

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Finance and Administrative Services	Nancy Locke 684-8903	Jennifer Devore, 5-1328

Legislation Title: AN ORDINANCE relating to City contracting; increasing an appropriation in the Department of Finance and Administrative Services 2013 Adopted Budget; creating two new full-time positions to monitor and enforce wage and labor conditions, including wage-theft violations; and ratifying and confirming certain prior acts in connection thereto; all by a three-fourths vote of the City Council.

Summary of the Legislation:

To respond to the large increase in worker pay and wage-theft-related activities, the attached legislation increases appropriation authority in the Department of Finance and Administrative Services' 2013 Adopted Budget, and creates two new full-time positions to expand monitoring and enforcement of wage and labor conditions on construction work monitored by the Department. Permanent funding for the enhanced program will be included the Mayor's 2014 Proposed Budget.

Background:

In 2005, the City was made aware of unfair worker pay practices on construction projects funded by the Office of Housing (OH), and responded by placing an enforcement officer within the Department of Finance and Administrative Services' predecessor, the Department of Executive Administration, which was responsible for social equity contract compliance on City contracts. Original funding provided a .75 FTE to monitor drywall workers for OH funded projects. Since the time the original monitoring program was created in 2005, wage-theft and pay violations on construction jobs have continued to be discovered, including violations identified for trades outside the drywall industry. While FAS staff continues to find violations that require recovery, restitution to workers, and consideration of criminal actions, resources for monitoring and enforcement are inadequate at current funding and FTE levels to properly protect all City-funded construction work. The attached proposed Council Bill is proposed in order to ameliorate that problem.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2013 Appropriation	2014 Anticipated Appropriation
Finance and Administrative Services Fund (50300)	Department of Finance and Administrative Services	City Purchasing and Contracting Services (A4540)	\$216,000	\$288,000

Appropriations Notes: Permanent funding for this program will be included in the Mayor’s 2014 Proposed Budget.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

(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 the table.)

Fund Name and Number	Department	Revenue Source	2013 Revenue	2014 Revenue
TOTAL			0	0

Revenue/Reimbursement Notes:

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

Position Title and Department	Position # for Existing Positions	Fund Name & #	PT/FT	2013 Positions	2013 FTE	2014 Positions*	2014 FTE*
Contract Analyst, Senior; Department of Finance and Administrative Services	N/A	Finance and Administrative Services Fund (50300)	FT	2.0	2.0	2.0	2.0

* 2014 positions and FTE are total 2014 position changes resulting from this legislation, not incremental changes. Therefore, under 2014, please be sure to include any continuing positions from 2013.

Position Notes:

Do positions sunset in the future? NO

Spending/Cash Flow:

Fund Name & #	Department	Budget Control Level*	2013 Expenditures	2014 Anticipated Expenditures
TOTAL				

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

Spending/Cash Flow Notes:

Other Implications:

a) Does the legislation have indirect financial implications, or long-term implications?

Yes. This legislation will provide long-term protections for construction workers in Seattle, particularly those who are most vulnerable to exploitive wage-theft and labor violations.

b) What is the financial cost of not implementing the legislation?

None

c) Does this legislation affect any departments besides the originating department?

Office of Housing

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives? None

e) Is a public hearing required for this legislation?

No

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

g) Does this legislation affect a piece of property?

No

h) Other Issues:

List attachments to the fiscal note below: