

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. The Office of Labor Standards focuses on the implementation of labor standards for employees working within Seattle city limits. Effective January 2020, there are 13 such standards, established through City ordinances and a City initiative:

- **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 for all employees in the city by 2021;
- **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;
- **Domestic Workers Ordinance**, which provides protections for domestic workers and establishes a Domestic Workers Standards Board; and
- **Commuter Benefits Ordinance**, requiring employers to provide commuter benefits on a pre-tax basis (OLS enforcement begins in January 2021).

Two ordinances protect the rights of drivers for transportation network companies (i.e. Uber and Lyft):

- **Transportation Network Company Driver Deactivation Rights Ordinance** gives TNC drivers the right to challenge unwarranted deactivations before a neutral arbitrator, and creates a Driver Resolution Center to provide representation for drivers; and
- **Transportation Network Company Minimum Compensation Ordinance** requires that TNC drivers should be paid at least the minimum wage and be reimbursed for expenses and funds a study to determine the precise method for accomplishing this goal.

Four ordinances protect the rights of hotel workers:

- **Hotel Employee Safety Protections Ordinance** requires employers to take certain steps to prevent and report violent and harassing conduct by guests and to support employees who report this misconduct;
- **The Protecting Hotel Employees from Injury Ordinance** limits the workload of employees who clean hotel rooms to reduce the frequency and occurrence of injuries associated with room cleaning;
- **The Improving Access to Medical Care for Hotel Employees Ordinance** requires employers to provide employees working in large hotels with increased access to medical care; and
- **The Hotel Employees Job Retention Ordinance** requires employers to take certain actions to reduce job insecurity in the hospitality industry.

OLS provides education and technical assistance to the business and worker communities. As a part of these efforts, OLS manages the **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 **Business Outreach and Education Fund** which provides technical assistance

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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, policy, and administrative support for the Labor Standards Advisory Commission, consisting of 15 members who advise on matters related to labor standards , as well as to the recently created Domestic Workers Standards Board, a nine member body that advises on issues related to workplace protections for domestic workers.

Budget Snapshot

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
Department Support				
Other Funding - Operating	5,423,863	6,599,133	6,657,303	6,864,873
Total Operations	5,423,863	6,599,133	6,657,303	6,864,873
Total Appropriations	5,423,863	6,599,133	6,657,303	6,864,873
 Full-Time Equivalents Total*	 23.00	 28.00	 28.00	 28.00

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

Budget Overview

The 2020 Adopted Budget maintains resources and staff to support the significant ongoing work of the Office of Labor Standards. This includes sustained funding for 5 FTEs that were added in the 2019 budget to support the increased capacity needs of the office and to support the Domestic Workers Ordinance enacted in July 2018. In addition to the City ordinances that OLS currently enforces (Paid Sick and Safe Time, Fair Chance Employment, Minimum Wage, Wage Theft, Secure Scheduling, and Domestic Workers), OLS will begin to implement in 2020 the Commuter Benefits Ordinance, four new ordinances protecting hotel workers and two new ordinances protecting drivers for transportation network companies. Over 54,000 employers are required to comply with, and over 580,000 workers are protected by, at least some of the laws enforced by OLS.

The 2020 Adopted Budget provides OLS with a number of technical adjustments, the biggest of which will cover agreements with the Coalition of Unions.

City Council Changes to the Proposed Budget

The Council made no changes to the 2020 Proposed Budget.

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Incremental Budget Changes

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	2020 Budget	FTE
Total 2020 Endorsed Budget	6,657,303	28.00
Baseline		
2020 Coalition and Non-Rep Annual Wage Increase Base Budget	345,045	-
2020 State Paid Family Medical Leave Increase Base Budget	2,962	-
Citywide Adjustments for Standard Cost Changes	79,212	-
Proposed Technical		
Technical Adjustment for OLS Space Rent	(219,649)	-
Total Incremental Changes	\$207,570	-
Total 2020 Adopted Budget	\$6,864,873	28.00

Description of Incremental Budget Changes

Baseline

2020 Coalition and Non-Rep Annual Wage Increase Base Budget

Expenditures	\$345,045
Revenues	\$345,045

This centrally administered change adjusts appropriations to reflect the Annual Wage Increase, as outlined in the agreements between the City and the Coalition of Unions, for personnel costs included in this department's baseline budget. This includes increases to salary, FICA, Medicare, retirement, overtime and temporary labor.

2020 State Paid Family Medical Leave Increase Base Budget

Expenditures	\$2,962
Revenues	\$2,962

Starting in January 2020, Washington State will offer paid family and medical leave benefits to all workers in the State of Washington, including City of Seattle employees. In 2020, the agreements with the Coalition of Unions moves a portion of the cost responsibility to the employee in 2020, with the City paying the remainder. This item increases appropriations to account for the City's obligation for all employees.

Citywide Adjustments for Standard Cost Changes

Expenditures	\$79,212
Revenues	\$79,212

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, including the Department of Finance & Administrative Services rates, Information Technology rates and Human Resources rates, health care, retirement and industrial insurance charges for the department. This adjustment also includes a transfer

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of resources from the department to the Human Resources Investigations Unit (HRIU) as part of the City's efforts to improve investigative processes and practices across the City departments. While the internal service rates are final for 2020, some of the other adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Technical

Technical Adjustment for OLS Space Rent

Expenditures	\$ (219,649)
Revenues	\$ (219,649)

This is a technical adjustment to the baseline budget of the Office of Labor Standards in the amount of \$219,649. This adjustment corrects previous estimates for lease increase.

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Expenditure Overview

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
Appropriations				
OLS - BO-LS-1000 - Office of Labor Standards				
00190 - Office of Labor Standards Fund	5,423,863	6,599,133	6,657,303	6,864,873
Total for BSL: BO-LS-1000	5,423,863	6,599,133	6,657,303	6,864,873
Department Total	5,423,863	6,599,133	6,657,303	6,864,873
Department Full-Time Equivalents Total*	23.00	28.00	28.00	28.00

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Budget Summary by Fund Office of Labor Standards

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
00190 - Office of Labor Standards Fund	5,423,863	6,599,133	6,657,303	6,864,873
Budget Totals for OLS	5,423,863	6,599,133	6,657,303	6,864,873

Appropriations by Budget Summary Level and Program

OLS - BO-LS-1000 - Office of Labor Standards

The purpose of the Office of Labor Standards Budget Summary Level is to implement labor standards for employees working inside Seattle's city limits. This includes investigation, remediation, outreach and education, and policy work related to the paid sick and safe time, fair chance employment, minimum wage, and wage theft, and secure scheduling ordinances, the hotel employees health and safety initiative, and other labor standards the City may enact in the future.

Program Expenditures	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Adopted
Office of Labor Standards	5,423,863	6,599,133	6,657,303	6,864,873
Total	5,423,863	6,599,133	6,657,303	6,864,873
Full-time Equivalents Total*	23.00	28.00	28.00	28.00

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