



CITY OF SEATTLE

City Council

Agenda - Revised

Tuesday, May 31, 2022

2:00 PM

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or
Seattle Channel online.

Debora Juarez, Council President

Lisa Herbold, Member

Andrew J. Lewis, Member

Tammy J. Morales, Member

Teresa Mosqueda, Member

Sara Nelson, Member

Alex Pedersen, Member

Kshama Sawant, Member

Dan Strauss, Member

Chair Info: 206-684-8805; Debora.Juarez@seattle.gov

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CITY OF SEATTLE

City Council Agenda - Revised

May 31, 2022 - 2:00 PM

Meeting Location:

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or Seattle Channel online.

Committee Website:

<http://www.seattle.gov/council>

Pursuant to Washington State Governor's Proclamation No. 20-28.15 and Senate Concurrent Resolution 8402, this public meeting will be held remotely. Meeting participation is limited to access by the telephone number provided on the meeting agenda, and the meeting is accessible via telephone and Seattle Channel online.

Register online to speak during the Public Comment period at the 2:00 p.m. City Council meeting at <http://www.seattle.gov/council/committees/public-comment>.

Online registration to speak at the City Council meeting will begin two hours before the 2:00 p.m. meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Submit written comments to all Councilmembers at Council@seattle.gov
Sign-up to provide Public Comment at the meeting at <http://www.seattle.gov/council/committees/public-comment>

Watch live streaming video of the meeting at <http://www.seattle.gov/council/watch-council-live>

Listen to the meeting by calling the Council Chamber Listen Line at 253-215-8782 Meeting ID: 586 416 9164
One Tap Mobile No. US: +12532158782,,5864169164#

A. CALL TO ORDER

B. ROLL CALL

C. PRESENTATIONS

D. ADOPTION OF INTRODUCTION AND REFERRAL CALENDAR:

Introduction and referral to Council committees of Council Bills (CB), Resolutions (Res), Appointments (Appt), and Clerk Files (CF) for committee recommendation.

[IRC 351](#)

May 31, 2022

Attachments: [Introduction and Referral Calendar](#)

E. APPROVAL OF CONSENT CALENDAR

The Consent Calendar consists of routine items. A Councilmember may request that an item be removed from the Consent Calendar and placed on the regular agenda.

Journal:

[Min 381](#)

May 24, 2022

Attachments: [Minutes](#)

Bills:

[CB 120333](#)

AN ORDINANCE appropriating money to pay certain claims for the week of May 16, 2022 through May 20, 2022 and ordering the payment thereof; and ratifying and confirming certain prior acts.

Resolution:**Appointments:****F. APPROVAL OF THE AGENDA**

G. PUBLIC COMMENT

Members of the public may sign up to address the Council for up to 2 minutes on matters on this agenda; total time allotted to public comment at this meeting is 20 minutes.

Register online to speak during the Public Comment period at the 2:00 p.m. City Council meeting at <http://www.seattle.gov/council/committees/public-comment>.

Online registration to speak at the City Council meeting will begin two hours before the 2:00 p.m. meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

H. COMMITTEE REPORTS

Discussion and vote on Council Bills (CB), Resolutions (Res), Appointments (Appt), and Clerk Files (CF).

SUSTAINABILITY AND RENTERS' RIGHTS COMMITTEE:

1. [CB 120325](#) AN ORDINANCE relating to housing and displacement mitigation; expanding the information required for submission under the Rental Registration Inspection Ordinance for rental housing units; requiring submission of rental housing-related information; and amending Chapter 22.214 of the Seattle Municipal Code.

The Committee recommends that City Council pass as amended the Council Bill (CB).

In Favor: 3 - Sawant, Lewis, Morales

Opposed: 2 - Nelson, Juarez

Supporting Documents: [Summary and Fiscal Note](#)

PUBLIC SAFETY AND HUMAN SERVICES COMMITTEE:

2. [CB 120294](#) AN ORDINANCE relating to app-based worker labor standards; establishing a compensation scheme for app-based workers with minimum pay requirements and related standards for transparency and flexibility; amending Sections 3.02.125, 3.15.000, and 6.208.020 of the Seattle Municipal Code; and adding a new Title 8 and Chapter 8.37 to the Seattle Municipal Code.

The Committee recommends that City Council pass as amended the Council Bill (CB).

In Favor: 4 - Herbold, Lewis, Mosqueda, Nelson

Opposed: None

Abstain: 1 - Pedersen

Supporting Documents: [Summary and Fiscal Note v2](#)

I. ADOPTION OF OTHER RESOLUTIONS

J. OTHER BUSINESS

K. EXECUTIVE SESSION

20-Minute Executive Session on Pending, Potential, or Actual Litigation*

**Executive Sessions are closed to the public.*

L. ADJOURNMENT



Legislation Text

File #: IRC 351, Version: 1

May 31, 2022



Introduction and Referral Calendar

List of proposed Council Bills (CB), Resolutions (Res), Appointments (Appt) and Clerk Files (CF) to be introduced and referred to a City Council committee

Record No.	Title	Committee Referral
<u>By: Mosqueda</u>		
1. CB 120333	AN ORDINANCE appropriating money to pay certain claims for the week of May 16, 2022 through May 20, 2022 and ordering the payment thereof; and ratifying and confirming certain prior acts.	City Council
<u>By: Mosqueda</u>		
2. Appt 02215	Appointment of Maiko Winkler-Chin as Director of the Office of Housing.	Finance and Housing Committee
<u>By: Pedersen</u>		
3. Res 32055	A RESOLUTION relating to Sound Transit; providing recommendations to the Sound Transit Board as to the selection of the Preferred Alternative for the West Seattle and Ballard Link Extensions project to be studied in the Final Environmental Impact Statement.	Transportation and Seattle Public Utilities



Legislation Text

File #: Min 381, **Version:** 1

May 24, 2022

SEATTLE CITY COUNCIL

600 Fourth Ave. 2nd Floor
Seattle, WA 98104



Journal of the Proceedings of the Seattle City Council

Tuesday, May 24, 2022

2:00 PM

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or
Seattle Channel online.

City Council

Debora Juarez, Council President

Lisa Herbold, Member

Andrew J. Lewis, Member

Tammy J. Morales, Member

Teresa Mosqueda, Member

Sara Nelson, Member

Alex Pedersen, Member

Kshama Sawant, Member

Dan Strauss, Member

Chair Info: 206-684-8805; Debora.Juarez@seattle.gov

Pursuant to Washington State Governor's Proclamation No. 20-28.15 and Senate Concurrent Resolution 8402, this public meeting will be held remotely. Meeting participation is limited to access by the telephone number provided on the meeting agenda, and the meeting is accessible via telephone and Seattle Channel online.

A. CALL TO ORDER

The City Council of The City of Seattle met remotely pursuant to Washington State Governor's Proclamation 20-28.15, and guidance provided by the Attorney General's Office, on May 24, 2022, pursuant to the provisions of the City Charter. The meeting was called to order at 2:02 p.m., with Council President Juarez presiding.

B. ROLL CALL

The following Councilmembers were present and participating electronically:

Present: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Motion was made, duly seconded and carried, to excuse Councilmember Sawant from the May 17, 2022 City Council meeting.

C. PRESENTATIONS

Councilmember Herbold presented a Proclamation proclaiming May 2022 to be Mental Health Awareness Month. The Council Rules were suspended to allow Councilmember Herbold to present the Proclamation, and to allow Lauren Simonds, Executive Director, and Alice Nichols, President of the Board, of NAMI-WA, and Erin Romanuk, from Seattle Public Schools, to address the Council.

Councilmember Morales presented a Proclamation proclaiming Sunday, May 29, 2022 to be Pride Asia Day." The Council Rules were suspended to allow Councilmember Morales to present the Proclamation, and to allow Aleska Manila and Matthew Spahn, to address the Council.

D. ADOPTION OF INTRODUCTION AND REFERRAL CALENDAR:

[IRC 350](#)**May 24, 2022**ACTION 1:

Motion was made and duly seconded to adopt the Introduction and Referral Calendar.

ACTION 2:

Motion was made by Councilmember Juarez, duly seconded and carried, to amend the proposed Introduction and Referral Calendar item 2, Council Bill 120332, by referring it to the City Council.

Council Bill 120332, AN ORDINANCE relating to City employment; authorizing the execution of a collective bargaining agreement between The City of Seattle and the Seattle Police Management Association to be effective January 1, 2020 through December 31, 2023; and ratifying and confirming certain prior acts.

ACTION 3:

Motion was made and duly seconded to adopt the proposed Introduction and Referral Calendar as amended.

The Motion carried, and the Introduction & Referral Calendar (IRC) was adopted as amended by the following vote:

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

E. APPROVAL OF CONSENT CALENDAR

Motion was made, duly seconded and carried, to adopt the Consent Calendar.

Journal:[Min 380](#)**May 17, 2022**

The item was adopted on the Consent Calendar by the following vote, and the President signed the Minutes:

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

Bills:

[CB 120331](#) AN ORDINANCE appropriating money to pay certain claims for the week of May 9, 2022 through May 13, 2022 and ordering the payment thereof; and ratifying and confirming certain prior acts.

The item was passed on the Consent Calendar by the following vote, and the President signed the Council Bill:

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

Resolution:

Appointments:

GOVERNANCE, NATIVE COMMUNITIES, AND TRIBAL GOVERNMENTS COMMITTEE:

[Appt 02208](#) Appointment of Chalia Stallings-Ala'ilima as member, Seattle Ethics and Elections Commission, for a term to December 31, 2024.

The Committee recommends that City Council confirm the Appointment (Appt).

In Favor: 3 - Juarez, Pedersen, Mosqueda

Opposed: None

The item was confirmed on the Consent Calendar by the following vote:

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

[Appt 02209](#) **Appointment of Danielle Alvarado as member, Labor Standards Advisory Commission, for a term to April 30, 2024.**

The Committee recommends that City Council confirm the Appointment (Appt).

In Favor: 3 - Juarez, Pedersen, Mosqueda

Opposed: None

The item was confirmed on the Consent Calendar by the following vote:

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

[Appt 02210](#) **Appointment of Dustin Lambro as member, Labor Standards Advisory Commission, for a term to April 30, 2024.**

The Committee recommends that City Council confirm the Appointment (Appt).

In Favor: 3 - Juarez, Pedersen, Mosqueda

Opposed: None

The item was confirmed on the Consent Calendar by the following vote:

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

NEIGHBORHOODS, EDUCATION, CIVIL RIGHTS, AND CULTURE COMMITTEE:

[Appt 02107](#) **Reappointment of Paul Neal as member, Pike Place Market Preservation and Development Authority Governing Council, for a term to June 30, 2024.**

The Committee recommends that City Council confirm the Appointment (Appt).

In Favor: 4 - Morales, Lewis, Nelson, Strauss

Opposed: None

The item was confirmed on the Consent Calendar by the following vote:

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

[Appt 02189](#) **Appointment of Leslie Buker as member, Pike Place Market Historical Commission, for a term to December 1, 2023.**

The Committee recommends that City Council confirm the Appointment (Appt).

In Favor: 4 - Morales, Lewis, Nelson, Strauss

Opposed: None

The item was confirmed on the Consent Calendar by the following vote:

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

[Appt 02190](#) **Reappointment of Stephanie Young as member, Pike Place Market Historical Commission, for a term to December 1, 2024.**

The Committee recommends that City Council confirm the Appointment (Appt).

In Favor: 4 - Morales, Lewis, Nelson, Strauss

Opposed: None

The item was confirmed on the Consent Calendar by the following vote:

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

F. APPROVAL OF THE AGENDA

ACTION 1:

Motion was made seconded to adopt the proposed Council Agenda.

ACTION 2:

Motion was made by Councilmember Juarez and duly seconded, to amend the Council Agenda by considering Agenda item 9, Resolution 32050, out of order and before Agenda item 8, Council Bill 120320.

The Motion carried and the Council Agenda was adopted as amended by the following vote:

In Favor: 7 - Herbold, Juarez, Lewis, Morales, Nelson, Pedersen, Sawant
Opposed: 2 - Mosqueda, Strauss

G. PUBLIC COMMENT

The following individuals addressed the Council:

- Howard Gale
- Peter Condit
- Cause Haun
- Julia Buck
- BJ Last
- Brittney Bollay
- CoCo Weber
- Pennie O’Grady
- Leah Radecki
- Annette Klapstein
- Jodie Nathan
- Dana Barnett
- Matthew Offenbacher
- Anna Williams
- David Haines
- Tram Tran-Larson
- Karen Carpenter
- Adam Kennedy
- Valerie Schloretd
- Michael Mellini

H. COMMITTEE REPORTS

CITY COUNCIL:

1. [CB 120324](#) **AN ORDINANCE amending Ordinance 126490, which adopted the 2022 Budget; changing appropriations to various departments and budget control levels, and from various funds in the 2022 Budget; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.**

Motion was made and duly seconded to pass Council Bill 120324.

The Motion carried, the Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

2. [CB 120327](#) **AN ORDINANCE relating to the City Light and Seattle Public Utilities Departments; temporarily removing the charge of interest on delinquent utility consumption and utilization accounts; superseding several sections under Title 21 that authorize and require the collection of interest on delinquent utility consumption and utilization accounts; and ratifying and confirming certain prior acts.**

Motion was made and duly seconded to pass Council Bill 120327.

The Motion carried, the Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

3. [CB 120328](#) **AN ORDINANCE relating to the City Light Department; amending terms and conditions pertaining to the emergency bill assistance program and temporarily expanding access to assistance to certain eligible households for a limited time in response to the Coronavirus Disease 2019 (“COVID-19”) emergency; and amending Section 21.49.042 of the Seattle Municipal Code.**

Motion was made and duly seconded to pass Council Bill 120328.

The Motion carried, the Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

- 4. [CB 120329](#) **AN ORDINANCE relating to Seattle Public Utilities' Emergency Assistance Program; temporarily extending increased assistance related to COVID-induced customer delinquencies; and amending Section 21.76.065 of the Seattle Municipal Code.**

Motion was made and duly seconded to pass Council Bill 120329.

The Motion carried, the Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

FINANCE AND HOUSING COMMITTEE:

- 5. [CB 120316](#) **AN ORDINANCE amending Ordinance 126490, which adopted the 2022 Budget, including the 2022-2027 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.**

The Committee recommends that City Council pass the Council Bill (CB).

In Favor: 5 - Mosqueda, Herbold, Pedersen, Nelson, Lewis

Opposed: None

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

6. [CB 120317](#) **AN ORDINANCE amending Ordinance 126237, which adopted the 2021 Budget, including the 2021-2026 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.**

The Committee recommends that City Council pass the Council Bill (CB).

In Favor: 5 - Mosqueda, Herbold, Pedersen, Nelson, Lewis

Opposed: None

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

7. [CB 120318](#) **AN ORDINANCE relating to appropriations for the Executive Department; amending Ordinance 126490, which adopted the 2022 Budget; changing appropriations and creating new positions in the Office of Housing; all by a 3/4 vote of the City Council.**

The Committee recommends that City Council pass the Council Bill (CB).

