



# Independent Contractor Protections Ordinance

## Questions and Answers

Seattle’s Independent Contractor Protection (ICP) Ordinance requires commercial hiring entities (HE) to provide Independent Contractors (IC) with specific pre-contract disclosures (e.g., a description of work, the rate of pay and the payment schedule), to provide timely payment to ICs, and to provide payment disclosures to ICs at the time of payment.

The **Seattle Office of Labor Standards (OLS)** is responsible for the administration of this ordinance, providing outreach, compliance assistance and enforcement services to workers and hiring entities.

If you have a question that this Q&A does not cover, visit the [Office of Labor Standards website](#). You may also call 206-256-5297 or reach us electronically:

- Independent contractors with questions and complaints – submit an [online inquiry form](#).
- Hiring entities with requests for technical assistance – send an email to [business.laborstandards@seattle.gov](mailto:business.laborstandards@seattle.gov) or submit an [on-line inquiry form](#).

*The Office of Labor Standards created this document to provide an explanation of the law. Note: Information provided by the Office of Labor Standards does not constitute legal advice, create an agency decision, or establish an attorney-client relationship with the reader.*

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# A. General Information

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**1. What does this ordinance do?**

The Independent Contractor Protections (ICP) Ordinance requires covered hiring entities to provide independent contractors with disclosures prior to commencing work and at the time of payment. In addition, hiring entities must provide the agreed upon compensation within the time allowed under the terms of a contract, the terms of the pre-contract disclosure, or within 30 days of contract performance.

**2. Where can I view a copy of the law and the rules that apply to this law?**

The law ([SMC 14.34](#)) and administrative rules related to this ordinance ([SHRR 220](#) and [SHRR 140](#)) can be found on the Office of Labor Standards Independent Contractor Protections Ordinance [webpage](#).

**3. When did the ordinance take effect?**

The Independent Contractor Protections Ordinance took effect on September 1, 2022.

**4. Which City department administers this ordinance?**

The City of Seattle's Office of Labor Standards (OLS) implements this law. OLS provides a range of services for workers and hiring entities, including education, training, compliance assistance, intake, and investigations.

**5. Where do workers call with questions? Can workers remain anonymous?**

Workers can call 206-256-5297, email [workers.laborstandards@seattle.gov](mailto:workers.laborstandards@seattle.gov), or submit an [online inquiry](#). Upon request, and to the extent permitted by law, OLS protects the identifying information (e.g. name, job title) of workers who report violations and witnesses who provide information during investigations. Where possible, OLS will not disclose the person's identifying information during and after the investigation, to the extent permitted by law. OLS may need to release the name of an independent contractor who is owed payment.

**6. What happens when workers call OLS?**

Workers may call OLS with questions or complaints. When workers call OLS, they will be directed to an intake investigator who will provide information about the law or gather information about issues at the workplace. If workers wish to make a complaint, OLS may collect information from additional witnesses and/or request documents from workers. After reviewing information provided by workers, OLS will decide if and how it can help, which may take a variety of forms, including simply providing information to the worker or hiring entity, trying to informally resolve the issue without a full investigation, or conducting a formal investigation. If OLS decides to investigate, and if OLS cannot investigate the hiring entity immediately, it may place the case on a waitlist.

**7. Does a worker's immigration status impact coverage or application of the ordinance?**

No, immigration status does not impact coverage/application of the ordinance. As a matter of policy, the City of Seattle does not ask about the immigration status of anyone using City services. [Read OLS' Commitment to Immigrant and Refugee Communities](#) for more information.

**8. Can hiring entities contact OLS with their questions?**



Yes! OLS provides compliance assistance and training for hiring entities. OLS encourages hiring entities to contact our office with questions using an [on-line inquiry form](#). OLS does **not** share information about hiring entity questions with our enforcement team. Our communications with hiring entities concerning compliance assistance are kept separate from the investigation process.

**9. What happens when a hiring entity contacts OLS with a question about compliance?**

Our goal is to help businesses attain full compliance with Seattle’s labor standards and we will answer many types of labor standards questions. OLS has staff dedicated to business engagement who respond to hiring entity inquiries and who are not members of the enforcement team. Communications with the business engagement staff are kept entirely separate from the investigation process.

Note: The information provided by our business engagement team is not intended to be and should not be construed as legal advice.

**10. Does OLS provide language interpretation for its services?**

Yes. If OLS staff do not speak your preferred language, OLS will arrange for an interpreter to help with the conversation. OLS’s services are free of charge regardless of whether interpretation services are required.

## **B. Independent Contractor and Hiring Entity Coverage**

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**1. Which independent contractors are covered by the ordinance?**

Under Seattle’s ICP ordinance, an independent contractor (IC) may be covered if three elements are met:

1. the IC is an individual hired by a commercial hiring entity as a self-employed person or entity to provide services in exchange for compensation. The individual can qualify as an independent contractor whether they are a person or an entity composed of no more than a single person, regardless of any corporate form or the use of a trade name.
2. The independent contractor’s work must be performed in whole or part in Seattle, and
3. the hiring entity must know or have reason to know that the work is performed in whole or part in Seattle.

**2. Are any independent contractors excluded from coverage by the ordinance?**

Coverage is not limited to any particular industry or profession, with two exceptions. The law does not cover (1) independent contractors working for a Transportation Network Company as defined in RCW 46.04.652 and (2) lawyers engaged in the practice of law for the service at issue. Except for these classes of workers, an independent contractor under the law can include app-based or platform gig workers.

**3. Which hiring entities are covered by the ordinance?**

Only commercial hiring entities are covered. Commercial hiring entities are defined as a “hiring entity regularly engaged in business or commercial activity.” Under the law, a “hiring entity is regularly engaged in business or commercial activity if the hiring entity owns or operates any trade, occupation, or business, including a not for profit business[.]” The location and size of the hiring entity are not relevant to determining the ordinance’s coverage.

Private households are generally not considered to be commercial hiring entities (for example, a



household hiring a plumber or a babysitter), and are not covered by this ordinance, but may be covered by Seattle's [Domestic Worker Ordinance](#) (DWO).

**4. What types of not-for-profits are considered commercial hiring entities under the law?**

The ordinance's definition of commercial hiring entity includes an entity that "owns or operates any ... business, including a not for profit business." The Office of Labor Standards interprets this language to mean any not for profit entity that has formed a legal entity and filed documents concerning the entity with the Secretary of State. So, if a not for profit is incorporated or operates through any corporate form, the agency would consider it a commercial hiring entity covered by the ordinance.<sup>1</sup>

**5. When is a commercial hiring entity covered by the ordinance?**

A commercial hiring entity may be subject to the ordinance if two elements are met: (1) it hires an independent contractor to provide a service for either the entity or a third party and (2) does so in the course of the hiring entity's business or commercial activity. For example, if a shop owner hires a nanny to take care of their customers' children in support of an event the shop is hosting, the shop owner's contract with the nanny will be covered, assuming other coverage requirements like value of the contract are met. However, if the shop owner hires the nanny simply to take care of their own children, the contract will not be covered, as the contracted for service in that case are not "in the course of the hiring entity's business or commercial activity."

**6. Is the consumer or end-user using an online platform to hire a gig worker for a service covered by this Ordinance?**

No. Seattle's ICP ordinance specifies that a commercial hiring entity does not include third parties who purchase services from a hiring entity (e.g., a grocery delivery app) that hires platform gig workers to provide prearranged services.

## C. Contract Coverage

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**1. Which contracts between commercial hiring entities and independent contractors are covered by the ordinance?**

A contract must meet two elements for the ordinance to apply:

- (1) The contract must involve the exchange of services for compensation.
- (2) The contract must involve proposed or actual compensation of \$600 or more; or the compensation must be reasonably expected to be \$600 or more, either by itself or when considering all the services the independent contractor provides the same hiring entity during the calendar year.

For example, if the amount of money Jane Doe will earn is unclear at the outset of the contract, but the hiring entity paid a different contractor performing similar work \$600 or more in a calendar year, it may be reasonably expected that Jane Doe will earn a similar amount. This would make Jane Doe's contract subject to coverage by the ordinance and require the hiring entity to provide her the disclosures mandated by the law.

