

Office of Labor Standards

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Department Overview

The mission of the Office of Labor Standards (OLS) is to advance labor standards through thoughtful community and business engagement, strategic enforcement, and innovative policy development, with a commitment to race and social justice. OLS's main work program focuses on the implementation of labor standards for employees working within Seattle city limits. These standards, established through City ordinances and a City initiative, include the:

- **Paid Sick and Safe Time Ordinance**, requiring employers with more than four full-time equivalent employees to provide paid sick and safe time;
- **Fair Chance Employment Ordinance**, restricting how employers can use conviction and arrest records during the hiring process and course of employment;
- **Minimum Wage Ordinance**, establishing a minimum hourly wage that will rise to \$15/hour over several years;
- **Wage Theft Ordinance**, requiring employers to provide written notice of employment information and pay all compensation due by reason of employment (including wages and tips) on a regular pay day;
- **Secure Scheduling Ordinance**, establishing scheduling requirements for covered retail and food service establishments to provide schedule predictability and increased access to hours;
- **Hotel Employees Health and Safety Initiative**, establishing protections for the health and safety of hotel employees working in Seattle; and
- **Domestic Workers Ordinance**, which provides protections for domestic workers and establishes a Domestic Workers Standards Board.

OLS provides education and technical assistance to the business and worker communities. As a part of these efforts, OLS manages the **Labor Standards Community Outreach and Education Fund** to foster collaboration between OLS and the community with funds to develop awareness and understanding of the worker rights provided by Seattle's labor standards. The office also manages the **Labor Standards Business Outreach and Education Fund** which provides technical assistance to small businesses to increase compliance with Seattle's labor standards. The fund emphasizes outreach to businesses owned by low-income and historically disenfranchised communities who typically are not served by traditional outreach methods.

OLS also provides technical and administrative support for the Labor Standards Advisory Commission, a 15-member commission who advises on matters related to labor standards laws, as well as wages, working conditions, safety, and the health of Seattle workers.

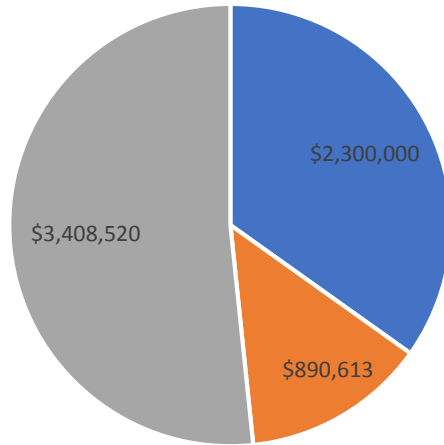
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Budget Snapshot

Department Support	2018 Adopted	2019 Proposed	2020 Proposed
Other Funding - Operating	\$5,698,216	\$6,599,133	\$6,657,303
Total Operations	\$5,698,216	\$6,599,133	\$6,657,303
Total Appropriations	\$5,698,216	\$6,599,133	\$6,657,303
Full-time Equivalent Total*	23.00	28.00	28.00

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

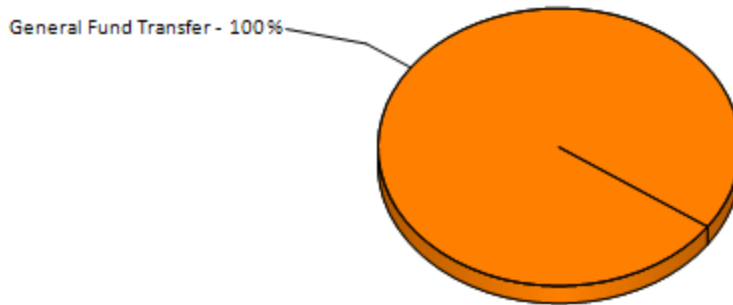
2019 Proposed Budget - Expenditure by Category



- Contracts to Community and Business Groups for Outreach and Education
- City Central Costs (Space, IT, HR)
- Staffing

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2019 Proposed Budget - Revenue by Category



Budget Overview

In April 2015, the Office of Labor Standards (OLS) began as a small division of the Office for Civil Rights and was tasked with enforcing four labor standards: Paid Sick and Safe Time; Fair Chance Employment; Minimum Wage; and Wage Theft. Since that time, an additional three labor standards have been passed. In 2017, the office more than doubled its resources and became a stand-alone department. In 2017, OLS hired 13 new full-time employees and received additional funding for operating expenses, staff training and outreach. Also in 2017, the City Council established an Office of Labor Standards Fund to guarantee annual funding from the City's existing business license tax revenues.