In Favor: 5 - Mosqueda, Herbold, Pedersen, Nelson, Lewis

Opposed: None

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

PUBLIC SAFETY AND HUMAN SERVICES COMMITTEE:

9. [Res 32050](#) **A RESOLUTION relating to the Seattle Police Department; stating the Council’s intent to lift a proviso on anticipated 2022 salary and benefits savings to fund staffing incentives for uniformed police officers.**

The Committee recommends that City Council adopt as amended the Resolution (Res).

In Favor: 4 - Herbold, Lewis, Nelson, Pedersen

Opposed: 1 - Mosqueda

ACTION 1:

Motion was made by Councilmember Nelson and duly seconded, to amend Resolution 32050 by amending the 5th and 8th recitals, as shown in the underlined and strike through language below:

5th Recital:

WHEREAS, according to the Seattle Police Department’s May 12, 2022 Shots Fired Report, Year-To-Date (YTD) gun fatalities increased 100 percent compared to YTD 2021 with the total number of 17 homicides YTD representing a 54 percent increase compared to 11 homicides YTD in 2021; and 2021 Year End Crime Report, there were 612 verified criminal shootings and incidents of shots fired, which in the aggregate represent a 40 percent increase compared to the 2020 total and an 80 percent increase compared to the 2019 total; and

8th Recital:

WHEREAS, the current median response time to Priority 1 9-1-1 calls is 7.34.5 minutes, the current median response time to Priority 2 9-1-1 calls is 22.93.8 minutes, and currently officers are not dispatched to Priority 3 9-1-1 calls; and

The Motion carried by the following vote:

In Favor: 7 - Herbold, Juarez, Lewis, Nelson, Pedersen, Sawant, Strauss

Opposed: 2 - Morales, Mosqueda

ACTION 2:

Motion was made and duly seconded to adopt Resolution 32050 as amended.

The Motion carried, the Resolution (Res) was adopted as amended by the following vote, and the President signed the

Resolution (Res):

In Favor: 6 - Juarez, Herbold, Lewis, Nelson, Pedersen, Strauss

Opposed: 3 - Morales, Mosqueda, Sawant

8. [CB 120320](#) **AN ORDINANCE relating to appropriations for the Seattle Police Department; amending a proviso imposed by Ordinance 126490, which adopted the 2022 Budget; and ratifying and confirming certain prior acts.**

The Committee recommends that City Council pass as amended the Council Bill (CB).

In Favor: 4 - Herbold, Lewis, Nelson, Pedersen

Opposed: 1 - Mosqueda

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 6 - Juarez, Herbold, Lewis, Nelson, Pedersen, Strauss

Opposed: 3 - Morales, Mosqueda, Sawant

TRANSPORTATION AND SEATTLE PUBLIC UTILITIES COMMITTEE:

10. [CB 120300](#) **AN ORDINANCE, granting permission to 2001 Sixth L.L.C. to continue operating and maintaining a utility tunnel under the alley between 5th Avenue and 6th Avenue, north of Virginia Street; repealing Section 8 of Ordinance 119437; and providing acceptance of the permit and conditions.**

The Committee recommends that City Council pass the Council Bill (CB).

In Favor: 4 - Pedersen, Strauss, Herbold, Morales

Opposed: None

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

11. [CB 120301](#) **AN ORDINANCE granting King County permission to continue maintaining and operating two pedestrian tunnels under and across 9th Avenue, between Alder Street and Jefferson Street; repealing Section 8 of Ordinance 123842; and providing for acceptance of the permit and conditions.**

The Committee recommends that City Council pass the Council Bill (CB).

In Favor: 4 - Pedersen, Strauss, Herbold, Morales

Opposed: None

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

12. [CB 120302](#) **AN ORDINANCE granting Swedish Health Services permission to continue maintaining and operating an existing pedestrian skybridge over and across Cherry Street, west of Broadway and east of Minor Avenue; repealing Section 9 of Ordinance 123048; and providing for the acceptance of the permit and conditions.**

The Committee recommends that City Council pass the Council Bill (CB).

In Favor: 4 - Pedersen, Strauss, Herbold, Morales

Opposed: None

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

13. [Res 32053](#) **A RESOLUTION granting conceptual approval to construct, maintain, and operate private communication conduit under and across Latona Avenue Northeast, north of Northeast Northlake Way; as proposed by Dunn Lumber Company, as part of the construction of a new lumber warehouse in the Wallingford neighborhood.**

The Committee recommends that City Council adopt the Resolution (Res).

In Favor: 4 - Pedersen, Strauss, Herbold, Morales

Opposed: None

The Resolution (Res) was adopted by the following vote, and the President signed the Resolution (Res):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

SUSTAINABILITY AND RENTERS' RIGHTS

14. [CB 120330](#) **AN ORDINANCE relating to just cause eviction: changing the terms of certain eviction defenses; and amending Sections 22.205.090 and 22.205.100 of the Seattle Municipal Code.**

The Committee recommends that City Council pass as amended the Council Bill (CB).

In Favor: 2 - Sawant, Lewis

Opposed: 1 - Juarez

Abstain: 1 - Nelson

By unanimous consent, Councilmember Morales was added as a sponsor to Council Bill 120330.

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 9 - Juarez, Herbold, Lewis, Morales, Mosqueda, Nelson, Pedersen, Sawant, Strauss

Opposed: None

I. ADOPTION OF OTHER RESOLUTIONS

There were none.

J. OTHER BUSINESS

Motion was made, duly seconded and carried, to excuse Councilmember Strauss from the June 21, 2022 City Council meeting.

Motion was made, duly seconded and carried, to excuse Councilmember Mosqueda from the June 21, 2022 City Council meeting.

K. ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 4:30 p.m.

Jodee Schwinn, Deputy City Clerk

Signed by me in Open Session, upon approval of the Council, on May 31, 2022.

Debora Juarez, Council President of the City Council

Monica Martinez Simmons, City Clerk



Legislation Text

File #: CB 120333, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE appropriating money to pay certain claims for the week of May 16, 2022 through May 20, 2022 and ordering the payment thereof; and ratifying and confirming certain prior acts.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Payment of the sum of \$21,238,972.06 on PeopleSoft 9.2 mechanical warrants numbered 4100575076 - 4100577208 plus manual or cancellation issues for claims, e-payables of \$51,602.83 on PeopleSoft 9.2 9100011760 - 9100011801, and electronic financial transactions (EFT) in the amount of \$31,522,682.83 are presented to the City Council under RCW 42.24.180 and approved consistent with remaining appropriations in the current Budget as amended.

Section 2. RCW 35.32A.090(1) states, “There shall be no orders, authorizations, allowances, contracts or payments made or attempted to be made in excess of the expenditure allowances authorized in the final budget as adopted or modified as provided in this chapter, and any such attempted excess expenditure shall be void and shall never be the foundation of a claim against the city.”

Section 3. Any act consistent with the authority of this ordinance taken prior to its effective date is ratified and confirmed.

Section 4. 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 31st day of May, 2022, and signed by me in open session in authentication of its passage this 31st day of May, 2022.

President _____ of the City Council

Approved / returned unsigned / vetoed this ____ day of _____, 2022.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2022.

Monica Martinez Simmons, City Clerk

(Seal)



Legislation Text

File #: CB 120325, Version: 2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to housing and displacement mitigation; expanding the information required for submission under the Rental Registration Inspection Ordinance for rental housing units; requiring submission of rental housing-related information; and amending Chapter 22.214 of the Seattle Municipal Code.

WHEREAS, Executive Order 2019-02 (“Actions to Increase Affordability and Address Residential

Displacement”) determined, among other things, that: “[E]conomic pressures are driving displacement of residents from their long-standing communities; and ... without thoughtful policies, deliberate planning and investment during this period of unprecedented growth and change, we risk displacement of long-time community members”; and

WHEREAS, in March 2019, Resolution 31870 stated that the City should “[d]evelop a consistent and thorough monitoring and reporting process regarding housing production and loss of households at 30 to 120 percent AMI, including change of tenure and net change in affordable units on a particular development site, and deducting housing units funded by OH [Seattle Office of Housing]”; and

WHEREAS, the July 2019 report prepared for the City’s Office of Planning and Community Development by the Urban Displacement Project, University of California, Berkeley, titled *Heightened Displacement Risk Indicators for the City of Seattle’s Equitable Development Monitoring Program*, states that “a more granular and localized” data set is needed to “best meet the City’s racial equity goals”; and

WHEREAS, in its September 29, 2021 response to Statement of Legislative Intent OPCD-004-A-001 (“Report by OPCD, OH, and SDCI on displacement monitoring gaps”), the City determined that there are

currently no sources that provide rental information data with a high level of granularity; and WHEREAS, the Council intends that the submission of information regarding the number and size of residential rental units and rental amounts to a research university contracted to provide a report to the City will help to fill the identified data gaps and better allow the City to make policy to decrease gentrification and resulting physical, economic, and cultural displacement risks and inform updates to the City's Comprehensive Plan update; and

WHEREAS, the Council intends for the Office of Planning and Community Development or other executive department to enter into a contract with a research university to provide the City with reports analyzing this data and continue to hold such a contract for as long as the City requires the designated information be provided to the designated research university; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council finds and declares that it is necessary for the City to have and maintain a sufficiently descriptive and complete list of all rental housing units in Seattle, including analyses of market rate housing to inform policies to prevent and mitigate displacement of low-income households and the development and implementation of City programs.

Section 2. Chapter 22.214 of the Seattle Municipal Code, last amended by Ordinance 126157, is amended as follows:

CHAPTER 22.214 RENTAL REGISTRATION AND INSPECTION ORDINANCE

22.214.010 Declaration of purpose

The City Council finds that establishing a Rental Registration and Inspection Ordinance is necessary to protect the health, safety, and welfare of the public; ~~((and))~~ prevent deterioration and blight conditions that adversely impact the quality of life in the city; and mitigate displacement. This shall be accomplished by requiring rental housing be registered and properly maintained, ~~((and))~~ that substandard housing conditions be identified and corrected, and that owners certify to the City that they have submitted information about rental units for data

analysis.

* * *

22.214.030 Applicability

A. The registration provisions of this Chapter 22.214 shall apply to all rental housing units with the exception of:

1. Housing units lawfully used as short-term rentals, if the housing unit is the primary residence of the short-term rental operator as defined in Section 23.84A.030;
2. Housing units rented for not more than 12 consecutive months as a result of the property owner, who previously occupied the unit as a primary residence, taking a work-related leave of absence or assignment such as an academic sabbatical or temporary transfer;
3. Housing units that are a unit unavailable for rent;
4. Housing units in hotels, motels, inns, bed and breakfasts, or similar accommodations that provide lodging for transient guests, but not including short-term rentals as defined in Section 23.84A.024 unless the short-term rental qualifies for an exemption under subsection 22.214.030.A.1;
5. Housing units in facilities licensed or required to be licensed under chapter 18.20, 70.128, or 72.36 RCW, or subject to another exemption under this Chapter 22.214;
6. Housing units in any state licensed hospital, hospice, community-care facility, intermediate-care facility, or nursing home;
7. Housing units in any convent, monastery, or other facility occupied exclusively by members of a religious order or congregation;
8. Emergency or temporary shelter or transitional housing accommodations;
9. Housing units owned, operated, or managed by a major educational or medical institution or by a third party for the institution; and
10. Housing units that a government entity or housing authority owns, operates, or manages; or

units exempted from municipal regulation by federal, state, or local law.

B. The inspection provisions of this Chapter 22.214 shall apply to rental housing units that are included in this Rental Registration and Inspection Ordinance, with the exception of:

1. Rental housing units that receive funding or subsidies from federal, state, or local government when the rental housing units are inspected by a federal, state, or local governmental entity at least once every five years as a funding or subsidy requirement; and the rental housing unit owner or agent submits information to the Department within 60 days of being notified that an inspection is required that demonstrates the periodic federal, state, or local government inspection is substantially equivalent to the inspection required by this Chapter 22.214; and

2. Rental housing units that receive conventional funding from private or government insured lenders when the rental housing unit is inspected by the lender or lender's agent at least once every five years as a requirement of the loan; and the lender or lender's agent submits information to the Department within 60 days of being notified that an inspection is required that demonstrates the periodic lender inspection is substantially equivalent to the inspection required by this Chapter 22.214; and

3. Accessory dwelling units and detached accessory dwelling units, provided the owner lives in one of the housing units on the property and an "immediate family" member as identified subsection 22.205.010.E lives in the other housing unit on the same property.

C. The penalty provisions of subsection 22.214.086.A shall not apply to violations of:

1. Subsection 22.214.040.G.6;

2. Section 22.214.055; and

3. Subsection 22.214.040.H.2 for information required for submission by Section 22.214.055.

Violations of the provisions listed in subsections 22.214.030.C.1-3 are subject to penalties of up to \$500 for the first violation and up to \$1,000 for each subsequent violation in a three-year period. Violations of the provisions listed in subsections 22.214.030.C.1-3 are otherwise subject to Section 22.214.086.

22.214.040 Rental housing registration, compliance declaration, and renewals

* * *

G. An application for a rental housing registration shall be made to the Department on forms provided by the Director. The application shall include, but is not limited to:

1. The address of the property;
2. The name, address, and telephone number of the property owners;
3. The name, address, and telephone number of the registration applicant if different from the property owners;
4. The name, address, and telephone number of the person or entity the tenant is to contact when requesting repairs be made to their rental housing unit, and the contact person's business relationship to the owner;
5. A list of all rental housing units on the property, identified by a means unique to each unit, that are or may be available for rent at any time;
6. A declaration of compliance from the owner or owner's agent, declaring that the owner or owner's agent has provided to the research university selected by the Office of Planning and Community Development or other office within the Executive Department, pursuant to Chapter 20.50, the information required for submission by Section 22.214.055.

~~((6-))~~ 7. A declaration of compliance from the owner or owner's agent, declaring that all housing units that are or may be available for rent are listed in the registration application and meet or will meet the standards in this Chapter 22.214 before the units are rented; and

~~((7-))~~ 8. A statement identifying whether the conditions of the housing units available for rent and listed on the application were established by declaration of the owner or owner's agent, or by physical inspection by a qualified rental housing inspector.

H. A rental housing registration must be renewed according to the following procedures:

1. A registration renewal application and the renewal fee shall be submitted before the current registration expires;

2. All information required by subsection 22.214.040.G shall be updated as needed, except the information described in Section 22.214.055 shall be submitted by the owner at least twice annually by April 15 and by October 15 each year for information on the months of March and September of that same year, respectively; and ((;))

3. A new declaration as required by subsection 22.214.040.G.((6))7 shall be submitted.

* * *

22.214.055 Submission of rental housing information

A. The property owner or owner's agent shall submit the following information to a research university selected by the Office of Planning and Community Development or other office within the Executive Department on the schedule set out in subsection 22.214.040.H.2:

1. The name of the property owner provided in subsection 22.214.040.G.2;

2. The address of the property containing the rental housing units provided in subsection 22.214.040.G.1;

3. The list of all rental housing units on the property required by subsection 22.214.040.G.5; and

4. For each rental housing unit:

a. Whether it is vacant or occupied;

b. The estimated net rentable square footage;

c. The number of bedrooms;

d. The number of bathrooms;

e. Information sufficient to ascertain the current housing costs, as defined in Section 22.204.090, charged monthly;

f. The amount and identity of utilities paid by the owner;

g. The prospective housing costs if the unit is physically vacant; and

h. If subject to a rental agreement, the current term of the rental agreement.

