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Karina Bull
OCR Office of Labor Standards ORD
October 17, 2014
Version # 7

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 118247

AN ORDINANCE relating to the organization of City government; creating an Office of Labor Standards; establishing the mission and functions of the Office of Labor Standards; describing the responsibilities and membership of a Labor Standards Advisory Commission; and adding new sections 3.14.934 and 3.14.945 to the Seattle Municipal Code.

WHEREAS, the City of Seattle is a leader on wage, labor, and workforce practices that enhance equity, address the 'wage gap' and create a fair and healthy economy for workers, businesses and residents, and the City has enacted ordinances related to criminal wage theft, paid sick and safe time, use of criminal history in employment decisions, and minimum wage and minimum compensation requirements for employees working in Seattle; and,

WHEREAS, in order to continue this leadership, the City Council, with the Mayor in concurrence, sponsored a review of City ordinances, regulations, policies and standards that pertain to wage, labor and workforce issues to determine how the City could more effectively implement and enforce these laws; and,

WHEREAS, the City Council adopted City Council Green Sheet 15-1-A-2 with the 2014 Adopted Budget, providing the Department of Finance and Administrative Services with resources to work with the Office for Civil Rights (OCR) and Office of Economic Development to support a Labor Standards Advisory Group co-convened by the Mayor and Council to assist the City in gaining greater compliance by businesses with labor standards; and

WHEREAS, the Labor Standards Advisory Group was tasked with providing advice and making recommendations to the Mayor on a range of topics including:

1. The City's role in gaining compliance with labor standards and workforce policies;
2. The most pressing gaps and priorities in City enforcement efforts;
3. The most effective compliance strategies, including use of community-based outreach efforts and public information and marketing strategies; and
4. Ideas for improving the coordination of compliance and enforcement efforts by City departments.

WHEREAS, in March 2014, the Mayor and Council jointly appointed representatives from labor, business, and members of the community with a demonstrated concern and

background in labor standards and co-convened the first meeting of the Labor Standards Advisory Group; and

WHEREAS, during the tenure of the Labor Standards Advisory Group, the City Council passed and the Mayor signed Ordinance 124490, establishing minimum wage and minimum compensation rates for employees working in Seattle. The work of the Labor Standards Advisory Group expanded to include this ordinance into the labor standards enforcement and compliance discussion as well; and

WHEREAS, in September 2014, the Labor Standards Advisory Group presented a number of policy options for the Mayor and Council to consider. Based on the consideration of those options the Mayor proposes the Council create an Office of Labor Standards that would:

1. Establish a comprehensive education and outreach structure so employers and employees understand their roles, responsibilities and rights under labor standards ordinances.
2. Establish partnerships with organizations to provide outreach and education regarding wage and labor laws and standards.
3. Build a strong and effective mix of enforcement strategies that complements a comprehensive education and outreach effort for employees and employers.
4. Establish a solid framework for conducting investigations.
5. Focus labor standards investigations and penalties for violations on employers who are habitual or egregious violators, and where violations are systemic; and

WHEREAS, in Ordinance 124490, the City Council made a finding of fact that in Seattle, the weight of income inequality falls disproportionately on people of color and on women. More than 34 percent of all women and over 40 percent of African Americans and Asian and Pacific Islander Americans rank among low wage workers in Seattle. For Latinos, that number is nearly 50 percent, and it is 70 percent for Native Americans; and

WHEREAS, labor standards are civil rights for all workers and any violation of these rights has a disproportionate impact on women, people of color, people with limited proficiency with English, workers just entering the work force, and other vulnerable workers; and

WHEREAS, the City of Seattle launched the Race and Social Justice Initiative in 2004, led by the OCR, with the vision of achieving racial equity in the community and the mission of ending institutionalized racism in City government, promoting inclusion and full participation of all residents, and partnering with the community to achieve racial equity across Seattle; and

WHEREAS, OCR has successfully implemented two labor standards ordinances relating to paid sick and safe time (Ordinance 123698) and the use of criminal history in employment

decisions (Ordinance 124201) and has well-established procedures for rulemaking, outreach, case investigation and mediation, with high settlement rates; NOW, THEREFORE

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A new Section 3.14.934 is added to the Seattle Municipal Code as follows:

3.14.934 Labor Standards Advisory Commission

There is established a Labor Standards Advisory Commission which shall advise the Office of Labor Standards, Mayor, City Council, and other City departments with respect to matters affecting labor standards generally and wages, working conditions, safety, and health of workers specifically. The Commission will provide input and feedback to the Division Director of the Office of Labor Standards on the implementation of labor standards ordinances. The Commission will recommend efforts to achieve workplace equity for women, communities of color, immigrants and refugees, and other vulnerable workers. It will report on an annual basis to the Mayor and the City Council. Its membership shall be constituted of 15 members; seven shall be appointed by the Mayor; seven shall by appointed by the City Council and the fifteenth member shall be appointed by the Commission as constituted. All appointments shall be subject to confirmation by a majority vote of the City Council. Each member serves at the pleasure of the appointing authority. The membership shall reflect Seattle's workforce and businesses and include employees, employers, and representatives from the community with a demonstrated concern and background in labor standards. The Labor Standards Advisory Commission shall organize itself and adopt such rules and administrative procedures for its own governance, consistent with City Charter and ordinances, as are necessary for its functions and responsibilities.

Section 2. A new Section 3.14.945 is added to SubChapter VII of Chapter 3.14 of the Seattle Municipal Code as follows:

3.14.945 Office of Labor Standards

There is established in the Office for Civil Rights an Office of Labor Standards, under the direction of the Mayor. There shall be a Division Director to manage the Office of Labor Standards. The Director of the Office for Civil Rights shall appoint the Division Director subject to the approval of the Mayor. The mission of the Office of Labor Standards is to protect workers' wages, working conditions, and safety and health, and to end barriers to workplace equity for women, communities of color, immigrants and refugees, and other vulnerable workers. The functions of the Office of Labor Standards are as follows:

A. Promoting labor standards by means of outreach and education and technical assistance and training;

B. Collecting and analyzing data on the city's work force and workplaces;

C. Administering and enforcing City of Seattle ordinances relating to minimum wage and minimum compensation (Chapter 14.19), paid sick and safe time (Chapter 14.16), use of criminal history in employment decisions (Chapter 14.17), and wage and tip compensation requirements (Chapter 14.20).

Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2014, and signed by me in open session in authentication of its passage this _____ day of _____, 2014.

_____

President _____of the City Council

Approved by me this ____ day of _____, 2014.

_____

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2014.

_____

Monica Martinez Simmons, City Clerk

(Seal)

Karina Bull
OCR Office of Labor Standards FISC
September 26, 2014
Version # 5

Form revised: February 26, 2014

2015 BUDGET LEGISLATION FISCAL NOTE

Department:	Contact Person/Phone:	CBO Analyst/Phone:
CBO	Patricia Lally/233-7822	Ann Gorman/684-5292

Legislation Title:

AN ORDINANCE relating to the organization of City government; creating an Office of Labor Standards; establishing the mission and functions of the Office of Labor Standards; describing the responsibilities and membership of a Labor Standards Advisory Commission; and adding new sections 3.14.934 and 3.14.945 to the Seattle Municipal Code.

Summary of the Legislation:
This legislation establishes in the Office for Civil Rights an Office of Labor Standards, under the direction of the Mayor. The Director of the Office for Civil Rights shall appoint a Division Director, subject to the approval of the Mayor, to manage the Office of Labor Standards. The mission of the Office of Labor Standards is to protect workers' wages, working conditions, safety and health, and end barriers to workplace equity for women, communities of color, immigrants and refugees, and other vulnerable workers. This legislation also charges the Labor Standards Advisory Commission with providing input and feedback to the Office of Labor Standards on issues within its purview.

Background:
As part of the 2014 budget process, the City Council adopted Green Sheet 15-1-A-2 which appropriated $250,000 to the Department of Finance and Administrative Services (FAS) to support work of an advisory group convened by the Council and Mayor to assess how to gain greater compliance of City labor standards by businesses. The Labor Standards Advisory Group met in 2014 and presented a range of options to the Mayor and City Council. One recommendation was to have a centralized source for labor standards employment. OCR has successfully implemented two labor standards ordinances regarding paid sick and safe time and the use of criminal history in employment decisions, and has well-established procedures for rule-making, outreach, case investigation and mediation. The Mayor proposes such a centralized source by establishing an Office of Labor Standards within the Office for Civil Rights.

Please check one of the following:

_X_ **This legislation does not have any financial implications.**

Summary of Changes to Revenue Generated Specifically from this Legislation:

	Revenue Source	2015 Proposed	2016 Proposed
Total Fees and Charges Resulting From Passage of This Ordinance			

Revenue Change Notes:

Anticipated Total Revenue from Entire Program, Including Changes Resulting from this Legislation:

Fund Name and Number	Revenue Source	Total 2015 Revenue	Total 2016 Revenue
TOTAL			

Total Revenue Notes:

Other Implications:

a) **Does the legislation have indirect financial implications, or long-term implications?**
No.

b) **What is the financial cost of not implementing the legislation?**
None.

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

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

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:
None.

List attachments to the fiscal note below: None.