The ordinance explicitly excludes contracts in which the independent contractor's relationship with the hiring entity is limited to a property rental agreement (e.g., a hair stylist who simply pays rent to use a

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<sup>1</sup> This interpretation is consistent with the City's Business Tax Rules, which broadly define engaging in a business activity as including the exercise of corporate powers See Seattle Rule 5-043(2)(a).



chair at a salon).

**2. Can the ordinance apply in cases where there is no written contract?**

Yes. Under the ordinance, if the independent contractor performs agreed-upon work for a hiring entity and the hiring entity fails to provide the contractor the written, pre-contract disclosure required by the law, there will be a presumption that the terms of the contractual relationship alleged by the independent contractor are the terms of the contract. This presumption may be rebutted by the hiring entity through clear and convincing evidence, such as a written contract.

**3. If only part of the work is performed in Seattle, is it only that portion covered by the ordinance?**

No. If any part of the work is performed in Seattle and the hiring entity know or has reason to know that part of the work is performed Seattle, then performance under the whole contract is subject to the law.

**4. If a company based in Seattle hires an independent contractor outside of Seattle to perform services outside of Seattle, is the contract for services covered by the ordinance?**

No, the hiring entity's location alone would not make the contract subject to coverage.

**5. When does a hiring entity know or have reason to know that work is performed in whole or in part in Seattle?**

Whether a hiring entity knows or has reason to know that work is performed in whole or part in Seattle can be shown through any number of factors, including but not limited to:

- a. The hiring entity specifies the location of the work to be performed, including a service area that is wholly or partially within Seattle;
- b. The hiring entity provides a location within Seattle at which the independent contractor is permitted or required to perform the work;
- c. The independent contractor maintains a regular place of business at an address in Seattle and the hiring entity is aware of this regular place of business as indicated by inclusion of the independent contractor's address in Seattle in a pre-contract disclosure, written contract, payment, or other means;
- d. The independent contractor provides information to the hiring entity indicating that work will be performed in whole or part in Seattle; or
- e. The independent contractor provides services that in fact include a work-related or commercial stop in Seattle.

If a pre-contract disclosure, payment disclosure, or a written contract references Seattle as a location for services or the independent contractor's regular place of business, the law presumes the hiring entity knows or has reason to know that the independent contractor's work is performed in whole or part in Seattle. This presumption may be rebutted by clear and convincing evidence to the contrary.

The lack of a reference to Seattle in the disclosures or contract does not conclusively establish that a hiring entity did not know, or did not have reason to know, that work was to be performed in Seattle.

**6. Is a contract for services with a single-person business that subcontracts part of its performance under the contract to others covered?**

Yes, if the business providing services to a hiring entity is a person or entity composed of no more than a single person and the contract for services otherwise meets the requirements outlined above, the contract will be covered. As an example, a technology company may contract with a catering company, which hires several independent contractors to work an event in Seattle at the technology company's office. The technology company's contract with the catering company will be covered if the catering company is a person or entity composed of no more than a single person and other coverage



requirements are met. Separately, the catering company's contracts hiring subcontractors will also be covered if the subcontractor is a single person and the subcontractor's contracts with the catering company during the calendar year when added together are reasonably expected to be \$600 or more.

**7. Does the ICP ordinance apply when a private individual or household contracts with an independent contractor for services?**

It depends. An individual or household who contracts with a person to provide services for their own, private household is not hiring a contractor in the course of a business or commercial activity, and thus not covered by Seattle's ICP ordinance. In these cases, an agreement for domestic services may instead be subject to Seattle's Domestic Workers' Ordinance (DWO).

However, an individual or household that regularly engages in business or commercial activity and hires an independent contractor in the course of that business or commercial activity is subject to coverage. For example, a person who leases part of their home or operates a short-term rental on the same property as their home might hire an independent contractor to improve or maintain the rental property. The contract for services to maintain a rental property would be subject to coverage by Seattle's ICP ordinance, assuming other coverage requirements are met.