B. The information submitted to the research university or under this Section 22.214.055 shall not include the name(s) of the tenant(s).

C. The Office of Planning and Community Development or other office within the Executive Department will enter into a contract with the research university, directing it to use its unique expertise, including but not limited to its diverse array of academic resources, to sort, analyze, and report on this data to identify relevant displacement risks and rental housing market conditions for the City to use in policy and decision-making regarding housing.

D. This Section 22.214.055 shall expire on the date the next City of Seattle comprehensive plan update required by chapter 36.70A RCW is adopted, or on December 31, 2025, whichever is later.

Section 3. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of its application to any person or circumstance, does not affect the validity of the remainder of this ordinance or the validity of its application to other persons or circumstances.

Section 4. 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 _____, 2022, and signed by me in open session in authentication of its passage this _____ day of _____, 2022.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2022.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2022.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
LEG	Venkataraman/4-5382	

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to housing and displacement mitigation; expanding the information required for submission under the Rental Registration Inspection Ordinance for rental housing units; requiring submission of rental housing–related information; and amending Chapter 22.214 of the Seattle Municipal Code.

Summary and Background of the Legislation:

This legislation would require landlords to submit a certification to the Seattle Department of Construction and Inspections (SDCI) that the landlord provided information about rental housing units and rent to a third party like a research university for analysis. The information the landlord would be required to submit would include whether a rental housing unit is vacant or occupied; the net rentable square footage; the number of bedrooms; the number of bathrooms; housing costs or to be charged if the unit is vacant (“housing costs” includes rent and any periodic or monthly fees for other services such as storage and parking paid to the landlord by the tenant); the amount of utilities; and the length of a rental agreement. The legislation would require the owner to furnish information to the research university the City chooses twice a year. The legislation does not request personally identifiable information of the tenants.

This legislation is intended to enable the City to receive regularly from the third-party data and analyses to inform updates to the City’s Comprehensive Plan as well as policy making to, among other public benefits, prevent displacement and gentrification. The City has previously responded to concerns about displacement with a number of policy statements and reports, including:

- 2016 Monitoring Report: Affordability of Unsubsidized Rental Housing in Seattle (OH and OPCD);
- Executive Order 2019-02 (“Actions to Increase Affordability and Address Residential Displacement”); and
- Heightened Displacement Risk Indicators for the City of Seattle’s Equitable Development Monitoring Program (Urban Displacement Project, 2019).
- Resolution 31870, adopted on March 18, 2019

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

If so, describe the nature of the impacts. This could include increased operating and maintenance costs, for example.

Yes. The Seattle Department of Construction and Inspections (SDCI), the department currently implementing RRIO, has stated it will likely need resources to update its infrastructure to accommodate tracking landlord-submitted certifications and at least one Planning and Development Specialist II position to support enforcement of the legislation. The City department, such as SDCI or the Office of Planning and Community Development (OPCD), who will manage a contract with a third party to gather, analyze, and report on the rent roll data will likely require funding to enter into the contract, either in 2022 or 2023, or both. Central Staff will continue to discuss with City departments the level of resources and time needed to implement appropriate infrastructure and execute a contract.

Are there financial costs or other impacts of *not* implementing the legislation?

Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs or consequences.

Yes. Not having sufficient information on rental stock and rental amounts can make it difficult to assess the state of the rental market and impacts on the housing inventory, including rent levels, vacancies, demolitions and related levels and locations of physical and economic displacement, if applicable. Failure to gather this information could result in a reduced capacity by the City to determine the impacts and mitigation options needed for the housing elements of the Growth Management Act (GMA)-required major update of the City Comprehensive Plan due in 2024 and subsequent Comprehensive Plan updates.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

If so, please list the affected department(s) and the nature of the impact (financial, operational, etc.).

Yes. SDCI administers RRIO and will be responsible for tracking certifications and implementing the requirements of this ordinance. Either SDCI or another City department such as OPCD would need to choose and contract with the research university that will conduct the data analysis.

The additional data to be collected could benefit several other departments in their analyses and policy proposals, including the Office of Housing (OH) and OPCD. OH works with SDCI to gather and analyze information regarding housing for purposes of informing policies and programs under the purview of OH. Similarly, OPCD could benefit from the rental and vacancy data to inform efforts associated with the City's Comprehensive Plan as well as programs crafted to prevent displacement.

b. Is a public hearing required for this legislation?

If yes, what public hearings have been held to date, and/or what public hearings are planned/required in the future?

No

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

For example, legislation related to sale of surplus property, condemnation, or certain capital projects with private partners may require publication of notice. If you aren't sure, please check with your lawyer. If publication of notice is required, describe any steps taken to comply with that requirement.

No

d. Does this legislation affect a piece of property?

If yes, and if a map or other visual representation of the property is not already included as an exhibit or attachment to the legislation itself, then you must include a map and/or other visual representation of the property and its location as an attachment to the fiscal note. Place a note on the map attached to the fiscal note that indicates the map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.

No

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

If yes, please explain how this legislation may impact vulnerable or historically disadvantaged communities. Using the racial equity toolkit is one way to help determine the legislation's impact on certain communities. If any aspect of the legislation involves communication or outreach to the public, please describe the plan for communicating with non-English speakers.

Having research and analysis using data on the City's rental housing inventory could help to address systemic racism in housing by providing information to create policy that could mitigate disparate impacts of gentrification and displacement that can be caused by economic or zoning changes. These impacts are often experienced disproportionately by Black, Indigenous, and other communities of color.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

Please provide a qualitative response, considering net impacts. Are there potential carbon emissions impacts of not implementing the proposed legislation? Discuss any potential intersections of carbon emissions impacts and race and social justice impacts, if not previously described in Section 4.e.

No

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

Describe the potential climate resiliency impacts of implementing or not implementing the proposed legislation. Discuss any potential intersections of climate resiliency and race and social justice impacts, if not previously described in Section 4e.

No

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?

This answer should highlight measurable outputs and outcomes.

NA

Summary Attachments:
None



Legislation Text

File #: CB 120294, **Version:** 2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to app-based worker labor standards; establishing a compensation scheme for app-based workers with minimum pay requirements and related standards for transparency and flexibility; amending Sections 3.02.125, 3.15.000, and 6.208.020 of the Seattle Municipal Code; and adding a new Title 8 and Chapter 8.37 to the Seattle Municipal Code.

WHEREAS, an estimated 40,000 app-based workers work in Seattle, including those who are Black,

Indigenous, and other People of Color (BIPOC), immigrants, workers with disabilities, LGBTQ+ workers, and single parents; and

WHEREAS, the community depends on app-based workers to provide valuable services, but network companies often pay app-based workers subminimum wages despite the promise of good wages, flexibility, and accessibility; and

WHEREAS, the definitions of “employee” and “employer” in local, state, and federal laws are broad, but network companies rely on business models that treat app-based workers as “independent contractors,” thereby creating barriers for app-based workers to access employee protections such as minimum wage, unemployment benefits, workers’ compensation, and paid family and medical leave; and

WHEREAS, the U.S. Bureau of Labor Statistics (BLS) data show that Black workers account for 23 percent of app-based workers performing in-person work, higher than their overall share of employment (12 percent), and Latinx workers account for 19 percent of app-based workers performing in-person work, higher than their overall share of employment (17 percent); and

WHEREAS, Black and Latinx workers are overrepresented among app-based workers, comprising almost 42 percent of app-based workers but less than 29 percent of the overall labor force, and are disproportionately deprived of core employee protections when network companies treat them as independent contractors; and

WHEREAS, BIPOC workers face unique barriers to economic insecurity and disproportionately must accept low-wage, unsafe, and insecure working conditions; and

WHEREAS, BIPOC workers have long been heavily concentrated in exploitative industries; and

WHEREAS, the City is committed to ending racial disparities and achieving racial equity in Seattle; and

WHEREAS, the City intends to address the inequities of app-based work by ensuring that such workers earn at least the City's minimum wage plus reasonable expenses, receive transparent information on job offers and pay, and exercise the flexibility promised by network companies; and

WHEREAS, the City intends to retain the current definitions of worker classification under Seattle's labor standards and does not intend to create a new classification of workers distinct from employees or independent contractors; and

WHEREAS, the City intends to ensure that all workers can benefit from the protections of Seattle's labor standards; and

WHEREAS, the City is a leader on wage, labor, and workforce practices that improve workers' lives, support economic security, and contribute to a fair, healthy, and vibrant economy; and

WHEREAS, the Office of Labor Standards will consult with and consider input from stakeholders, including network companies, app-based workers, and worker organizations in the rulemaking process.; and

WHEREAS, establishing labor standards for app-based workers requires appropriate action by the City Council; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council ("Council") finds and declares that:

A. App-based work is a growing source of income for workers in Seattle and across the country.

B. In the exercise of The City of Seattle’s police powers, the City is granted authority to pass regulations designed to protect and promote public health, safety, and welfare.

C. This ordinance protects and promotes public health, safety, and welfare by establishing a compensation scheme for app-based workers with minimum pay requirements and related standards for transparency and flexibility.

D. Numerous studies, including but not limited to studies by the Economic Policy Institute, Center for American Progress, and the Brookings Institution, show that minimum payment and other labor standards benefit employers and hiring entities by improving worker performance, reducing worker turnover, and thereby improving productivity and the quality of the services provided by workers, including app-based workers.

E. Many Seattle workers, including app-based workers, cannot fully participate in the community’s dynamic civic life or pursue its myriad educational, cultural, and recreational opportunities because they struggle to meet their households’ most basic needs.

F. The National Employment Law Project reports that instituting minimum pay requirements can confer critical income gains for workers and begin to reverse decades of growing pay inequality between the most underpaid workers and workers receiving close to the median wage, particularly along racial and gender lines.

G. Transparent information on job opportunities, along with the flexibility to determine hours of availability and which offers to accept, reject, or cancel with cause, allows workers to make informed decisions on how and when to earn their income without fear of financial penalty or other adverse actions.

H. Requiring disclosure of information and records on worker compensation and the nature of network company charges supports efforts to verify compliance with pay requirements.

I. Establishing minimum pay and pay-related labor standards promotes the general welfare, health, and prosperity of Seattle by ensuring that workers have stable incomes and can better support and care for their families and fully participate in Seattle’s civic, cultural, and economic life.

J. These labor standards also benefit the Seattle economy by increasing app-based worker earnings and thereby boosting consumer spending in Seattle and benefiting the economy overall.

Section 2. A new Title 8 is added to the Seattle Municipal Code as follows:

TITLE 8 LABOR STANDARDS

Section 3. A new Chapter 8.37 is added to the Seattle Municipal Code as follows:

Chapter 8.37 APP-BASED WORKER MINIMUM PAYMENT

8.37.010 Short title

This Chapter 8.37 shall constitute the “App-Based Worker Minimum Payment Ordinance” and may be cited as such.

8.37.020 Definitions

For purposes of this Chapter 8.37:

“Acceptance” means the initial communication from an app-based worker to a network company that the app-based worker intends to perform services in furtherance of an offer, including but not limited to indicating acceptance through the worker platform.

“Adverse action” means reducing compensation; garnishing tips or gratuities; temporarily or permanently denying or limiting access to work, incentives, or bonuses; offering less desirable work; terminating; deactivating; threatening; penalizing; retaliating; engaging in unfair immigration-related practices; filing a false report with a government agency; or otherwise discriminating against any person for any reason prohibited by Section 8.37.120. “Adverse action” for an app-based worker may involve any aspect of the app-based worker’s work, including compensation, work hours, volume, and frequency of offers made available, desirability and compensation rates of offers made available, responsibilities, or other material change in the terms and conditions of work or in the ability of an app-based worker to perform work. “Adverse action” also includes any action by the network company or a person acting on the network company’s behalf that would dissuade a reasonable person from exercising any right afforded by this Chapter 8.37.

“Agency” means the Office of Labor Standards and any division therein.

“Aggrieved party” means an app-based worker or other person who suffers tangible or intangible harm due to a network company’s or other person’s violation of this Chapter 8.37.

“App-based worker” means a person who has entered into an agreement with a network company governing the terms and conditions of use of the network company’s worker platform or a person affiliated with and accepting offers to perform services for compensation via a network company’s worker platform. For purposes of this Chapter 8.37, at any time, but not limited to, when an app-based worker is logged into the network company’s worker platform, the worker is considered an app-based worker.

“Application dispatch” means technology that allows customers to directly request dispatch of app-based workers for provision of services and/or allows app-based workers or network companies to accept offers to perform services for compensation and payments for services via the internet using interfaces, including but not limited to website, smartphone, and tablet applications.

“Associated cost factor” means the additional percentage of the minimum wage equivalent rate that reasonably compensates app-based workers for the non-mileage expenses that are necessary to conduct app-based work, which include but are not limited to the following:

1. Employer-side payroll taxes that app-based workers must pay;
2. Cost of paid family and medical leave insurance;
3. Cost of state-provided unemployment insurance;
4. Cost of workers’ compensation insurance;
5. Business taxes that app-based workers must pay;
6. Business licensing fees that app-based workers must pay; and
7. Cost of miscellaneous expenses such as purchase of cellular phones, data plans, and other

equipment required for work.

“Associated mileage factor” means the additional percentage of the mileage rate that reasonably

compensates app-based workers for miles traveled without compensation that are necessary to conduct app-based work, which may include but is not limited to the following:

1. Miles traveled after completing performance of an offer, to relocate to locations where additional offers are likely to be available or to return to the starting location; and/or
2. Miles traveled to locations for rest breaks, meal breaks, restroom access, and administrative needs.

“Associated time factor” means the additional percentage of the minimum wage equivalent rate that reasonably compensates app-based workers for the time that app-based workers spend working or engaged to wait for work without compensation to perform app-based work, including but not limited to the following:

1. Reviewing offers;
2. Communicating with network companies and customers;
3. Relocating in anticipation of future offers;
4. Conducting administrative tasks; and
5. Taking rest breaks.

“Cancellation with cause” means cancellation of a previously accepted offer by an app-based worker for reasons identified in subsection 8.37.080.C.

“Cancellation without cause” means cancellation or incomplete performance of a previously accepted offer by an app-based worker without a given reason, or for a reason not listed in subsection 8.37.080.C.

“City” means The City of Seattle.

“Compensation” means the total amount of payment owed to an app-based worker by reason of performing work facilitated or presented by the network company, including but not limited to network company payments, bonuses, incentives, and tips earned from customers.