As of Sept. 1, 2018, OLS is supporting seven citywide labor laws. The 2019-2020 Proposed Budget includes a 22% increase in OLS staff to support the increased scope of work for this office. This includes a data position to support the investigators, manage the dashboard and produce statistics; a policy analyst position to develop rules and legislation and lead special projects initiated by the Mayor and the City Council; and a senior investigator position to help with the large caseload carried by the office.

The proposed budget also adds resources to support implementation of the Domestic Workers Ordinance that the City Council passed in July 2018. The ordinance provides protections for workers who provide domestic services as a nanny, house cleaner, home care worker, gardener, cook, or household manager. It establishes a Domestic Workers Standards Board and directs the Board to develop a work plan and recommendations for future legislation. The ordinance also requires OLS to provide outreach and enforcement on the rights of domestic workers and obligations of hiring entities. The proposed budget adds two positions to OLS to implement the domestic workers ordinance. One of the positions will provide policy support for the board, engage stakeholders and prepare proposed rules. The other position will provide education and outreach support to workers, community groups, and hiring entities (e.g., employers, private households, and families) affected by this law.

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Finally, the proposed budget adds funding to support the development of educational materials in multiple languages and to provide translation and interpretation for the required board meetings and other stakeholder engagement.

Incremental Budget Changes

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	2019		2020	
	Budget	FTE	Budget	FTE
2018 Adopted Budget	\$ 5,698,216	23.00	\$ 5,698,216	23.00
Baseline Changes				
Citywide Adjustments for Standard Cost Changes	\$ 61,170	0.00	\$ 66,205	0.00
Supplemental Budget Changes	\$ 371,831	3.00	\$ 375,073	3.00
Proposed Changes				
Resources to Implement Domestic Workers Ordinance	\$ 275,991	2.00	\$ 312,964	2.00
Space Rent Adjustment	\$ 191,925	0.00	\$ 204,845	0.00
Proposed Technical Changes				
Create Budget Programs for Community and Business Outreach Contracts	\$ 0	0.00	\$ 0	0.00
Total Incremental Changes	\$ 900,917	5.00	\$ 959,087	5.00
2019 - 2020 Proposed Budget	\$ 6,599,133	28.00	\$ 6,657,303	28.00

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Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$61,170

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This technical adjustment also transfers internal services costs for Human Resources, Finance and Administrative Services, and Information Technology from Finance General to the department. With this change, department budgets will better reflect support costs. Previously these costs were included in the Finance General budget.

Supplemental Budget Changes - \$371,831/3.00 FTE

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs.

This adjustment adds in to the annual budget three positions that were added in the 2018 2nd Quarter Supplemental Budget Ordinance.

- **Investigator Position (Civil Rights Analyst, Senior)** to work on the enforcement team's large caseload of investigations, bringing the total number of enforcement staff to fourteen.
- **Data Position (Research and Evaluation Assistant II)** to support the enforcement team, produce statistics and to manage the dashboard.
- **Policy Analyst Position (Strategic Advisor I)** to develop rules, legislation and lead special projects.

Proposed Changes

Resources to Implement Domestic Workers Ordinance - \$275,991/2.00 FTE

On July 23, 2018, the Seattle City Council passed a [Domestic Workers Ordinance](#) that provides protections for domestic workers and establishes a Domestic Workers Standards Board. This budget adjustment adds two positions and funding for translation and interpretation.

- **Policy Analyst Position (Strategic Advisor I):** This position will support the newly established Domestic Workers Standards Board, work on rule making, and put together a workplan for the board as required by the ordinance. The policy analyst will staff the process to identify and appoint members; staff and attend board meetings; produce agendas and work items for the board, including research on issues to be considered by the board; support the board in developing and presenting a work plan to the Council; draft legislation or policy changes as per board recommendations; and handle all related administrative duties.
- **Outreach/Education Position (Strategic Advisor I):** Outreach and education work is a priority for successfully implementing the Domestic Workers Ordinance. This position will design an outreach plan;

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engage in outreach with domestic workers and hiring entities (e.g., employers and private households), including meeting with new parent groups; responding to questions from the community; and designing educational materials such as pamphlets, posters, and handouts.

- **Additional Support for Domestic Worker Board:** This budget of \$35,000 will support translation and interpretation for board meetings and other stakeholder engagement; and printing and graphic design for outreach purposes.