## D. Pre-Contract Disclosures

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**1. When must the written pre-contract disclosure be provided?**

The written "pre-contract disclosure" must be provided prior to an independent contractor beginning work for the hiring entity. Thus, it may be easier to think of the document as a "pre-work disclosure." For independent contractors already working for a hiring entity when the law came into effect on September 1, 2022, the hiring entity must satisfy the pre-contract disclosure requirements by providing the required information either by the next date of compensation or September 30, 2022, whichever is sooner.

**2. Is there an exception to the pre-contract disclosure requirements for emergency circumstances?**

No. The ICP ordinance does not include an exception for emergency circumstances. That said, an email or even a text message can satisfy the pre-contract disclosure requirements of the law so long as the written communication contains all the information required by the ordinance.

**3. What information must be included in the written pre-contract disclosure?**

The written pre-contract disclosure must provide itemized information on the proposed terms and conditions of work, including but not limited to:

- f. Current date;
- g. Name of the independent contractor;
- h. Name of the hiring entity;
- i. Contact information for the hiring entity, including but not limited to physical address, mailing address, telephone number, and/or email address as applicable;
- j. Description of work;
- k. Location(s) of work and regular place of business of independent contractor or hiring entity;
- l. Rate or rates of pay, including any applicable price multiplier or variable pricing policy, or incentive pay applicable to the offer of work;
- m. Pay basis (e.g., hour, day, week, monthly, fee per project, piece rate, commission);



- n. Tips and/or service charge distribution policy, if applicable;
- o. Typical expenses incurred in the course of work and which expenses will be paid or reimbursed by the hiring entity, if applicable;
- p. Deductions, fees, or other charges that the hiring entity may subtract from payment and accompanying policies for each type of charge, if applicable; and
- q. Payment schedule.

OLS has created a model notice of the pre-contract disclosure in English, Spanish, and other languages available on our [website](#). Hiring entities are not required to use OLS' model notice but must provide the information identified above in English and any language the hiring entity knows or has reason to know is the primary language of the independent contractor. Hiring entities are not required to provide the pre-contract disclosures in languages other than English until the Office of Labor Standards makes the necessary translation of the model pre-contract disclosures available. Hiring entities are encouraged to notify the Office of Labor Standards of the need for additional translations.

**4. If a bid document prepared by an independent contractor, a written contract between the parties, or other document contains all the information required by Seattle's ICP ordinance, does a hiring entity need to separately provide a pre-contract disclosure?**

No. Hiring entities may satisfy the pre-contract disclosure requirements by providing the required information in any single document, which could be in the form of a pre-contract disclosure, contract offer, counteroffer, application, or any other single document that meets the disclosure requirements. If a document contains some but not all the required information, the hiring entity may prepare a document that contains the elements that are missing, identifies the other supporting document(s), and attaches the supporting document(s) so all the information is in effect provided in a single document, as the law requires.

Regardless of which party provides or produces the document cited as containing all the information mandated by Seattle's ICP ordinance, it remains the responsibility of the hiring entity (not the independent contractor) to ensure that all the elements of information required by the law are found in a single document.

**5. If any changes are made to the pre-contract disclosure, does the hiring entity need to provide a new pre-contract disclosure?**

Hiring entities may provide piece-meal notice of a small number of changes to the pre-contract disclosure. For changes to more than six of the items required in the pre-contract disclosure, hiring entities must issue a revised single document with all the required items.

**6. What if a hiring entity is not satisfied with the independent contractor's work? Can the hiring entity pay less than the agreed upon compensation for services after the independent contractor has begun work?**

No. Once the independent contractor has commenced performance of the services under a pre-contract disclosure or contract, the hiring entity is prohibited from requiring as a condition of timely compensation that the independent contractor accept less compensation than the amount of compensation due under the pre-contract disclosure or contract.



**7. Can the rate of pay in the pre-contract disclosure be stated as a range of amounts, “to be determined” or “to be agreed upon”?**

No. The pre-contract disclosure must make clear to the worker prior to the commencement of any work the precise rate, or precise rates if applicable, that the worker will receive for all work performed pursuant to the contractual relationship. If the contracted for work is subject to multiple rates of pay, the pre-contract disclosure should make clear to the worker the circumstances when each specified rate would apply.

**8. What should the pre-contract disclosure identify as the location of work if the hiring entity does not dictate or control the location of work?**

A pre-contract disclosure could state that the location of work is “unspecified / not limited by hiring entity.” If an independent contractor is granted a particular coverage or service area, that area should be specifically identified in the pre-contract disclosure. As an example, a real estate broker may not play a role in determining where a realtor works, buying and selling property for clients. In that case, the pre-contract disclosure might indicate that the location of the realtor’s work is “unspecified / not limited by hiring entity” and identify the coverage area where their license allows them to sell or buy property.

**9. How detailed must the “description of work” be?**

The description of work must include all terms and conditions that the hiring entity would require to be met as a pre-condition to payment for the agreed upon work. Any terms and conditions not itemized in the pre-contract disclosure may not be relied on by the hiring entity as a basis for the failure to make timely payment under the ordinance.

**10. What does the pre-contract disclosure need to include regarding a tip policy?**

Where the hiring entity has a policy or practice regulating tipping in any respect, it must describe that policy or identify any document describing the policy and attach a copy to the pre-contract disclosure. At a minimum, the pre-contract disclosure should describe whether tips are retained by the hiring entity, the independent contractor, or split between the parties and the percentage split. If the hiring entity has not provided a pre-contract disclosure describing the hiring entity’s policy or practice regulating tips, there is a rebuttable presumption that the independent contractor’s alleged terms and conditions regarding tipping are the terms and conditions of the contractual relationship.

**11. What does the pre-contract disclosure need to include regarding a service charge policy?**

Under Seattle’s ICP ordinance, “service charge” means a separately designated amount collected by hiring entities from customers for services provided by independent contractors, or described in such a way that customers might reasonably believe that the amounts are for such services. Service charges include but are not limited to charges designated on receipts as a “service charge,” “gratuity,” “delivery charge,” or “portage charge.” Where the contracted services typically involve service charges, hiring entities must disclose the percentage of the service charge that is paid to the independent contractor(s) serving the client or customer. If any portion of a service charge is not clearly designated as being retained by the hiring entity, it is due to the independent contractor(s) serving a client or customer.

**12. If neither the hiring entity or independent contractor will be collecting tips or service charges, does the pre-contract disclosure need to address a tip or service charge policy?**

If the hiring entity does not regulate tipping or the contracted services do not typically involve tipping or service charges, the hiring entity may indicate “not applicable” or include a statement to similar effect in





the pre-contract disclosure.

## E. Timely Payment

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### 1. What does timely payment mean under Seattle’s ICP ordinance?

The law requires that hiring entities pay independent contractors according to the timeline outlined in the contract or pre-contract disclosure. If the timing of payment was not specified in a pre-contract disclosure or the contract, then the hiring entity must pay the independent contractor no later than 30 days after the completion of the independent contractor’s services under the contract.

### 2. When does the 30-day timeline start?

When there is no pre-contract disclosure or contract between the parties specifying when payment is due, the 30-day deadline for payment begins to run when the hiring entity knows or has reason to know the independent contractor has completed services under the contract. The determination of whether a hiring entity knows or has reason to know the independent contractor has completed services under the contract may be demonstrated by any number of factors, including but not limited to:

- a. The hiring entity’s opportunity to observe the completion of services;
- b. Verbal communication of completion by the independent contractor;
- c. Written communication of completion by the independent contractor (e.g. email, text message); or
- d. Provision of a final invoice by the independent contractor.

### 3. Does the ordinance require that independent contractors be paid minimum rates or amounts?

No. Seattle’s ICP ordinance requires timely payment but does not say how much a hiring entity must pay an independent contractor. Beginning December 2023, an independent contractor who qualifies as an “app-based worker” may be entitled to receive specific minimum amounts of compensation under the App-Based Worker Minimum Payment Ordinance. However, in the absence of that or other applicable law, compensation is determined by agreement between the independent contractor and hiring entity.

### 4. What are a hiring entity’s obligations under ICP if an independent contractor only partially performs the agreed upon work?

Requirements for timely payment for partial performance under Seattle’s ICP ordinance depend on the specific terms and conditions set out in the pre-contract disclosure, contract, or in the absence of such documents, the terms and conditions alleged by the independent contractor. As an example, if an independent contractor and hiring entity agree that installment payments will be made upon the completion of specific benchmarks, then timely payment may be due in accordance with the terms of the contract or pre-contract disclosure based on completion of some benchmarks, regardless of whether all benchmarks were fully met.

### 5. Is timely payment required if the hiring entity disputes that the independent contractor has performed the agreed upon work?

The hiring entity’s obligation to provide timely compensation will depend on the specific terms and conditions set out in the pre-contract disclosure, as well as the facts of the alleged performance. The description of work in the pre-contract disclosure should include all terms and conditions that the hiring entity would require to be met as a pre-condition to payment. Any terms and conditions not itemized in



the pre-contract disclosure may not be relied on by the hiring entity as a basis for failing to make timely payment under Seattle’s ICP ordinance.

## F. Payment Disclosures

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### 1. How often must the written payment disclosure be provided?

Each time the hiring entity provides the independent contractor with compensation, the hiring entity must provide a written payment disclosure.

### 2. What information must be included in the written payment disclosure?

The written payment disclosure must provide itemized payment information, including but not limited to:

- a. Current date;
- b. Name of independent contractor;
- c. Name of hiring entity;
- d. Description of services covered by payment (e.g., description of project, tasks completed, or hours worked);
- e. Location of services covered by payment;
- f. Rate or rates of pay, including any applicable price multiplier or variable pricing policy, or incentive pay applicable to the work;
- g. Tip compensation and/or service charge distributions, if applicable;
- h. Pay basis (e.g., hour, day, week, monthly, fee per project, piece rate, commission) with accounting of method(s) for determining payment earned during the pay period;
- i. Expenses reimbursed, if applicable;
- j. Gross payment;
- k. Deductions, fees, or other charges, if applicable; and
- l. Net payment after deductions, fees, or other charges.

OLS has created a model payment disclosure in English, Spanish, and other languages available on our [website](#). Hiring entities are not required to use OLS’ model notice but must provide the information identified above in English and any language the hiring entity knows or has reason to know is the primary language of the independent contractor. Hiring entities are not required to provide payment disclosures in languages other than English until the Office of Labor Standards makes the necessary translations available. Hiring entities are encouraged to notify the Office of Labor Standards of the need for additional translations.

### 3. How detailed must the payment disclosures “description of services covered by payment” be?

The payment disclosure should include enough information that the independent contractor understands what work the hiring entity is paying for. If payment is based on the number of hours worked, a statement of the hours for which payment is being made may suffice. In other cases, the pre-contract disclosure may provide that payment is to be paid in installments upon various phases of a project being completed, in which case the payment disclosure should clearly identify the project milestones or parts of the work described in the pre-contract disclosure for which the hiring entity is making payment.



**4. Can an invoice from the independent contractor satisfy the payment disclosure?**

If an independent contractor provides an invoice, the hiring entity may provide a written payment disclosure that references the contractor’s invoice, as well as any additional required information. The hiring entity remains responsible for ensuring that all required information is included in the payment disclosure.

## **G. Notice of Rights**

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**1. When are the Notice of Rights to be provided?**

Hiring entities shall provide the notice of rights prior to the independent contractor beginning work for the hiring entity. For independent contractors already working for a hiring entity when the law came into effect on September 1, 2022, the hiring entity must provide the notice of rights either by the date of compensation or September 30, 2022 , whichever is sooner.

**2. What information must be included in the Notice of Rights?**

The Notice of Rights must provide information on:

- a. The rights to pre-contract disclosures, timely payment, and payment disclosures;
- b. The right to be protected from retaliation;
- c. The right to file a complaint with the Seattle Office of Labor Standards or to bring a civil action for a violation of the law.

OLS has created a model Notice of Rights in English, Spanish, and other languages. Hiring entities are not required to use OLS’ model notice but must provide the information identified above.