“Creative services or works” means labor that results in or contributes to the creation of original works,

as well as the works resulting from such labor. The term “creative services or works” includes but is not limited to fiction and non-fiction writing, art, photography, graphic design, marketing, and related consulting services.

“Customer” means a paying customer and/or recipient of an online order.

“Director” means the Director of the Office of Labor Standards or the Director’s designee.

“Engaged miles” means miles traveled during engaged time in a vehicle that the network company does not own and maintain, or miles traveled during engaged time in a vehicle leased by the network company or its agent to the app-based worker.

“Engaged time” means the period of time in which an app-based worker performs services in furtherance of an offer facilitated or presented by a network company or participates in any training program required by a network company. Engaged time shall apply as described below:

1. If an offer is being facilitated or presented by an on-demand network company, or is an on-demand offer, “engaged time” begins upon the app-based worker’s acceptance of the offer and ends upon the app-based worker’s completing performance of the offer, cancellation of the offer by the network company or customer, or cancellation with cause of the app-based worker’s acceptance of the offer pursuant to subsection 8.37.080.C.

2. In all other circumstances, “engaged time” begins when the app-based worker begins performance of the offer or when the app-based worker reports to a location designated in the offer. Engaged time ends upon the app-based worker’s completing performance of the offer, cancellation of the offer by the network company or customer, or cancellation with cause of the app-based worker’s acceptance of the offer pursuant to subsection 8.37.080.C.

4. Offers ending in a cancellation without cause by an app-based worker shall not incur any engaged time.

The Director may issue rules on “engaged time” for (a) offers with non-compensable time, such as sleep time or other periods of off-duty time; or (b) offers with periods of time when the worker is not completely

relieved of the duty to perform services and cannot use the time effectively for their own purposes.

“Eating and drinking establishment” means “eating and drinking establishment” as defined in Section 23.84A.010.

“Food processing” means “food processing” as defined in Section 23.84A.012.

“Franchise” means an agreement by which:

1. A person is granted the right to engage in the business of offering, selling, or distributing goods or services under a marketing plan prescribed or suggested in substantial part by the grantor or its affiliate;
2. The operation of the business is substantially associated with a trademark, service mark, trade name, advertising, or other commercial symbol designated, owned by, or licensed by the grantor or its affiliate; and
3. The person pays, agrees to pay, or is required to pay, directly or indirectly, a franchise fee.

“Front pay” means the compensation an app-based worker would earn or would have earned if reinstated to their former position.

“Hearing Examiner” means the official appointed by the City Council and designated as the Hearing Examiner under Chapter 3.02 or that person’s designee (e.g., Deputy Hearing Examiner or Hearing Examiner Pro Tem).

“Incentive” means a sum of money paid to an app-based worker in addition to the guaranteed minimum network company payment for an offer, upon completion of specific tasks presented by the network companies, including but not limited to completing performance of a certain number of offers, completing performance of a certain number of consecutive offers, completing performance of an offer subject to a price multiplier or variable pricing policy, making oneself available to accept offers in a particular geographic location during a specified period of time, or recruiting new app-based workers.

“Marketplace network company” means a network company primarily engaged in facilitating or presenting pre-scheduled offers in which (a) the application or platform enables the prospective customer and app-based worker to exchange information about the scope and details of services to be performed, prior to the customer placing the online order for those services or the app-based worker accepting the offer; (b) the app-based worker sets their own rates; and (c) the network company does not monitor offers by mileage or time. On-demand network companies and companies that primarily provide delivery services are not marketplace network companies.

When determining whether a network company is “primarily engaged in facilitating or presenting pre-scheduled offers in which (a) the application or platform enables the prospective customer and app-based worker to exchange information about the scope and details of services to be performed, prior to the customer placing the online order for those services or the app-based worker accepting the offer; (b) the app-based worker sets their own rates; and (c) the network company does not monitor offers by mileage or time” the Agency may consider any number of factors, including but not limited to the following examples: number of pre-scheduled offers relative to the network company’s overall offers; how app-based worker rates are set; what information regarding offer mileage or offer time a network company knows before, during, or after performance of an offer; information from app-based workers performing offers through the application or platform; marketing or promotional materials from the network company; or other public statements from representatives of the network company.

“Minimum wage equivalent rate” means the per-minute equivalent of the “hourly minimum wage” established for Schedule 1 employers in Chapter 14.19. In 2022, the “hourly minimum wage” established for Schedule 1 employers in Chapter 14.19 is \$17.27 and the resultant minimum wage equivalent rate is \$0.288.

“Network company” means an organization, whether a corporation, partnership, sole proprietor, or other form, operating in Seattle, that uses an online-enabled application or platform, such as an application dispatch system, to connect customers with app-based workers, present offers to app-based workers through a worker

platform, and/or facilitate the provision of services for compensation by app-based workers.

1. The term “network company” includes any such entity or person acting directly or indirectly in the interest of a network company in relation to the app-based worker.

2. The term “network company” excludes:

a. An entity offering services that enable individuals to schedule appointments with and/or process payments to users, when the entity neither engages in additional intermediation of the relationships between parties to such transactions nor engages in any oversight of service provision; or

b. An entity operating digital advertising and/or messaging platforms, when the entity neither engages in intermediation of the payments or relationships between parties to resulting transactions nor engages in any oversight of service provision.

c. An entity that meets the definition of “transportation network company” as defined by RCW 46.04.652.

d. An entity that meets the definition of “for hire vehicle company” or “taxicab association” as defined in Section 6.310.110.

A company that meets the definition of network company in this subsection and does not fall within any of the exclusions contained in this subsection is subject to this Chapter 8.37.

“Network company payment” means the amount owed to an app-based worker by reason of performing services in furtherance of an offer facilitated or presented by the network company, including but not limited to payment for providing services and/or commissions, or participating in any training program required by a network company.

“Offer” means one or more online orders presented to an app-based worker as one opportunity to perform services for compensation that the app-based worker may accept or reject.

1. An opportunity to perform services for compensation includes but is not limited to an opportunity described via a worker platform as a shift, a period of time to be spent engaged in service

provision, a continuous period of time in which the app-based worker must make themselves available to perform services, or any other continuous period of time when the worker is not completely relieved of the duty to perform the service(s), and such a period of time shall be considered as one offer.

2. The term “offer” includes pre-scheduled offers and on-demand offers.

“On-demand network company” means a network company that is primarily engaged in facilitating or presenting on-demand offers to app-based workers.

1. The term “on-demand network company” includes but is not limited to a network company operating in Seattle that is primarily engaged in facilitating or presenting on-demand offers to app-based workers for delivery services from one or more of the following: (a) eating and drinking establishments, (b) food processing establishments, (c) grocery stores, or (d) any facility supplying groceries or prepared food and beverages for an online order.

2. When determining whether a network company is “primarily engaged in facilitating or presenting on-demand offers to app-based workers,” the Agency may consider any number of factors, including but not limited to the following examples: number of on-demand offers relative to the network company’s overall offers; information from app-based workers; marketing or promotional materials from the network company; or other public statements from representatives of the network company.

“On-demand offer” means an offer facilitated or presented by a network company to an app-based worker that requires performance to be initiated within two hours of acceptance (i.e., an offer that is not a prescheduled offer).

“Online order” means an order for services that is placed through an online-enabled application or platform, such as an application dispatch system, and that is facilitated by a network company or presented by a network company for its own benefit. The Director may issue rules further defining the definition of “online order” and the types of transactions excluded from this definition. The term “online order” does not include the following transactions:

1. Sale or rental of products or real estate;
2. Payment in exchange for a service subject to professional licensure that has been listed by the

Director pursuant to this Section 8.37.020;

3. Payment in exchange for services wholly provided digitally;
4. Payment in exchange for creative services or works;

5. Transportation Network Company (TNC) dispatched trips. For purposes of this subsection, “TNC dispatched trips” mean the provision of transportation by a driver for a passenger through the use of a transportation network company's application dispatch system ; and

6. Transportation provided by taxicabs or for-hire vehicles, as defined in Chapter 6.310.

“Operating in Seattle” means, with respect to a network company, facilitating or presenting offers to provide services for compensation using an online-enabled application or platform, such as an application dispatch system, to any app-based worker, where such services are performed in Seattle.

“Paying customer” means a person or entity placing an online order via a network company’s online-enabled application or platform.

“Perform services in Seattle” means activities, conducted by an app-based worker in furtherance of an offer, that occur within the geographic boundaries of Seattle.

1. The term “perform services in Seattle” includes any time spent on a commercial stop in Seattle that is related to the provision of delivery or other services associated with an offer.

2. The term “perform services in Seattle” does not include stopping for refueling, stopping for a personal meal or errands, or time spent in Seattle solely for the purpose of travelling through Seattle from a point of origin outside Seattle to a destination outside Seattle with no commercial stops in Seattle.

“Pre-scheduled offer” means an offer that is facilitated or presented by a network company to an app-based worker at least two hours prior to when the app-based worker is required to initiate performance.

“Rate of inflation” means 100 percent of the annual average growth rate of the bi-monthly Seattle-

Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical Workers, termed CPI-W, for the 12-month period ending in August; provided that the percentage increase shall not be less than zero.

“Respondent” means the network company or any person who is alleged or found to have committed a violation of this Chapter 8.37.

“Service subject to professional licensure” means a service that legally requires authorization or certification for a regulatory purpose for an individual to engage in the service as an occupation, trade, or business. The Director shall issue rules that establish a list of professional licenses indicative of occupations or trades in which workers possess significant bargaining power and influence over their compensation and conditions of work. In establishing this list, the Director shall consider, at a minimum, the licensing requirements of the Washington State Department of Licensing, the Washington State Bar Association, and the Washington Medical Commission.

“Standard mileage rate” means the current standard mileage rate established by the United States Internal Revenue Service (IRS) for calculation of the costs of operating an automobile. This mileage rate is adjusted annually by the IRS. For example, the 2022 mileage rate is \$0.585.

“Tips” means a verifiable sum to be presented by a customer as a gift or gratuity in recognition of some service performed for the customer by the app-based worker receiving the tip.

“Unsealed” means loose items or items in packaging that have the potential to open, spill, or otherwise expose an app-based worker to its contents, including but not limited to delivery bags, boxes, or other containers designed to allow customers to transport hot food or groceries to their homes. The term “unsealed” does not include individual items pre-packaged into a bag, box, or other container that is then sealed in a manner designed to keep its contents securely contained, inaccessible, and out of view of the app-based worker.

“Worker platform” means the worker-facing application dispatch system software or any online-enabled application service, website, or system, used by an app-based worker, that enables the arrangement of services for compensation.

“Written” or “in writing” means a printed or printable communication in physical or electronic format including a communication that is transmitted through email, text message, or a computer system, or is otherwise sent or maintained electronically, including via the worker platform.

8.37.030 App-based worker coverage

A. An app-based worker is covered by this Chapter 8.37 if the app-based worker performs services in Seattle facilitated or presented by a network company covered by this Chapter 8.37.

1. If an app-based worker begins engaged time in Seattle, the requirements of this Chapter 8.37 apply, regardless of where the app-based worker terminates performance of the offer.

2. If an app-based worker begins engaged time outside of Seattle, the requirements of this Chapter 8.37 apply only for the portion of services that occur within Seattle.

B. An app-based worker who is a covered employee under Chapter 14.19 for a covered network company, or a covered employee under Chapter 14.19 for a customer of an online order, is not a covered app-based worker under this Chapter 8.37.

8.37.040 Network company coverage

A. For the purposes of this Chapter 8.37, covered network companies are limited to those that facilitate work performed by 250 or more app-based workers worldwide regardless of where those workers perform work, including but not limited to chains, integrated enterprises, or franchises associated with a franchise or network of franchises that facilitate work performed by 250 or more app-based workers worldwide in aggregate.

B. To determine the number of app-based workers performing work for the current calendar year:

1. The calculation is based upon the average number per calendar week of app-based workers who worked for compensation during the preceding calendar year for any and all weeks during which at least one app-based worker worked for compensation. For network companies that did not have any app-based workers during the preceding calendar year, the number of app-based workers counted for the current calendar

year is calculated based upon the average number per calendar week of app-based workers who worked for compensation during the first 90 calendar days of the current year in which the network company engaged in business.

2. All app-based workers who worked for compensation shall be counted, including but not limited to:

- a. App-based workers who are not covered by this Chapter 8.37;
- b. App-based workers who worked in Seattle; and
- c. App-based workers who worked outside Seattle.

C. Separate entities that form an integrated enterprise shall be considered a single network company under this Chapter 8.37. Separate entities will be considered an integrated enterprise and a single network company under this Chapter 8.37 where a separate entity controls the operation of another entity. The factors to consider in making this assessment include but are not limited to:

1. Degree of interrelation between the operations of multiple entities;
2. Degree to which the entities share common management;
3. Centralized control of labor relations;
4. Degree of common ownership or financial control over the entities; and
5. Use of a common brand, trade, business, or operating name.

D. For the purposes of this Chapter 8.37, covered network companies do not include any company that meets the definition of a marketplace network company.

8.37.050 Minimum network company payment

A. For each offer resulting in engaged time or engaged miles, a network company shall compensate app-based workers, and/or ensure app-based workers receive, at least the equivalent of a minimum network company payment that is the greater of either:

1. The minimum per-minute amount for engaged time under subsection 8.37.050.B.1 plus the

minimum per-mile amount for engaged miles under subsection 8.37.050.B.2; or

2. The minimum per-offer amount under subsection 8.37.050.B.4.

B. Minimum network company payment calculation

1. Per-minute amount. For each minute of engaged time, a network company shall compensate app-based workers, and/or ensure that app-based workers receive, at least the equivalent of the total of the minimum wage equivalent rate multiplied by the associated cost factor multiplied by the associated time factor. In 2022, the per-minute amount is \$0.38. On the effective date of this Chapter 8.37, and on January 1 of each year thereafter, the per-minute amount shall be increased to reflect any adjustment(s) to the minimum wage equivalent rate, associated cost factor, or associated time factor. The Agency shall determine the per-minute amount and file a schedule of such amount with the City Clerk.

- a. Associated cost factor. The associated cost factor is 1.12.

- b. Associated time factor. The associated time factor is 1.17.

2. Per-mile amount. For each engaged mile traveled, a network company shall compensate app-based workers, and/or ensure that app-based workers receive, at least the equivalent of the standard mileage rate multiplied by the associated mileage factor, which is 1.10. In 2022, the per-mile amount is \$0.64. On the effective date of this Chapter 8.37, and on January 1 of each year thereafter, the per-mile amount shall be increased annually to reflect any adjustment(s) to the standard mileage rate or associated mileage factor. The Agency shall determine the per-mile amount and file a schedule of such amount with the City Clerk.