Space Rent Adjustment - \$191,925

In April 2015, the Office of Labor Standards (OLS) began as a small division of the Office for Civil Rights. In 2017, OLS became a stand-alone office and moved into its own leased office space in the Central Building in downtown Seattle. For the 2019-2020 biennial budget, the Department of Finance and Administrative Services recalculated space usage by City departments. As a result, the rent for the OLS office space increased.

Proposed Technical Changes

Create Budget Programs for Community and Business Outreach Contracts

The Office of Labor Standards administers two funds for business and community outreach:

- The **Community Outreach and Education Fund (COEF)** fosters collaboration between OLS and the community to develop awareness and understanding of worker rights and facilitate resolution of labor standards violations. The annual budget for community outreach is \$1,500,000, which has been awarded for a two-year contract cycle with the selected organizations.
- The **Business Outreach and Education Fund (BOEF)** facilitates assistance to small businesses to increase compliance with Seattle's labor standards. The fund emphasizes outreach to businesses owned by low-income and historically disenfranchised communities, who typically are not served by traditional outreach methods. The annual budget for business outreach is \$800,000, which has been awarded for a two-year contract cycle with the selected organizations.

To add additional transparency about the OLS outreach contracts, this budget change creates two new budget programs and moves the associated professional services budget to each program.

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Expenditure Overview

Appropriations	2018 Adopted	2019 Proposed	2020 Proposed
Office of Labor Standards Budget Summary Level			
Office of Labor Standards Fund (00190)	5,698,216	6,599,133	6,657,303
Total for BSL: BO-LS-1000	5,698,216	6,599,133	6,657,303

Department Total	5,698,216	6,599,133	6,657,303
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Department Full-time Equivalents Total*	23.00	28.00	28.00
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** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

Budget Summary by Fund for Labor Standards

	2018 Adopted	2019 Proposed	2020 Proposed
00190 - Office of Labor Standards Fund (00190)	5,698,216	6,599,133	6,657,303
Budget Totals for OLS	5,698,216	6,599,133	6,657,303

Revenue Overview

2019 Estimated Revenues

Summit Code	Source	2018 Adopted	2019 Proposed	2020 Proposed
397010	General Fund Transfer	5,698,216	6,599,133	6,657,303
	Total General Fund Transfer	5,698,216	6,599,133	6,657,303
	Total Revenues	5,698,216	6,599,133	6,657,303
	Total Resources	5,698,216	6,599,133	6,657,303

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Appropriations By Budget Summary Level (BSL) and Program

Office of Labor Standards Budget Summary Level

The purpose of the Office of Labor Standards Budget Control Level is to implement labor standards for employees working inside Seattle's city limits. This includes enforcement, outreach and education, and policy work for labor standards regarding Paid Sick and Safe Time, Fair Chance Employment, Minimum Wage, Wage Theft, Secure Scheduling, Hotel Employees Health and Safety, Domestic Worker protections, and other labor standards the City may enact in the future.

Program Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Business Outreach and Education Fund Contracts	0	800,000	800,000
Community Outreach and Education Fund Contracts	0	1,500,000	1,500,000
Office of Labor Standards	5,698,216	4,299,133	4,357,303
Total	5,698,216	6,599,133	6,657,303
Full-time Equivalents Total*	23.00	28.00	28.00

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The following information summarizes the programs in Office of Labor Standards Budget Summary Level:

Business Outreach and Education Fund Contracts Program

The purpose of the Business Outreach and Education Contracts Program is to support small business compliance with Seattle's labor standards. The fund emphasizes outreach to small businesses owned by low-income and historically disenfranchised communities, who typically are not served by traditional outreach methods.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Business Outreach and Education Fund Contracts	0	800,000	800,000
Full-time Equivalents Total	0.00	0.00	0.00

Community Outreach and Education Fund Contracts Program

The purpose of the Community Outreach and Education Fund Contracts Program is to support and foster collaboration between OLS and the community by developing awareness and understanding of worker rights and facilitating resolution of labor standards violations.

Expenditures	2018 Adopted	2019 Proposed	2020 Proposed
Community Outreach and Education Fund Contracts	0	1,500,000	1,500,000
Full-time Equivalents Total	0.00	0.00	0.00

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Office of Labor Standards Program

The purpose of the Office of Labor Standards Program is to develop and implement labor standards that advance workplace equity for employees working inside Seattle's city limits. This includes enforcement outreach and education, and policy work.

Expenditures/FTE	2018 Adopted	2019 Proposed	2020 Proposed
Office of Labor Standards	5,698,216	4,299,133	4,357,303
Full-time Equivalents Total	23.00	28.00	28.00