**3. Do hiring entities need to provide non-English translations of the Notice of Rights?**

Hiring entities must provide the notice of rights in English and any language that the hiring entity knows or has reason to know is the primary language of the independent contractor. The Office of Labor Standards will create and make available translated versions of the Notice of Rights. Hiring entities are not required to provide the Notice of Rights in languages other than English until the Office of Labor Standards makes the necessary translation available. Hiring entities are encouraged to notify the Office of Labor Standards of the need for additional translations.

**4. What is considered a person’s “primary language” and how does a hiring entity know or have reason to know the primary language of an independent contractor?**

Primary language means the language in which the independent contractor feels most comfortable communicating. Each hiring entity should make a good faith effort to determine the primary languages of independent contractors performing services.

## **H. Recordkeeping**

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**1. What are the recordkeeping requirements for Seattle’s ICP ordinance?**

The ordinance requires hiring entities to keep records that document compliance with the ordinance for each independent contractor for three years. This would include, for example, records showing that



hiring entities provided pre-contract disclosures, payment disclosures, timely payment, and the notice of rights. If a hiring entity alleges that its pre-contract disclosure duty is met based on providing the required information in a contract offer, counteroffer, application, or other single document that might meet the law's requirements, such records must be retained. Emails and text messages attaching such disclosures or notices should also be retained as evidence that documents were in fact provided to the independent contractor on specific dates.

Records showing the amount of tips, service charges, or other funds that a hiring entity has collected and is obligated to distribute to a contractor must also be retained. For example, if it is agreed that a contractor will receive a percentage of the hiring entity's alcohol sales, then records of the total alcohol sales must be retained to prove that the contractor received timely payment of the agreed compensation.

- 2. Can records be maintained electronically, rather than in hardcopy?**  
Records can be kept either electronically or in hard copy.

## I. Prohibition on Retaliation

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- 1. Does the ordinance prohibit retaliation? What is retaliation?**

Yes. Retaliation is illegal. Hiring entities and other persons are prohibited from taking any adverse action or discriminating against a person because the person exercised their rights protected by Seattle's ICP ordinance in good faith. Adverse actions include, but are not limited to, temporarily or permanently denying or limiting the independent contractor's access to work, offering less desirable work, terminating, deactivating, or taking any other action that would dissuade a reasonable person from exercising a right afforded by the law. Rights protected by the law include, but are not limited to:

- Making inquiries about the rights protected under Seattle's ICP ordinance;
- Informing others about their rights under the law;
- Informing the person's hiring entity, legal counsel, a union or similar organization, or any other person about an alleged violation of the law;
- Filing an oral or written complaint about an alleged violation of the law
- Participating in an investigation of an alleged violation of the law; and
- Opposing any policy, practice, or act that is unlawful under the law.

## J. Ordinance's Effects on Contract Validity and Other Laws; Waiver of Rights

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- 1. If a hiring entity fails to provide a pre-contract disclosure or otherwise fails to comply with Seattle's ICP ordinance, does that impact the validity or enforceability of the parties' contract?**

No. The ordinance states that the hiring entity's failure to comply with the law does not void any contract, and that the ordinance only supplements and does not replace rights under other laws. For example, both parties to a contract for services may have contractual rights and remedies, in addition to



those provided for by Seattle's ICP ordinance.

**2. Can independent contractors waive their rights to protections under Seattle's ICP ordinance?**

No. The law provides that any waiver by an individual of the law's protections is void and unenforceable.

**3. If a Hiring Entity complies with Seattle's ICP ordinance or a worker asks a hiring entity to act in compliance with the law, will that impact a determination on whether a worker has been misclassified as an independent contractor, rather than classified as an employee?**

No. The ordinance is clear that no part of Seattle's ICP ordinance can be construed as providing a determination about the legal classification of any individual as an employee or independent contractor. The rights and obligations provided by the ordinance are separate and distinct from that determination.

Whether a worker is improperly classified as an independent contractor, rather than as an employee, will depend on the nature of the relationship between the worker and the hiring party. If a worker is found to be an employee, the worker may be entitled to a broad set of workplace rights. These rights include the right to be paid the minimum wage and overtime, paid safe and sick time, unemployment insurance, and employer-funded workers' compensation benefits, among others. More information on the test for employment vs. independent contractor status can be found [here](#).