3. The calculations described in this subsection 8.37.050.B are expressed in equation form as:

$$\begin{aligned} & (\text{Engaged minutes} \times \text{minimum wage equivalent rate} \\ & \quad \times \text{associated cost factor} \times \text{associated time factor}) \\ & + (\text{engaged miles} \times \text{standard mileage rate} \times \text{associated mileage factor}) \\ & = \text{minimum network company payment per offer.} \end{aligned}$$

The established current rates and factors result in the following calculation for the required

minimum network company payment:

$$\begin{aligned} & (\text{Engaged minutes} \times \$0.288 \times 1.12 \times 1.17) \\ & + (\text{Engaged miles} \times \$0.585 \times 1.10) \\ & = \$0.38/\text{minute} + \$0.64/\text{mile}. \end{aligned}$$

4. Per-offer amount. For each offer resulting in engaged time or engaged miles, a network company shall compensate app-based workers a minimum per-offer amount of at least \$5. The Director may issue rules excluding certain offers from payment of the minimum per-offer amount under subsection 8.37.050.B.4, including but not limited to on-demand offers cancelled by the customer within a grace period of not more than five minutes after acceptance.

a. Effective January 1, 2024, the minimum per-offer amount paid to an app-based worker shall be increased on a percentage basis to reflect the rate of inflation and calculated to the nearest cent on January 1 of each year thereafter. The Agency shall determine the amount and file a schedule of such amount with the City Clerk.

5. Application of minimum network company payment requirements.

a. A minimum network company payment shall be provided for any offer resulting in engaged time and engaged miles by the app-based worker, offers cancelled by a customer or the network company, and offers for which acceptance was cancelled with cause by the app-based worker pursuant to subsection 8.37.080.C.

b. If an app-based worker accepts a new offer during performance of a previously accepted offer, and both offers are facilitated or presented by the same network company, engaged time and engaged miles accrued during any period of time in which performance of the offers overlaps shall be subject to the minimum compensation requirements for a single offer under this subsection 8.37.050.B.

C. Adjustment of the associated cost factor, associated time factor, and associated mileage factor

1. Adjustment of the associated cost factor. Beginning three years after the effective date of this

Chapter 8.37, the Director by rule may adjust the associated cost factor every three years; provided, that this adjustment shall not result in reduction of the associated cost factor below 1.12. In adjusting the associated cost factor, the Director shall consider relevant and available sources of data, which may include but are not limited to: app-based worker surveys; data provided by network companies; data provided by app-based workers; data provided by customers; data from other jurisdictions; data available through academic, policy, or community-based organizations; public testimony; and stakeholder interviews. The Director may consider the non-exhaustive list of factors that comprise the “associated cost factor” as defined in Section 8.37.020, as well as any other factor the Director determines is necessary to further the purposes of this Chapter 8.37. The Agency shall file a schedule of any adjustment(s) to the associated cost factor with the City Clerk.

2. Adjustment to the associated time factor. Beginning three years after the effective date of this Chapter 8.37, the Director by rule may adjust the associated time factor every three years; provided, that this adjustment shall not result in reduction of the associated time factor below 1.17. In adjusting the associated time factor, the Director shall consider relevant and available sources of data, which may include but are not limited to: app-based worker surveys; data provided by network companies; data provided by app-based workers; data provided by customers; data from other jurisdictions; data available through academic, policy, or community-based organizations; public testimony provided; and stakeholder interviews. The Director may consider the non-exhaustive list of factors that comprise the “associated time factor” as defined in Section 8.37.020, as well as any other factor the Director determines is necessary to further the purposes of this Chapter 8.37. The Agency shall file a schedule of any adjustment(s) to the associated time factor with the City Clerk.

3. Adjustment to the associated mileage factor. Beginning three years after the effective date of this Chapter 8.37, the Director by rule may adjust the associated mileage factor every three years; provided, that this adjustment shall not result in reduction of the associated mileage factor below 1.10. In adjusting the associated mileage factor, the Director shall consider relevant and available sources of data, which may include but are not limited to: app-based worker surveys; data provided by network companies; data provided by app-

based workers; data provided by customers; data from other jurisdictions; data available through academic, policy, or community-based organizations; public testimony provided; and stakeholder interviews. The Director may consider the non-exhaustive list of factors that comprise the “associated mileage factor” as defined in Section 8.37.020, as well as any other factor the Director determines is necessary to further the purposes of this Chapter 8.37. The Agency shall file a schedule of any adjustment(s) to the associated mileage factor with the City Clerk.

D. Deductions

1. A network company may only deduct compensation when the app-based worker expressly authorizes the deduction in writing and does so in advance for a lawful purpose for the benefit of the app-based worker. Any such authorization by an app-based worker must be voluntary and knowing.

2. Neither the network company nor any person acting in the interest of the network company may derive any financial profit or benefit from any of the deductions under this subsection 8.37.050.D. For the purposes of this subsection 8.37.050.D, reasonable interest charged by the network company, or any person acting in the interest of a network company, for a loan or credit extended to the app-based worker is not considered to be of financial benefit to the network company, or any person acting in the interest of a network company.

8.37.060 Tip and incentive compensation

A. Tips

1. A network company shall pay to its app-based workers all tips and gratuities.

2. Tips paid to an app-based worker are in addition to, and may not count towards:

a. The app-based worker’s minimum network company payment under Section 8.37.050;

b. A guaranteed minimum amount of network company payment for an offer, as

described in Section 8.37.070, regardless of whether the guaranteed minimum amount exceeds the minimum network company payment owed to the app-based worker;

c. Any incentive presented to the app-based worker; or

d. Any amount of compensation presented to the app-based worker in exchange for the performance of services.

B. Incentives paid to an app-based worker are in addition to, and may not count towards, the app-based worker's minimum network company payment under Section 8.37.050.

8.37.070 Network company transparency

A. Right to up-front information regarding offers

1. A network company shall provide, and/or ensure a customer provides, an app-based worker the following information when facilitating or presenting an offer:

a. A reasonable estimate of the engaged time required to complete performance of the offer and, if applicable, the range of time in which the offer can be completed;

b. A reasonable estimate of the engaged miles required to complete performance of the offer and the approximate geographic location or locations where work in furtherance of the offer will occur, including pick-up and drop-off locations for offers involving deliveries;

c. A guaranteed minimum amount of network company payment for the offer; provided, that it does not fall below the minimum network company payment requirements established in Section 8.37.050 for an offer requiring the amount of engaged time and engaged miles provided in the estimate;

d. The amount of any tip that each customer has indicated they will provide, if the network company's online-enabled application or platform enables customers to tip in advance of facilitating or presenting the offer to the app-based worker;

e. When performance of an offer requires a stop or stops at business establishments, the names of such businesses;

f. To the extent it is reasonably ascertainable, information regarding physical labor required to perform services in furtherance of the offer and accessibility at locations where work will be

performed, including but not limited to weights of any goods to be handled; numbers of flights of stairs; and availability of elevators, ramps, and other conditions affecting accessibility. The Director shall issue rules regarding the types of information required to be disclosed, the format of provision of the information, and efforts to ascertain the information that would be considered reasonable; and

g. To the extent it is reasonably ascertainable, the network company shall make available to the app-based worker information that it has about the unsealed contents of each online order. The Director shall issue rules regarding the types of information required to be disclosed, the format of provision of the information, and efforts to ascertain the information that would be considered reasonable.

2. A network company shall not be held responsible for a violation of subsection 8.37.070.A.1 that is attributable solely to incomplete or inaccurate information provided by another party, provided that the network company made a reasonable effort to obtain complete and accurate information.

3. An on-demand offer shall be made available for at least two minutes after the app-based worker has been provided the information described in subsection 8.37.070.A.1.

4. If a network company presents a pre-scheduled offer, or an offer that entails fulfillment of multiple individual online orders, and the network company lacks advance notice of the information in subsections 8.37.070.A.1.b, 8.37.070.A.1.d, 8.37.070.A.1.e, 8.37.070.A.1.f and 8.37.070.A.1.g for that offer, the network company shall provide the app-based worker with such information prior to assigning them work in furtherance of each online order, to the extent it is reasonably ascertainable.

B. Within 24 hours of each offer's performance, or within 72 hours after a cancellation by an app-based worker, a network company shall transmit an electronic receipt to the app-based worker that contains the following information for each unique offer covered by this Chapter 8.37:

1. The app-based worker's total amount of engaged time;
2. The app-based worker's total amount of engaged miles;

3. The app-based worker's compensation, itemized by:

a. Gross network company payment, as well as the method used to calculate payment, including but not limited to amount per minute or amount per mile;

b. Total incentive(s) and the basis for calculating the incentive(s), if applicable;

c. Total amount of compensation from tips;

d. Total amount of any deductions, itemized by deduction type; and

e. Net compensation.

4. Itemized fees collected from the app-based worker to access the network company's online-enabled application or platform;

5. The approximate geographic location or locations of the app-based worker's engaged time and engaged miles, including pick-up and drop-off locations for offers involving deliveries; and

6. Pursuant to rules that the Director may issue, other information that is material and necessary to effectuate the terms of this Chapter 8.37.

C. On a weekly basis, the network company shall provide written notice to the app-based worker that contains the following information for offers covered by this Chapter 8.37 and which were performed or cancelled with cause, as well as other engagement with the worker platform, during the prior week:

1. The app-based worker's total amount of engaged time;

2. The app-based worker's total amount of engaged miles;

3. The app-based worker's compensation, itemized by:

a. Gross network company payment, as well as the method used to calculate payment, including but not limited to amount per minute or amount per mile;

b. Total incentives and the basis for calculating the incentives, if applicable;

c. Total amount of compensation from tips;

d. Total amount of any deductions, itemized by deduction type;

e. Net compensation

4. Total amount of itemized fees collected from the app-based worker to access the network company's online-enabled application or platform;

5. Pursuant to rules that the Director may issue, other information that is material and necessary to effectuate the terms of this Chapter 8.37.

D. Within 24 hours of an online order's performance or cancellation with cause, a network company shall transmit an electronic receipt to a paying customer that lists:

1. The date and time of completion of the online order;

2. The total amount paid to the network company, itemizing all charges, fees, and customer-paid tips. The network company shall clearly designate the amount of tips paid directly to the app-based worker and the amount of charges and fees retained by the company; and

3. Pursuant to rules that the Director may issue, other information that is material and necessary to effectuate the terms of this Chapter 8.37.

E. A network company shall ensure that its customer-facing websites, applications, and platforms do not describe any fees or non-tip charges in a manner that might be reasonably misconstrued as a tip, gratuity, or other payment to the app-based worker. Any interface for accepting customer orders shall clearly reflect the amount of any tip paid to the app-based worker.

F. A network company shall ensure that all app-based workers have access to the company's tip policy, including but not limited to whether the network company's online-enabled application or platform allows customers to tip in advance of completion of an online order and whether the network company permits customers to modify or remove tips after performance.

G. A network company shall routinely and affirmatively transmit to the Agency such records as required by rules issued by the Director. The Director shall have the authority to require such aggregated or disaggregated records deemed necessary, appropriate, or convenient to administer, evaluate, and enforce the

provisions of this Chapter 8.37. The Director may issue rules requiring that aggregated records be produced as a distribution at defined percentiles. The Director may issue data production rules of general applicability as well as rules specific to on-demand companies. In issuing data production rules, the Director shall consider, among other factors, methods to provide workers with information to make informed choices about platforms on which they may seek work and to provide the public with information to assess the impact of network companies.

1. Records for production may include, but are not limited to:

- a. Records regarding the availability of offers facilitated via the network company platform;
- b. Records regarding the amount of engaged time and engaged miles;
- c. The amount of time that app-based workers must spend working or engaged to wait for work without compensation to perform app-based work;
- d. Records regarding the number of app-based workers who logged onto the worker platform, logged on for the first time in the reporting period, or accepted an offer;
- e. Per-offer or aggregated app-based worker compensation, including but not limited to network company payments, bonuses, incentives, and tips earned from customers; and
- f. Any other records that the Director determines are material and necessary to effectuate the purposes of this Chapter 8.37.

2. The Director shall issue rules governing the submission format, security, and privacy protocols relating to the submission of network company records, to the extent permitted by law.

H. A network company shall notify app-based workers at least 14 days prior to making a material change to how network company payment will be calculated.

8.37.080 Flexibility

A. An app-based worker has the right to decide when to make themselves available to work and which offers to accept or reject. A network company shall not subject an app-based worker to an adverse action, nor

institute a policy subjecting an app-based worker to an adverse action, for engaging in the following activities:

1. Limiting hours of availability, including but not limited to being logged into the worker platform for limited hours, only at certain hours of the day, or during certain days of the week.
2. Accepting or rejecting any individual offer, any types of offers, or any number or proportion of offers. An app-based worker may indicate rejection of an offer by declining to respond to the offer. A network company shall ensure that its worker platform enables an app-based worker to communicate a rejection of each offer.

B. A network company shall allow an app-based worker to be logged into the network company's worker platform at any date, time of day, or for any amount of time, except in the following circumstances:

1. Certain instances of deactivation as defined in rules, or other applicable law.
2. Limitations on a maximum amount of consecutive work time to protect worker and public safety.

C. A network company shall not subject an app-based worker to an adverse action, nor institute a policy subjecting an app-based worker to an adverse action, for cancelling their acceptance of an offer with cause. An app-based worker may cancel their acceptance of an offer with cause (i.e., "cancellation with cause") when any of the following conditions occur:

1. Information provided pursuant to subsection 8.37.070.A.1 was substantially inaccurate; provided, that a customer's alteration of a tip amount shall not constitute grounds for cancellation with cause;
2. The app-based worker cannot complete performance of the offer because the customer is not present or fails to respond to communications from the app-based worker, the customer's presence or response is required for the app-based work to complete performance of the offer, and the app-based worker has made attempts to contact and/or wait for the customer in accordance with an applicable network company policy, provided that the no-contact or limited-contact deliveries are not considered to require the end customer's presence;

3. Timely completion of the offer has become impracticable due to an unforeseen obstacle or occurrence; or

4. The app-based worker makes a good faith complaint regarding sexual harassment or discrimination that is alleged to have occurred during performance of the offer.

D. For all cancelled offers, network companies shall allow the app-based worker to communicate the reason for cancellation, including but not limited to reasons included in subsection 8.37.080.C, via the worker platform. The network company shall review the stated reason for cancellation for a reasonable time of no less than 72 hours before determining, based on clear and convincing evidence, whether an app-based worker cancelled an offer without cause.

8.37.090 Fraudulent use policy

A. A network company may take actions not expressly prohibited in this Chapter 8.37 or other applicable law, which are reasonably necessary to remedy or prevent fraudulent use of the network company's application or platform. A network company shall provide an app-based worker a written policy and procedure for remedying or preventing fraudulent use ("fraudulent use policy"). The network company's fraudulent use policy shall include, but not be limited to:

1. A description of what actions undertaken by the app-based worker constitute fraudulent use, which may include but not be limited to cancellations without cause;

2. The consequences to an app-based worker who is determined to have committed a fraudulent use of the of the network company's online enabled application or platform;

3. The method of notification to the app-based worker that the app-based worker is suspected of committing a fraudulent use of the network company's online enabled application or platform;

4. An opportunity, process, and timeline for an app-based worker to appeal a finding of fraudulent use; and

5. Pursuant to rules that the Director may issue, other information that is material and necessary

to effectuate the terms of this Section 8.37.090.

