

SUMMARY and FISCAL NOTE*

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

** 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.*

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.)

Budget program(s) affected:				
Estimated \$ Appropriation change:	General Fund \$		Other \$	
	2015	2016	2015	2016
				\$100,000
Estimated \$ Revenue change:	Revenue to General Fund		Revenue to Other Funds	
	2015	2016	2015	2016
				\$100,000
Positions affected:	No. of Positions		Total FTE Change	
	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 Administrative Services Fund (50300)	Finance and Administrative Services	Revenue and Consumer Protection (A4530)	\$0	\$100,000
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 Number	Dept	Revenue Source	2015 Revenue	2016 Estimated Revenue
Finance and Administrative Services Fund (50300)	Finance and Administrative Services	Fees and penalties	\$0	\$100,000
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, for-hire, 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.)

Position Notes: 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: