a framework locally to allow drivers to organize and bargain, through a selected representative, with the companies they work for. Through this legislation, the City would establish the process by which the driver representative is selected, and compels the parties to bargain. It also establishes penalties for failure to comply including the possible revocation of regulatory licenses.

2. CAPITAL IMPROVEMENT PROGRAM This legislation creates, funds, or amends a CIP Project. (If box is checked, please attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page.) Project Name: Project I.D.: Project Location: Start Date: End Date: Total Cost:

3. SUMMARY OF FINANCIAL IMPLICATIONS

Please check one:

X This legislation has direct financial implications. (If the legislation has direct fiscal impacts (appropriations, revenue, positions), fill out the relevant sections below. If the financial implications are indirect or longer-term, describe them in narrative in the "Other Implications" section.)
 This legislation does not have direct financial implications.
(Please skip to "Other Implications" section at the end of the document and answer questions a-i.)

^{*} Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

Budget program(s) affected:						
E 4: 4 1	Genera	General Fund \$		Other \$		
Estimated \$ Appropriation change:	2015	2016	2015	2016		
				\$100,000		
Estimated \$ Revenue change:	Revenue to (General Fund	Revenue to	Other Funds		
	2015	2016	2015	2016		
				\$100,000		
	No. of Positions		Total FTE Change			
Positions affected:	2015	2016	2015	2016		
		1		0.75		
Other departments affected:	Finance and Administrative Services					

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

(If this box is checked, please complete this section. If this box is not checked, please proceed to Revenues)

Fund Name and number	Dept	Budget Control Level Name/#*	2015 Appropriation Change	2016 Estimated Appropriation Change
Finance and	Finance	Revenue and	\$0	\$100,000
Administrative	and	Consumer		
Services Fund	Administr	Protection		
(50300)	ative	(A4530)		
	Services			
TOTAL			\$0	\$100,000

^{*}See budget book to obtain the appropriate Budget Control Level for your department.

(This table should reflect appropriations that are a direct result of this legislation. In the event that the project/programs associated with this ordinance had, or will have, appropriations in other legislation please provide details in the Appropriation Notes section below. If the appropriation is not complete supported by revenue/reimbursements listed below, please identify the funding source (e.g. available fund balance) to cover this appropriation in the notes section. Also indicate if the legislation changes appropriations one-time, ongoing, or both.)

Appropriations Notes: The 2016 appropriation change will be requested in the 2016 budget.

3.b. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

(If this box is checked, please complete this section. If this box is not checked, please proceed to Positions)

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and	Dept	Revenue Source	2015	2016 Estimated
Number			Revenue	Revenue
Finance and	Finance and	Fees and penalties	\$0	\$100,000
Administrative	Administrat	_		
Services Fund	ive Services			
(50300)				
TOTAL			\$0	\$100,000

(This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below. Do the revenue sources have match requirements? If so, what are they?)

Revenue/Reimbursement Notes:

Revenues would be raised through fees and penalties from industry participants in the taxi, forhire, and transportation network companies.

3.c. Positions

This legislation adds, changes, or deletes positions.

(If this box is checked, please complete this section. If this box is not checked, please proceed to Other Implications)

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2015 Positions	2015 FTE	Does it sunset? (If yes, explain below in Position Notes)
TOTAL							

^{*} List each position separately

(This table should only reflect the actual number of positions created by this legislation In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below.)

<u>Position Notes</u>: Positions needed to perform the responsibilities created by this legislation will be authorized in the 2016 Adopted Budget.

4. OTHER IMPLICATIONS

a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above? No.

(If yes, explain here.)

b) Is there financial cost or other impacts of not implementing the legislation? No

(Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs or consequences.)

c) Does this legislation affect any departments besides the originating department? No

(If so, please list the affected department(s), the nature of the impact (financial, operational, etc), and indicate which staff members in the other department(s) are aware of the proposed legislation.)

d) Is a public hearing required for this legislation? No

(If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned for the future?)

e) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation? No

(For example, legislation related to sale of surplus property, condemnation, or certain capital projects with private partners may require publication of notice. If you aren't sure, please check with your lawyer. If publication of notice is required, describe any steps taken to comply with that requirement.)

f) Does this legislation affect a piece of property? No

(If yes, and if a map or other visual representation of the property is not already included as an exhibit or attachment to the legislation itself, then you must include a map and/or other visual representation of the property and its location as an attachment to the fiscal note. Place a note on the map attached to the fiscal note that indicates the map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.)

g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? Yes

(If yes, please explain how this legislation may impact vulnerable or historically disadvantaged communities. Using the racial equity toolkit is one way to help determine the legislation's impact on certain communities.)

A very large number of for-hire drivers come from historically disadvantaged communities. Many are new immigrants to the US and English is not their first language, making it difficult for them to find jobs. Driving taxis, flat-rate, and TNC-endorsed vehicles is often the fastest and easiest path to regular work for them. Unfortunately, because they are vulnerable, they are often taken advantage of by the companies that hire them or contract with them. This legislation provides a mechanism to redress the imbalance of market power the currently exists in the industry.

h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.

(This answer should highlight measureable outputs and outcomes.)

By establishing a collective bargaining framework at the local level for a cohort of the labor force denied the protections of the NLRA, this legislation could have a significant impact nationwide.

i) Other Issues:

List attachments/exhibits below:

STATE OF WASHINGTON -- KING COUNTY

--SS.

332162

CITY OF SEATTLE, CLERKS OFFICE

No.

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:124956-124968 TITLE

was published on

01/08/16

The amount of the fee charged for the foregoing publication is the sum of \$219.47 which amount has been paid in full.

MELISSA M. DOWD STATE OF WASHINGTON

NOTARY PUBLIC

MY COMMISSION EXPIRES

11-21-19

Subscribed and sworn to before me on

01/08/2016

Notary public for the State of Washington, residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Coancil on December 14, 2015, and published below by title only, will be mailed upon request, or can be accessed at http://clerk.seattle.gov. For information on upcoming meetings of the Seattle City Council, please visit http://www.seattle.gov/council/calendar. Contact: Office of the City Clerk at (206) 684-8344.

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Ord 124957

AN ORDINANCE related to cable television; authorizing the Mayor or the Mayor's designee to enter into a renewed Cable Television Franchise Agreement with Comcast Cable Communications Management LLC; and authorizing the Chief Technology Officer to enter into other agreements for the purpose of implementing or administering the renewed franchise.

Ord 124958

AN ORDINANCE approving and confirming the plat of "Greenbelt Station" in the portions of Southwest 1/4 of Northeast

1/4 of Section 34, Township 24 North, Range 4 East, W.M. in King County, Washington.

Ord 124959

AN ORDINANCE relating to City employment commonly referred to as the Fourth Quarter 2015 Employment Ordinance; establishing new salaries that implement 2016 increases required by Ordinance 124490; amending Ordinance 124927; increasing funds; designating positions as exempt from Civil Service status; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Ord 124960

AN ORDINANCE relating to employment AN ORDINANCE relating to employment in Seattle; amending Chapters 14.16, 14.17, 14.19, and 14.20 of the Seattle Municipal Code to prescribe additional remedies and enforcement procedures, harmonize ordinance language, and add provisions to facilitate compliance; amending Section 3.14.931 of the Seattle Municipal Code to update duties of the Seattle Human Rights Commission; and amending Section 5.55.230 of the Seattle Municipal Code to require labor standards compliance for business license tax certificates.

Ord 124961

AN ORDINANCE authorizing, in 2015, acceptance of funding from non-City sources; authorizing the heads of the Executive Department, City Budget Office, Department of Neighborhoods, Department of Parks and of Neighborhoods, Department of Parks and Recreation, Human Services Department, Seattle Fire Department, Seattle Police Department, Department of Information Technology, and Seattle Public Utilities to accept specified grants, private funding donations and subsidized loans and to exe-cute, deliver, and perform corresponding agreements; and ratifying and confirming ceptain prior acts. certain prior acts.

Ord 124962

AN ORDINANCE relating to the 2015 Budget; amending Ordinance 124648, which adopted the 2015 Budget, including the 2015-2020 Capital Improvement Program (CIP); changing appropriations to various depart-ments and budget control levels, and from various funds in the Budget; revising project various funds in the Budget; revising project allocations for certain projects in the 2015 2020 CIP; creating both exempt and nonex-empt positions; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

AN ORDINANCE relating to the creation AN ORDINANCE, teating of the Clearon of a Title 6 business license; adding a new Chapter 6.208 to the Seattle Municipal Code; and amending Sections 5.30.030, 5.32.150, 5.55.230, 6.10.005, 6.20.050, 6.214.150, 6.250.030, 6.500.140, 7.04.645, 21.16.060, 21.16.080, and 22.214.060 of the Seattle Municipal Code.

Ord 124964

AN ORDINANCE relating to histor-AN ORDINANCE relating to historic preservation; imposing controls upon the Seattle Post-Intelligencer Globe, a landmark designated by the Landmarks Preservation Board under Chapter 25.12 of the Seattle Municipal Code, and adding it to the Table of Historical Landmarks contained in Chapter 25.32 of the Seattle Municipal Code.

Ord 124965

AN ORDINANCE relating to Seattle Public Utilities; authorizing the Director of Seattle Public Utilities to execute amend-ments to wheeling agreements between The City of Seattle and North City Water District and between The City of Seattle and Olympic View Water and Sewer District.

Ord 124966

AN ORDINANCE relating to Seattle Public Utilities, authorizing the Director of Seattle Public Utilities to enter into a Joint Project Agreement with King County to design, construct, operate, and maintain the Ship Canal Water Quality Project, in partial fulfillment of the objectives of the Consent Decree authorized under Ordinances 123908 and 124129, and the "Plan to Protect Seattle's Waterways" authorized under Ordinance 124766, or reduce Combined Sewer Overflows; and ratifying and confirm Sewer Overflows; and ratifying and confirming certain prior acts.

Ord 124967

AN ORDINANCE vacating the south 168 feet of the alley adjacent to Lots 17 through 24. Jying between Block 55 and Block 56, Boston Company's Plat of West Seattle, near the Alaska Junction of the West Seattle neighborhood of Seattle, on the petition of Fauntleroy Place LLC (Clerk File 308171), and ratifying and confirming certain prior

Ord. 124968

AN ORDINANCE relating to taxicab, Page 2 of affidat 6.310.110 of the Seattle Municipal Code; adding a new Section 6.310.735 to the Seattle Municipal Code; adding a new Section 6.310,735 to the Seattle Municipal Code; and authorizing the election of driver representatives.

Date of publication in the Seattle Daily Journal of Commerce, January 8, 2016, 1/8(332162)