8.37.100 Notice of rights

A. Network companies shall provide each app-based worker with a written notice of rights established by this Chapter 8.37. The Agency shall create and distribute a model notice of rights in English and other languages.

B. The notice of rights shall provide information on:

1. The right to the applicable minimum per-minute amount, per-mile amount, and per-offer amount guaranteed by this Chapter 8.37, including a clear statement of the current applicable amounts;
2. A clear statement as to whether the network company identifies as an on-demand network company, a marketplace network company, or neither, and the corresponding timeframe when engaged time and engaged miles apply for a typical offer from that network company (e.g. upon acceptance by the app-based worker, a reasonable estimate of engaged time mutually agreed upon, or when the app-based worker begins performance), pursuant to Section 8.37.020;
3. The right to receive the information required to be disclosed by this Chapter 8.37 before accepting an offer and performing services in furtherance of an offer;
4. The right to flexibility in making themselves available for work and accepting, rejecting, or cancelling offers under this Chapter 8.37;
5. The right to be protected from retaliation for exercising in good faith the rights protected by this Chapter 8.37; and
6. The right to file a complaint with the Agency or bring a civil action for violation of the requirements of this Chapter 8.37, including but not limited to a network company's or any person's failure to pay the minimum per-minute amount, per-mile amount, or per-offer amount, and a network company's or other person's retaliation against an app-based worker or other person for engaging in an activity protected by this Chapter 8.37.

7. The right to a clear statement of the network company’s tip policy, including but not limited to whether the network company’s online-enabled application or platform allows customers to tip in advance of completion of an online order and whether the network company permits customers to modify or remove tips after performance.

8. The right to a clear statement of the network company’s fraudulent use policy pursuant to Section 8.37.090, including where the app-based worker can locate that policy.

C. Network companies shall provide the notice of rights required by subsection 8.37.100.B in an electronic format that is readily accessible to the app-based worker. The notice of rights shall be made available to the app-based worker via smartphone application, email, or online web portal, in English and any language that the network company knows or has reason to know is the primary language of the app-based worker. The Director may issue rules governing the form and content of the notice of rights, the manner of its distribution, and required languages for its translation.

D. Network companies shall file their notice of rights in a written format with the Agency no later than 60 days after the effective date of this Chapter 8.37. The information must also include the registered legal name and trade name of the hiring entity as listed on the hiring entity’s Seattle business license tax certificate, and a contact name and information for that hiring entity.

8.37.110 Network company records

A. Network companies shall retain records that document compliance with this Chapter 8.37 for each app-based worker.

B. Network companies shall retain the records required by subsection 8.37.110.A for a period of three years.

C. If a network company fails to retain adequate records required under subsection 8.37.110.A, there shall be a presumption, rebuttable by clear and convincing evidence, that the network company violated this Chapter 8.37 for the relevant periods and for each app-based worker for whom records were not retained.

8.37.120 Retaliation prohibited

A. No network company or any other person shall interfere with, restrain, or deny the exercise of, or the attempt to exercise, any right protected under this Chapter 8.37.

B. No network company or any other person shall take any adverse action against any person because the person has exercised in good faith the rights protected under this Chapter 8.37. Such rights include, but are not limited to, the right to make inquiries about the rights protected under this Chapter 8.37; the right to inform others about their rights under this Chapter 8.37; the right to inform the person's network company, the person's legal counsel, a union or similar organization, or any other person about an alleged violation of this Chapter 8.37; the right to file an oral or written complaint with the Agency or bring a civil action for an alleged violation of this Chapter 8.37; the right to cooperate with the Agency in its investigations of this Chapter 8.37; the right to testify in a proceeding under or related to this Chapter 8.37; the right to refuse to participate in an activity that would result in a violation of city, state, or federal law; and the right to oppose any policy, practice, or act that is unlawful under this Chapter 8.37.

C. No network company or any other person shall communicate to a person exercising rights protected in this Section 8.37.120, directly or indirectly, the willingness to inform a government worker that the person is not lawfully in the United States, or to report, or to make an implied or express assertion of a willingness to report, suspected citizenship or immigration status of an app-based worker or family member of an app-based worker to a federal, state, or local agency because the app-based worker has exercised a right under this Chapter 8.37.

D. It shall be a rebuttable presumption of retaliation if a network company or any other person takes an adverse action against a person within 90 days of the person's exercise of rights protected in this Section 8.37.120. The network company may rebut the presumption with clear and convincing evidence that the adverse action was taken for a permissible purpose.

E. Proof of retaliation under this Section 8.37.120 shall be sufficient upon a showing that a network

company or any other person has taken an adverse action against a person and the person's exercise of rights protected in this Section 8.37.120 was a motivating factor in the adverse action, unless the network company can prove that the action would have been taken in the absence of such protected activity.

F. The protections afforded under this Section 8.37.120 shall apply to any person who mistakenly but in good faith alleges violations of this Chapter 8.37.

G. A complaint or other communication by any person triggers the protections of this Section 8.37.120 regardless of whether the complaint or communication is in writing or makes explicit reference to this Chapter 8.37.

8.37.125 Rulemaking authority

The Director is authorized to administer and enforce this Chapter 8.37. The Director is authorized to promulgate, revise, or rescind rules and regulations deemed necessary, appropriate, or convenient to administer, evaluate and enforce the provisions of this Chapter 8.37 pursuant to Chapter 3.02, providing affected entities with due process of law and in conformity with the intent and purpose of this Chapter 8.37. Any rules promulgated by the Director shall have the force and effect of law and may be relied on by network companies, app-based workers, and other parties to determine their rights and responsibilities under this Chapter 8.37.

8.37.130 Enforcement power and duties

The Agency shall have the power to administer and enforce this Chapter 8.37 and shall have such powers and duties in the performance of these functions as are defined in this Chapter 8.37 and otherwise necessary and proper in the performance of the same and provided for by law.

8.37.140 Violation

The failure of any respondent to comply with any requirement imposed on the respondent under this Chapter 8.37 is a violation.

8.37.150 Investigation

A. The Agency shall have the power to investigate any violations of this Chapter 8.37 by any

respondent. The Agency may prioritize investigations of workforces that are vulnerable to violations of this Chapter 8.37. The Agency may initiate an investigation pursuant to Director’s Rules, including but not limited to situations when the Director has reason to believe that a violation has occurred or will occur, or when circumstances show that violations are likely to occur within a class of network companies or businesses because the workforce contains significant numbers of app-based workers who are vulnerable to violations of this Chapter 8.37 or the workforce is unlikely to volunteer information regarding such violations. An investigation may also be initiated through the receipt by the Agency of a report or complaint filed by an app-based worker or other person.

B. An app-based worker or other person may report to the Agency any suspected violation of this Chapter 8.37. The Agency shall encourage reporting pursuant to this Section 8.37.150 by taking the following measures:

1. The Agency shall keep confidential, to the maximum extent permitted by applicable laws, the name and other identifying information of the app-based worker or person reporting the violation. However, with the authorization of such person, the Agency may disclose the app-based worker’s or person’s name and identifying information as necessary to enforce this Chapter 8.37 or for other appropriate purposes.

2. The Agency may require the network company to post or otherwise notify other app-based workers working for the network company that the Agency is conducting an investigation. The network company shall provide the notice of investigation in a form, place, and manner designated by the Agency. The Agency shall create the notice of investigation in English and other languages.

3. The Agency may certify the eligibility of eligible persons for “U” Visas under the provisions of 8 U.S.C. § 1184(p) and 8 U.S.C. § 1101(a)(15)(U). This certification is subject to applicable federal law and regulations, and Director’s Rules.

C. The Agency’s investigation shall commence within three years of the alleged violation. To the extent permitted by law, the applicable statute of limitations for civil actions is tolled during any investigation under

this Chapter 8.37 and any administrative enforcement proceeding under this Chapter 8.37 based upon the same facts. For purposes of this Chapter 8.37:

1. The Agency's investigation begins on the earlier date of when the Agency receives a complaint from a person under this Chapter 8.37, or when the Agency provides notice to the respondent that an investigation has commenced under this Chapter 8.37.

2. The Agency's investigation ends when the Agency issues a final order concluding the matter and any appeals have been exhausted; the time to file any appeal has expired; or the Agency notifies the respondent in writing that the investigation has been otherwise resolved.

D. The Agency's investigation shall be conducted in an objective and impartial manner.

E. The Director may apply by affidavit or declaration in the form allowed under RCW 5.50.050 to the Hearing Examiner for the issuance of subpoenas requiring a network company to produce the records required by Section 8.37.110, or for the attendance and testimony of witnesses, or for the production of documents required to be retained under Section 8.37.110, or any other document relevant to the issue of whether any app-based worker or group of app-based workers received the information or other benefits required by this Chapter 8.37, and/or to whether a network company has violated any provision of this Chapter 8.37. The Hearing Examiner shall conduct the review without hearing as soon as practicable and shall issue subpoenas upon a showing that there is reason to believe that: a violation has occurred; a complaint has been filed with the Agency; or circumstances show that violations are likely to occur within a class of businesses because the workforce contains significant numbers of app-based workers who are vulnerable to violations of this Chapter 8.37, the workforce is unlikely to volunteer information regarding such violations, or the Agency has gathered preliminary information indicating that a violation may have occurred.

F. A network company that fails to comply with the terms of any subpoena issued under subsection 8.37.150.E in an investigation by the Agency under this Chapter 8.37 before the issuance of a Director's Order issued pursuant to subsection 8.37.160.C may not use such records in any appeal to challenge the correctness of

any determination by the Agency of liability, damages owed, or penalties assessed.

G. In addition to other remedies, the Director may refer any subpoena issued under subsection 8.37.150.E to the City Attorney to seek a court order to enforce any subpoena.

H. Where the Director has reason to believe that a violation has occurred, the Director may order any appropriate temporary or interim relief to mitigate the violation or maintain the status quo pending completion of a full investigation or hearing, including but not limited to a deposit of funds or bond sufficient to satisfy a good faith estimate of compensation, interest, damages, and penalties due. A respondent may appeal any such order in accordance with Section 8.37.180.

8.37.160 Findings of fact and determination

A. Except when there is an agreed-upon settlement, the Director shall issue a written determination with findings of fact resulting from the investigation and statement of whether a violation of this Chapter 8.37 has or has not occurred based on a preponderance of the evidence before the Director.

B. If the Director determines that there is no violation of this Chapter 8.37, the Director shall issue a “Determination of No Violation” with notice of an app-based worker’s or other person’s right to appeal the decision, pursuant to Director’s Rules.

C. If the Director determines that a violation of this Chapter 8.37 has occurred, the Director shall issue a “Director’s Order” that shall include a notice of violation identifying the violation or violations.

1. The Director’s Order shall state with specificity the amounts due under this Chapter 8.37 for each violation, including payment of unpaid compensation, liquidated damages, civil penalties, penalties payable to aggrieved parties, fines, and interest pursuant to Section 8.37.170.

2. The Director’s Order may specify that civil penalties and fines due to the Agency can be mitigated for respondent’s timely payment of remedy due to an aggrieved party pursuant to subsection 8.37.170.A.4.

3. The Director’s Order may specify that civil penalties and fines are due to the aggrieved party

rather than due to the Agency.

4. The Director's Order may direct the respondent to take such corrective action as is necessary to comply with the requirements of this Chapter 8.37, including but not limited to monitored compliance for a reasonable time period.

5. The Director's Order shall include notice of the respondent's right to appeal the decision pursuant to Section 8.37.180.

8.37.165 Complaint procedure

A. The Agency shall have the power to respond to any violations of this Chapter 8.37 with a complaint procedure.

B. The Agency may initiate a complaint procedure as an alternative enforcement method to an investigation for responding to a report or complaint by any person of a violation of this Chapter 8.37. The Director may issue rules for the complaint procedure, including but not limited to rules to establish the timeline for sending the information required by subsection 8.37.165.D, determine the nature and content of information requested from the complainant and network company, and indicate when the Agency may prioritize use of a complaint procedure prior to an investigation or in lieu of an investigation. The Director may also establish other enforcement methods to efficiently resolve violations of this Chapter 8.37.

C. The Agency may request the complainant to provide information pursuant to the complaint procedure, including but not limited to:

1. Contact information for the app-based worker and network company; and
2. A statement describing the alleged violations of this Chapter 8.37.

D. The Agency may send notices to the network company and complainant, including but not limited to:

1. Notice of the alleged violation(s). The Agency may send notice to the network company of the alleged violation(s) of this Chapter 8.37. The Agency shall bear any cost of sending such notice by certified mail or by other means incurring a cost to the Agency. This notice may include but not be limited to:

a. Statement of the alleged violation(s) of this Chapter 8.37; and

b. Description of the remedies available to an app-based worker for violation(s) of this Chapter 8.37;

2. Response from the network company. The Agency may request the network company to send the Agency relevant information to respond to the alleged violation(s) within an identified timeframe.

3. Notice to the complainant of the response from the network company. The Agency may send a notice to the complainant of the response from the network company. This notice to the complainant may include but not be limited to:

a. The response from the network company, including any enclosures;

b. Information on the right to bring a civil action in a court of competent jurisdiction;

c. Any other information about the status of the complaint; and

d. Information about the navigation program pursuant to Section 8.37.167.

4. Notice of no response. If the Agency receives no response from the network company within the identified timeframe pursuant to subsection 8.37.165.D.2, the Agency may send a notice of no response to the complainant and the network company and may include proof that the Agency previously sent notice of the alleged violation(s) to the network company.

5. Notice of closure. The Agency may send the complainant and network company notice of the Agency's completion of the complaint procedure and/or closure of the case.

E. Upon satisfying the requirements of subsections 8.37.165.C and 8.37.165.D, the Agency may close the case.

8.37.167 Navigation program

A. The Agency may establish a navigation program that provides intake and information relating to the provisions of this Chapter 8.37.

1. The navigation program may provide a range of information, including but not limited to:

a. Information on the provisions and procedures of this Chapter 8.37;

b. General court information, including but not limited to:

1) Information on court procedures for filing civil actions in small claims, district court, and superior court; and

2) Information on obtaining translation and interpretation services, and other courtroom services;

c. A list of organizations that can be used to identify attorneys;

d. Organizations providing outreach and education, and/or legal assistance, to app-based workers;

e. Information about classifying workers as employees or independent contractors; and

f. As determined by the Director, additional information related to the provisions of this Chapter 8.37, other workplace protections, or other resources for resolving workplace issues.

2. The navigation program may include outreach and education to the public on the provisions and procedures of this Chapter 8.37.

3. The navigation program shall not include legal advice from the Agency. However, if the Agency provides information to an app-based worker about a community organization through the navigation program, the community organization is not precluded from providing legal advice.

8.37.170 Remedies

A. The payment of unpaid compensation, liquidated damages of up to twice the amount of unpaid compensation, civil penalties, penalties payable to aggrieved parties, fines, and interest provided under this Chapter 8.37 is cumulative and is not intended to be exclusive of any other available remedies, penalties, fines, and procedures.

