



## Seattle Office for Civil Rights

Patricia Lally, Director

Memo

Date: September 19, 2014

To: Councilmember Licata, Chair  
Finance and Culture Committee

From: Patty Lally, Director

Subject: Minimum Wage Ordinance – Rulemaking Process

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### **Briefing Objective:**

This briefing describes a proposal by the Seattle Office for Civil Rights (SOCR) for a Minimum Wage Ordinance (MWO) rulemaking process.

### **Background:**

In early June 2014, the MWO was passed by City Council and signed into law by Mayor Murray. The ordinance will go into effect on April 1, 2015. Recommendations for MWO content were provided by the Mayor's Income Inequality Advisory Committee and reviewed by a Select Council Committee on Minimum Wage and Income Inequality. Recommendations for MWO implementation were provided by a Labor Standards Advisory Group (LSAG), comprised of representatives from business, labor and community nonprofits. One of the LSAG recommendations was for a "one-stop shop" for administration and enforcement of all labor standards. On September 15, 2014, the Mayor announced the establishment of an Office of Labor Standards within Seattle Office for Civil Rights (SOCR) as this centralized entity. The Mayor announced that the office would focus on the near term on educating the community on the new minimum wage rules.

Based on past experiences with rulemaking for Paid Sick and Safe Time (PSST) and the Job Assistance Ordinance (JAO), SOCR seeks to conduct extensive public engagement and gather input from the full range of communities impacted by this ordinance, including workers, small and large business, women and minority owned business, and the immigrant and refugee community. The rulemaking process will be comprised of the following components:

MWO Website – SOCR, in conjunction with other departments, will develop a multilingual, user-friendly Website with

- FAQs and other outreach materials
- Calendar of Events
- Email/Phone for SOCR staff to answer questions
- Draft and Final Rules

- Link to IdeaScale or similar platform during notice & comment period
- Link to Multilingual Mobile Application

Public Forums - SOCR will hold three to four public forums at diverse locations and times to hear questions that will inform rulemaking and one public forum during the notice and comment period to gather feedback on proposed rules. Interpretation, accommodations and childcare will be provided.

Smaller Listening Sessions – SOCR will hold smaller listening sessions to more directly engage with business, workers, and community groups. SOCR would conduct these smaller sessions by request and also proactively contact key groups (e.g. Greater Seattle Business Association, Seattle Restaurant Alliance, Ethnic Community Coalition, Tabor 100, Casa Latina, Columbia Legal Services)

Stakeholder Groups - SOCR will engage key stakeholders in a collaborative process for identifying rule issue and providing feedback on rule drafts. An external stakeholder group will be identified by the Mayor and will represent diverse community interests, including ethnic minority owned business, women owned business, low wage workers, representatives of immigrant and refugee communities and labor and business representatives from a variety of industries. An interdepartmental stakeholder group will coordinate rulemaking and outreach efforts among City departments (e.g. Department of Information and Technology, Finance and Administrative Services, Office of Economic Development, Office of Immigrant and Refugee Affairs). Stakeholder work will include application of Racial Equity Toolkit.

Outreach – During the rulemaking process, SOCR will begin promotion of MWO through expansion of previous outreach campaigns used for PSST/JAO. SOCR will explore various tactics, including media campaigns and direct mailings to employers, which were identified as an effective way to boost awareness of a new labor standard by the UW Audit on Early Outcomes of PSST implementation. SOCR also will develop ways to partner with community, worker and business stakeholders to reach specific audiences and demographic groups.

**Key Policy Issues:**

Rulemaking will clarify a range of MWO issues to help employers and employees understand legal requirements for implementation and enforcement procedures. Some issues have already been identified for rulemaking in the language of the ordinance (e.g. guidelines for special certificate that authorizes paying less than stipulated wage) and other issues will surface during public engagement (e.g. additional criteria for determining integrated enterprise).

**Decisions and Timeline:**

SOCR forecasts the rulemaking to begin in October 2014 and conclude in February 2015 if there is one notice and comment period, or in April 2015 if there are two notice and comment periods.

**Timeline: MWO Rulemaking & Outreach**

<b>Timeline</b>	<b>Item</b>
Late September - early October 2014	<p>SOCR first steps</p> <ul style="list-style-type: none"> <li>- Publicize SOCR’s role in rulemaking (e.g. SOCR, Mayor, City Council &amp; CSB Websites, press release, email blast)</li> <li>- Dedicate staff person(s) to answer public questions about MWO</li> <li>- Create SOCR Min Wage Web site</li> <li>- Assemble internal, SOCR Labor Standards Group</li> <li>- Assemble interdepartmental, City Stakeholder Group (e.g. OED, OIRA)</li> <li>- Schedule Larger, Rule-making public forums</li> <li>- Schedule smaller, listening sessions/presentations with key business, worker &amp; community groups (e.g. GSBA, Seattle Restaurant Association, Ethnic Community Coalition, Tabor 100, Casa Latina, Columbia Legal Services)</li> <li>- Schedule meetings for SOCR, Interdepartmental and Community Groups</li> </ul> <p>Mayor’s Office</p> <ul style="list-style-type: none"> <li>- Mayor identifies external, Community Stakeholder Group</li> </ul>
October 2014	Public Forum #1 & #2
October – on-going	<p>SOCR Labor Standards Group Meetings</p> <ul style="list-style-type: none"> <li>- Weekly</li> </ul> <p>City Stakeholder Group Meetings</p> <ul style="list-style-type: none"> <li>- Regularly during rulemaking/outreach and quarterly in first year</li> </ul> <p>Community Stakeholder Group Meetings</p> <ul style="list-style-type: none"> <li>- ~ 4 times during rulemaking/outreach and quarterly in first year</li> </ul> <p>Listening sessions/presentations with key business, worker &amp; community groups</p> <p>Creation &amp; Implementation of outreach material &amp; media campaign</p>
November 2014	Public Forum #3
January 2015	<p><b>First Draft Rules for notice &amp; comment</b></p> <p>Public Forum #4</p>
February 2015	<p><b>Final Rules, if 1 notice &amp; comment period</b></p> <p>Second Draft Rules for notice &amp; comment, if 2 notice &amp; comment periods</p>
March 2015	<b>Final Rules, if 2 notice &amp; comment periods</b>
April 1, 2015	<b>MWO Implementation</b>