1. The amounts of all civil penalties, penalties payable to aggrieved parties, and fines contained in this Section 8.37.170 shall be increased annually to reflect the rate of inflation and calculated to the nearest

cent on January 1 of each year thereafter. The Agency shall determine the amounts and file a schedule of such amounts with the City Clerk.

2. If a violation is ongoing when the Agency receives a complaint or opens an investigation, the Director may order payment of unpaid compensation plus interest that accrues after receipt of the complaint or after the investigation opens and before the date of the Director's Order.

3. Interest shall accrue from the date the unpaid compensation was first due at 12 percent annum, or the maximum rate permitted under RCW 19.52.020.

4. If there is a remedy due to an aggrieved party, the Director may waive part or all civil penalties and fines due to the Agency based on timely payment of the full remedy due to the aggrieved party.

a. The Director may waive the total amount of civil penalties and fines due to the Agency if the Director determines that the respondent paid the full remedy due to the aggrieved party within ten days of service of the Director's Order.

b. The Director may waive half the amount of civil penalties and fines due to the Agency if the Director determines that the respondent paid the full remedy due to the aggrieved party within 15 days of service of the Director's Order.

c. The Director shall not waive any amount of civil penalties and fines due to the Agency if the Director determines that the respondent has not paid the full remedy due to the aggrieved party after 15 days of service of the Director's Order.

5. When determining the amount of liquidated damages, civil penalties, penalties payable to aggrieved parties, and fines due under this Section 8.37.170 for a settlement agreement or Director's Order, including but not limited to the mitigation of civil penalties and fines due to the Agency for timely payment of remedy due to an aggrieved party under subsection 8.37.170.A.4, the Director may consider:

a. The total amount of unpaid compensation, liquidated damages, penalties, fines, and interest due;

- b. The nature and persistence of the violations;
- c. The extent of the respondent's culpability;
- d. The substantive or technical nature of the violations;
- e. The size, revenue, and human resources capacity of the respondent;
- f. The circumstances of each situation;
- g. The amount of penalties in similar situations; and
- h. Pursuant to rules that the Director may issue, other factors that are material and

necessary to effectuate the terms of this Chapter 8.37.

B. A respondent found to be in violation of this Chapter 8.37 shall be liable for full payment of unpaid compensation due plus interest in favor of the aggrieved party under the terms of this Chapter 8.37, and other equitable relief. If the precise amount of unpaid compensation cannot be determined due to a respondent's failure to produce records or if a respondent produces records in a manner or form which makes timely determination of the amount of unpaid compensation impracticable, the Director may designate a daily amount for unpaid compensation plus interest in favor of the aggrieved party. The daily amount of unpaid compensation shall be at least the equivalent of payment for eight hours of work at the "hourly minimum wage" rate for Schedule 1 employers under Chapter 14.19. For any violation of this Chapter 8.37, the Director may assess liquidated damages in an additional amount of up to twice the unpaid compensation.

C. A respondent found to be in violation of this Chapter 8.37 for retaliation under Section 8.37.120 shall be subject to any appropriate relief at law or equity including, but not limited to, reinstatement of the aggrieved party, front pay in lieu of reinstatement with full payment of unpaid compensation plus interest in favor of the aggrieved party under the terms of this Chapter 8.37, and liquidated damages in an additional amount of up to twice the unpaid compensation. The Director also shall order the imposition of a penalty payable to the aggrieved party of up to \$5,755.31.

D. The Director is authorized to assess civil penalties for a violation of this Chapter 8.37 and may

specify that civil penalties are due to the aggrieved party rather than due to the Agency.

1. For a first violation of this Chapter 8.37, the Director may assess a civil penalty of up to \$575.31 per aggrieved party.

2. For a second violation of this Chapter 8.37, the Director shall assess a civil penalty of up to \$1,150.63 per aggrieved party, or an amount equal to ten percent of the total amount of unpaid compensation, whichever is greater.

3. For a third or any subsequent violation of this Chapter 8.37, the Director shall assess a civil penalty of up to \$5,755.31 per aggrieved party, or an amount equal to ten percent of the total amount of unpaid compensation, whichever is greater.

4. For purposes of this subsection 8.37.170.D, a violation is a second, third, or subsequent violation if the respondent has been a party to one, two, or more than two settlement agreements, respectively, stipulating that a violation has occurred; and/or one, two, or more than two Director’s Orders, respectively, have issued against the respondent in the ten years preceding the date of the violation; otherwise, it is a first violation.

E. The Director is authorized to assess fines for a violation of this Chapter 8.37 and may specify that fines are due to the aggrieved party rather than due to the Agency. The Director is authorized to assess fines as follows:

Violation	Fine
Failure to provide app-based worker with up-front information regarding offers under subsection 8.37.070.A	Up to \$575.31 per aggrieved party
Failure to provide app-based worker with electronic receipts within 24 hours of each offer’s performance or cancellation with cause under subsection 8.37.070.B	Up to \$575.31 per aggrieved party
Failure to provide app-based worker with weekly statements under subsection 8.37.070.C	Up to \$575.31 per aggrieved party
Failure to provide the Agency with records required under subsection 8.37.070.G	Up to \$575.31 per missing record
Failure to provide app-based worker with at least 14 days of notice of a material change to the network company payment calculation under subsection 8.37.070.H	Up to \$575.31 per aggrieved party

Failure to comply with requirements for app-based worker’s right to decide when to work and which offers to accept or reject under subsection 8.37.080.A	Up to \$575.31 per aggrieved party
Failure to comply with requirements for app-based worker’s right to be logged into the network company’s worker platform under subsection 8.37.080.B	Up to \$575.31 per aggrieved party
Failure to comply with requirements for app-based worker’s cancellation of acceptance of an offer with cause under subsection 8.37.080.C	Up to \$575.31 per aggrieved party
Failure to provide written notice of rights under Section 8.37.100	Up to \$575.31 per aggrieved party
Failure to retain network company records for three years under subsections 8.37.110.A and 8.37.110.B	Up to \$575.31 per missing record
Failure to comply with prohibitions against retaliation for exercising rights protected under Section 8.37.120	Up to \$1,150.63 per aggrieved party
Failure to provide notice of investigation to app-based workers under subsection 8.37.150.B.2	Up to \$575.31 per aggrieved party
Failure to post or distribute public notice of failure to comply with final order under subsection 8.37.210.A.1	Up to \$575.31 per aggrieved party

For each app-based worker who performs services in Seattle for the network company and for each missing record, the maximum amount that may be imposed in fines in a one-year period for each type of violation for each app-based worker listed above is \$5,755.31. For each app-based worker who performs services in Seattle for the network company, if a fine for retaliation is issued, the maximum amount that may be imposed for each app-based worker in a one-year period is \$23,020.

F. A respondent that willfully hinders, prevents, impedes, or interferes with the Director or Hearing Examiner in the performance of their duties under this Chapter 8.37 shall be subject to a civil penalty of not less than \$1,150.63 and not more than \$5,755.31.

G. In addition to the unpaid compensation, penalties, fines, liquidated damages, and interest, the Agency may assess against the respondent in favor of the City the reasonable costs incurred in enforcing this Chapter 8.37, including but not limited to reasonable investigation costs and attorneys’ fees. The Director may issue rules on the amounts and contributing factors for assessing reasonable investigation costs and is strongly encouraged to assess such costs in favor of the City to support the Agency’s implementation of this Chapter 8.37.

H. A respondent that is the subject of a settlement agreement stipulating that a violation has occurred shall count for debarment, or a final order for which all appeal rights have been exhausted, shall not be permitted to bid, or have a bid considered, on any City contract until such amounts due under the final order have been paid in full to the Director. If the respondent is the subject of a final order two times or more within a five-year period, the network company shall not be allowed to bid on any City contract for two years. This subsection 8.37.170.H shall be construed to provide grounds for debarment separate from, and in addition to, those contained in Chapter 20.70 and shall not be governed by that chapter; provided, that nothing in this subsection 8.37.170.H shall be construed to limit the application of Chapter 20.70. The Director shall notify the Director of Finance and Administrative Services of all respondents subject to debarment under this subsection 8.37.170.H.

8.37.180 Appeal period and failure to respond

A. An app-based worker or other person who claims an injury as a result of an alleged violation of this Chapter 8.37 may appeal the Determination of No Violation, pursuant to Director's Rules.

B. A respondent may appeal the Director's Order, including all remedies issued pursuant to Section 8.37.170, by requesting a contested hearing before the Hearing Examiner in writing within 15 days of service of the Director's Order. If a respondent fails to appeal the Director's Order within 15 days of service, the Director's Order shall be final. If the last day of the appeal period so computed is a Saturday, Sunday, or federal or City holiday, the appeal period shall run until 5 p.m. on the next business day.

8.37.190 Appeal procedure and failure to appear

A. Contested hearings shall be conducted pursuant to the procedures for hearing contested cases contained in Section 3.02.090 and the rules adopted by the Hearing Examiner for hearing contested cases. The hearing shall be conducted de novo and the Director shall have the burden of proving by a preponderance of the evidence that the violation or violations occurred. Upon establishing such proof, the remedies and penalties imposed by the Director shall be upheld unless it is shown that the Director abused discretion. Failure to appear

for a contested hearing shall result in an order being entered finding that the respondent committed the violation stated in the Director's Order. For good cause shown and upon terms the Hearing Examiner deems just, the Hearing Examiner may set aside an order entered upon a failure to appear.

B. In all contested cases, the Hearing Examiner shall enter an order affirming, modifying, or reversing the Director's Order, consistent with Ordinance 126068.

8.37.200 Appeal from Hearing Examiner order

A. The respondent may obtain judicial review of the decision of the Hearing Examiner by applying for a Writ of Review in the King County Superior Court within 30 days from the date of the decision in accordance with the procedure set forth in chapter 7.16 RCW, other applicable law, and court rules.

B. The decision of the Hearing Examiner shall be final and conclusive unless review is sought in compliance with this Section 8.37.200.

8.37.210 Failure to comply with final order

A. If a respondent fails to comply within 30 days of service of any settlement agreement with the Agency, or with any final order issued by the Director or the Hearing Examiner for which all appeal rights have been exhausted, the Agency may pursue, but is not limited to, the following measures to secure compliance:

1. The Director may require the respondent to post or distribute public notice of the respondent's failure to comply in a form and manner determined by the Agency.

2. The Director may refer the matter to a collection agency. The cost to the City for the collection services will be assessed as costs, at the rate agreed to between the City and the collection agency, and added to the amounts due.

3. The Director may refer the matter to the City Attorney for the filing of a civil action in King County Superior Court, the Seattle Municipal Court, or any other court of competent jurisdiction to enforce such order or to collect amounts due. In the alternative, the Director may seek to enforce a Director's Order or a final order of the Hearing Examiner under Section 8.37.190.

4. The Director may request that the City's Department of Finance and Administrative Services deny, suspend, refuse to renew, or revoke any business license held or requested by the network company or person until such time as the network company complies with the remedy as defined in the settlement agreement or final order. The City's Department of Finance and Administrative Services shall have the authority to deny, refuse to renew, or revoke any business license in accordance with this subsection 8.37.210.A.4.

B. No respondent that is the subject of a final order issued under this Chapter 8.37 shall quit business, sell out, exchange, convey, or otherwise dispose of the respondent's business or stock of goods without first notifying the Agency and without first notifying the respondent's successor of the amounts owed under the final order at least three business days before such transaction. At the time the respondent quits business, or sells out, exchanges, or otherwise disposes of the respondent's business or stock of goods, the full amount of the remedy, as defined in a final order issued by the Director or the Hearing Examiner, shall become immediately due and payable. If the amount due under the final order is not paid by respondent within ten days from the date of such sale, exchange, conveyance, or disposal, the successor shall become liable for the payment of the amount due; provided, that the successor has actual knowledge of the order and the amounts due or has prompt, reasonable, and effective means of accessing and verifying the fact and amount of the order and the amounts due. The successor shall withhold from the purchase price a sum sufficient to pay the amount of the full remedy. When the successor makes such payment, that payment shall be deemed a payment upon the purchase price in the amount paid, and if such payment is greater in amount than the purchase price the amount of the difference shall become a debt due such successor from the network company.

8.37.220 Debt owed The City of Seattle

A. All monetary amounts due under the Director's Order shall be a debt owed to the City and may be collected in the same manner as any other debt in like amount, which remedy shall be in addition to all other

existing remedies; provided, that amounts collected by the City for unpaid compensation, liquidated damages, penalties payable to aggrieved parties, or front pay shall be held in trust by the City for the aggrieved party and, once collected by the City, shall be paid by the City to the aggrieved party.

B. If a respondent fails to appeal a Director's Order to the Hearing Examiner within the time period set forth in subsection 8.37.180.B, the Director's Order shall be final, and the Director may petition the Seattle Municipal Court, or any court of competent jurisdiction, to enforce the Director's Order by entering judgment in favor of the City finding that the respondent has failed to exhaust its administrative remedies and that all amounts and relief contained in the order are due. The Director's Order shall constitute prima facie evidence that a violation occurred and shall be admissible without further evidentiary foundation. Any certifications or declarations authorized under RCW 5.50.050 containing evidence that the respondent has failed to comply with the order or any parts thereof, and is therefore in default, or that the respondent has failed to appeal the Director's Order to the Hearing Examiner within the time period set forth in subsection 8.37.180.B, and therefore has failed to exhaust the respondent's administrative remedies, shall also be admissible without further evidentiary foundation.

C. If a respondent fails to obtain judicial review of an order of the Hearing Examiner within the time period set forth in subsection 8.37.200.A, the order of the Hearing Examiner shall be final, and the Director may petition the Seattle Municipal Court to enforce the Director's Order by entering judgment in favor of the City for all amounts and relief due under the order of the Hearing Examiner. The order of the Hearing Examiner shall constitute conclusive evidence that the violations contained therein occurred and shall be admissible without further evidentiary foundation. Any certifications or declarations authorized under RCW 9A.72.085 containing evidence that the respondent has failed to comply with the order or any parts thereof, and is therefore in default, or that the respondent has failed to avail itself of judicial review in accordance with subsection 8.37.200.A, shall also be admissible without further evidentiary foundation.

D. In considering matters brought under subsections 8.37.220.B and 8.37.220.C, the Seattle Municipal

Court may include within its judgment all terms, conditions, and remedies contained in the Director’s Order or the order of the Hearing Examiner, whichever is applicable, that are consistent with the provisions of this Chapter 8.37.

8.37.230 Private right of action

A. Any person or class of persons that suffers an injury as a result of a violation of this Chapter 8.37, or is the subject of prohibited retaliation under Section 8.37.120, may bring a civil action in a court of competent jurisdiction against the network company or other person violating this Chapter 8.37 and, upon prevailing, may be awarded reasonable attorney fees and costs and such legal or equitable relief as may be appropriate to remedy the violation including, without limitation: the payment of any unpaid compensation plus interest due to the person and liquidated damages in an additional amount of up to twice the unpaid compensation; and a penalty payable to any aggrieved party of up to \$5,755.31 if the aggrieved party was subject to prohibited retaliation. Interest shall accrue from the date the unpaid compensation was first due at 12 percent per annum, or the maximum rate permitted under RCW 19.52.020.

B. For purposes of this Section 8.37.230, “person” includes any entity a member of which has suffered an injury or retaliation, or any other individual or entity acting on behalf of an aggrieved party that has suffered an injury or retaliation.

C. For purposes of determining membership within a class of persons entitled to bring an action under this Section 8.37.230, two or more app-based workers are similarly situated if they:

1. Performed services in Seattle for the same network company or network companies, whether concurrently or otherwise, at some point during the applicable statute of limitations period,
2. Allege one or more violations that raise similar questions as to liability, and
3. Seek similar forms of relief.

D. For purposes of subsection 8.37.230.C, app-based workers shall not be considered dissimilar solely because:

1. The app-based workers' claims seek damages that differ in amount, or
2. The job titles of or other means of classifying the app-based workers differ in ways that are

unrelated to their claims.

E. An order issued by the court may include a requirement for a network company to submit a compliance report to the court and to the Agency.

8.37.233 Waiver

Any waiver by an individual of any provisions of this Chapter 8.37 shall be deemed contrary to public policy and shall be void and unenforceable.

8.37.235 Encouragement of more generous policies

A. Nothing in this Chapter 8.37 shall be construed to discourage or prohibit a network company from the adoption or retention of minimum labor and compensation standards more generous than the one required by this Chapter 8.37.

B. Nothing in this Chapter 8.37 shall be construed as diminishing the obligation of the network company to comply with any contract, or other agreement providing more generous minimum labor and compensation standards to an app-based worker than required by this Chapter 8.37.

8.37.240 Other legal requirements-Effect on other laws

A. The provisions of this Chapter 8.37:

1. Supplement and do not diminish or replace any other basis of liability or requirement established by statute or common law;
2. Shall not be construed to preempt, limit, or otherwise affect the applicability of any other law, regulation, requirement, policy, or standard for minimum labor and compensation requirements, or which extends other protections to app-based workers; and
3. Shall not be interpreted or applied so as to create any power or duty in conflict with federal or state law.

B. This Chapter 8.37 shall not be construed to preclude any person aggrieved from seeking judicial review of any final administrative decision or order made under this Chapter 8.37 affecting such person. Nothing in this Section 8.37.240 shall be construed as restricting an app-based worker’s right to pursue any other remedies at law or equity for violation of the contractor’s rights.

C. A network company’s failure to comply with the provisions of this Chapter 8.37 shall not render any contract between the network company and an app-based worker void or voidable.

D. No provision of this Chapter 8.37 shall be construed as providing a determination about the legal classification of any individual as an employee or independent contractor.

8.37.250 Severability

The provisions of this Chapter 8.37 are declared to be separate and severable. If any clause, sentence, paragraph, subdivision, section, subsection, or portion of this Chapter 8.37, or the application thereof to any network company, app-based worker, person, or circumstance, is held to be invalid, it shall not affect the validity of the remainder of this Chapter 8.37, or the validity of its application to other persons or circumstances.

Section 4. Section 3.02.125 of the Seattle Municipal Code, last amended by Ordinance 126283, is amended as follows:

3.02.125 Hearing Examiner filing fees

A. The filing fee for a case before the City Hearing Examiner is \$85, with the following exceptions:

Basis for Case	Fee in dollars
* * *	
All_Gender Restroom Notice of Violation (Section 14.07.040)	No fee
App-Based Worker Minimum Payment Ordinance (Chapter 8.37)	No fee
Cable Communications (Chapter 21.60)	No fee
* * *	

* * *

Section 5. Section 3.15.000 of the Seattle Municipal Code, last amended by Ordinance 126189, is amended as follows:

3.15.000 Office of Labor Standards created-Functions

There is created within the Executive Department an Office of Labor Standards, under the direction of the Mayor. The mission of the Office of Labor Standards 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 seeks to promote greater economic opportunity and further the health, safety, and welfare of employees; support employers in their implementation of labor standards requirements; and 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 through outreach, education, technical assistance, and training for employees and employers;
- B. Collecting and analyzing data on labor standards enforcement;
- C. Partnering with community, businesses, and workers for stakeholder input and collaboration;
- D. Developing innovative labor standards policy;
- E. Administering and enforcing labor standards (Title 8), City of Seattle ordinances relating to paid sick and safe time (Chapter 14.16), use of criminal history in employment decisions (Chapter 14.17), minimum wage and minimum compensation (Chapter 14.19), wage and tip compensation requirements (Chapter 14.20), secure scheduling (Chapter 14.22), domestic workers (Chapter 14.23), hotel employees safety protections (Chapter 14.26), protecting hotel employees from injury (Chapter 14.27), improving access to medical care for hotel employees (Chapter 14.28), hotel employees job retention (Chapter 14.29), commuter benefits (Chapter 14.30), transportation network company driver deactivation protections (Chapter 14.32), transportation network company driver minimum compensation (Chapter 14.33), and other labor standards ordinances that may be

enacted in the future.

Section 6. Subsection 6.208.020.A of the Seattle Municipal Code, which section was last amended by Ordinance 126274, is amended as follows:

6.208.020 Denial, revocation of, or refusal to renew business license

A. In addition to any other powers and authority provided under this Title 6, the Director, or the Director's designee, has the power and authority to deny, revoke, or refuse to renew any business license issued under the provisions of this Chapter 6.208. The Director, or the Director's designee, shall notify such applicant or licensee in writing by mail of the denial, revocation of, or refusal to renew the license and on what grounds such a decision was based. The Director may deny, revoke, or refuse to renew any license issued under this Chapter 6.208 on one or more of the following grounds:

1. The license was procured by fraud or false representation of fact.
2. The licensee has failed to comply with any provisions of this Chapter 6.208.
3. The licensee has failed to comply with any provisions of Chapters 5.32, 5.35, 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, or 5.52.
4. The licensee is in default in any payment of any license fee or tax under Title 5 or Title 6.
5. The property at which the business is located has been determined by a court to be a chronic nuisance property as provided in Chapter 10.09.
6. The applicant or licensee has been convicted of theft under subsection 12A.08.060.A.4 within the last ten years.
7. The applicant or licensee is a person subject within the last ten years to a court order entering final judgment for violations of chapters 49.46, 49.48, or 49.52 RCW, or 29 U.S.C. 206 or 29 U.S.C. 207, and the judgment was not satisfied within 30 days of the later of either:
 - a. The expiration of the time for filing an appeal from the final judgment order under the court rules in effect at the time of the final judgment order; or

b. If a timely appeal is made, the date of the final resolution of that appeal and any subsequent appeals resulting in final judicial affirmation of the findings of violations of chapters 49.46, 49.48, or 49.52 RCW, or 29 U.S.C. 206 or 29 U.S.C. 207.

8. The applicant or licensee is a person subject within the last ten years to a final and binding citation and notice of assessment from the Washington Department of Labor and Industries for violations of chapters 49.46, 49.48, or 49.52 RCW, and the citation amount and penalties assessed therewith were not satisfied within 30 days of the date the citation became final and binding.

9. Pursuant to relevant provisions in Title 8, subsections 14.16.100.A.4, 14.17.075.A, 14.19.100.A.4, 14.20.080.A.4, 14.22.115.A.4, 14.23.115.A.4, 14.26.210.A.4, 14.27.210.A.4, 14.28.210.A.4, 14.30.180.A.4, and 14.33.210.A.4, subsection 100.240.A.4 of Ordinance 126091, subsection 100.240.A.4 of Ordinance 126094, and subsection 100.240.A.4 of Ordinance 126274, the applicant or licensee has failed to comply, within 30 days of service of any settlement agreement, with any final order issued by the Director of the Office of Labor Standards, or any final order issued by the Hearing Examiner under Title 8, Chapters 14.16, 14.17, 14.19, 14.20, 14.22, 14.23, 14.26, 14.27, 14.28, 14.29, 14.30, and 14.33, Ordinance 126091, Ordinance 126094, and Ordinance 126274 for which all appeal rights have been exhausted, and the Director of the Office of Labor Standards has requested that the Director deny, refuse to renew, or revoke any business license held or requested by the applicant or licensee. The denial, refusal to renew, or revocation shall remain in effect until such time as the violation(s) under Title 8, Chapters 14.16, 14.17, 14.19, 14.20, 14.22, 14.23, 14.26, 14.27, 14.28, 14.29, 14.30, and 14.33, Ordinance 126091, Ordinance 126094, and Ordinance 126274 are remedied.

10. The business is one that requires an additional license under this Title 6 and the business does not hold that license.

11. The business has been determined under a separate enforcement process to be operating in violation of law.

Section 7. The City Council requests that the Office of Labor Standards report back to Council if it has

information indicating that network companies are modifying their business operations after the effective date of this ordinance in order to be classified as a “marketplace network company” and, if significant changes occur, submit to the Public Safety and Human Services Committee, or the Council committee with oversight of the Office of Labor Standards and/or app-based workers, the following:

A. any information they have regarding companies modifying their business operations to be classified as a “marketplace network company” and

B. recommendations for an accurate definition and regulations for marketplace network companies.

* * *

Section 8. Section 3 of this ordinance shall take effect 18 months after the effective date of this ordinance.

Section 9. 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 _____, 2022, and signed by me in open session in authentication of its passage this ____ day of _____, 2022.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2022.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2022.

Monica Martinez Simmons, City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
LEG	Amy Gore/386-9107	N/A

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to app-based worker labor standards; establishing a compensation scheme for app-based workers with minimum pay requirements and related standards for transparency and flexibility; amending Sections 3.02.125, 3.15.000, and 6.208.020 of the Seattle Municipal Code; and adding a new Title 8 and Chapter 8.37 to the Seattle Municipal Code.

Summary and Background of the Legislation: App-based workers perform offers facilitated or presented by network companies to provide a variety of valued services for the community (e.g., on-demand food delivery, pre-scheduled tasks). However, many app-based workers earn inconsistent or low pay and lack adequate bargaining power to negotiate better terms and conditions for their work. Since network companies treat app-based workers as independent contractors, app-based workers do not have access to minimum wage, mandatory insurance and leave benefits, paid rest breaks, and other protections that would apply to an employee workforce.

This legislation would establish a new labor standard, Chapter 8.37, requiring a comprehensive compensation scheme for app-based workers. Network companies would be required to:

1. Pay all tips and at least the equivalent of Seattle’s minimum wage under [Seattle Municipal Code \(SMC\) 14.19](#) plus reasonable expenses;
2. Regularly provide transparent job and pay information; and
3. Permit flexibility in choosing when to work and which offers to accept, reject, or cancel with cause.

These requirements would become effective approximately 18 months after Council’s passage and would be implemented by the Office of Labor Standards (OLS).

Coverage

The legislation would cover (1) app-based workers accepting offers to perform services in Seattle via a network company’s worker platform and (2) network companies with 250 or more app-based workers worldwide. Requirements would not apply to certain offers, such as online orders for transactions involving sale/rental of products or real estate or transportation provided by taxicabs or for-hire vehicles. Requirements would also not apply to certain network companies, such as marketplace network or companies operating digital advertising or messaging platforms that do not intermediate relationships between parties or involve any oversight of service provision.

Legal requirements

1. Minimum payment

Network companies would pay, or ensure that an app-based worker receives, all tips and at least the equivalent of a minimum network company payment. This payment would be the total of a “per minute amount” for engaged time and a “per mile amount” for engaged miles to perform an offer.

The start and end of engaged time and engaged miles would depend on whether: (1) an on-demand network company facilitates or presents the offer or the network company expects the worker to initiate performance within two hours; or (2) the network company expects the worker to initiate performance of the offer in two hours or more.

Network companies would also pay a minimum per-offer amount of at least \$5 (subject to annual adjustments for inflation) for any offer resulting in engaged time or miles. The OLS Director could issue rules excluding certain offers from the minimum per-offer amount, such as those cancelled by the customer within a grace period of not more than five minutes, and for offers from marketplace network companies which are cancelled before completion of performance.

$$\text{(Engaged Time x Per-Minute Amount) + (Engaged Miles x Per-Mile Amount)} \\ = \text{Minimum Network Company Payment}$$

a. Per-minute amount – \$0.38

The per-minute amount would ensure that app-based workers receive at least the total of a “minimum wage equivalent rate” multiplied by an “associated cost factor” multiplied by an “associated time factor” for their engaged time to perform an offer. The amounts of each rate and/or factor would depend on applicable law or Director rules. For example, in 2022, the amounts would be:

- Minimum wage equivalent rate – \$0.288
The minimum wage equivalent rate would provide a per-minute equivalent of Seattle’s hourly minimum wage for Schedule 1 employers (i.e., large employers with more than 500 employees worldwide).
- Associated cost factor – 1.12
The associated cost factor would pay workers for non-mileage expenses (e.g., cost of employer-side payroll taxes, workers compensation insurance) that are necessary to perform app-based work.
- Associated time factor – 1.17
The associated time factor would account for unpaid time (e.g., time to review an offer) that is necessary to perform app-based work.

b. Per-mile amount – \$0.64

The per mile amount would ensure that app-based workers receive at least the “standard mileage rate” multiplied by an “associated mileage factor” for their engaged miles to perform an offer. For example, in 2022, these amounts would be:

- **Standard mileage rate – \$0.585**
The standard mileage rate would be the Internal Revenue Service rate of reimbursement for operating an automobile.
- **Associated time factor – 1.10**
The associated mileage factor would pay workers for miles travelled that are necessary to perform app-based work but are not included in payment for a specific offer (e.g., miles travelled to locations for rest breaks).

2. Transparency

Network companies would provide pay-related information to app-based workers, customers, and/or OLS:

a. Offer information

Network companies would provide app-based workers with specific information for each offer.

b. Electronic receipts

Network companies would provide app-based workers with pay information within 24 hours of performing each offer or cancelling with cause, and on a weekly basis. Network companies would also provide customers with information on worker pay with 24 hours of the online order’s performance or cancellation with cause.

c. Company records

Network companies would provide OLS with aggregated or disaggregated records to support the City’s administration, evaluation, and enforcement of pay requirements, subject to rulemaking.

3. Flexibility

App-based workers would have the right to determine their availability to work and which offers to accept, reject, or cancel with cause. Network companies would be prohibited from engaging in actions, or instituting policies, that would subject app-based workers to an adverse action for exercising any of these rights.

Enforcement

OLS would implement and enforce the legislation. OLS could conduct complaint-based or directed investigations; facilitate information exchanges between parties through a complaint procedure; or provide intake and informational services through a navigation program. To remedy violations, OLS could order (1) payment to aggrieved parties of up to three times the amount owed plus interest; and (2) penalties and/or fines payable to OLS or the aggrieved party. In addition to filing claims with OLS, app-based workers could file a

civil action against the network company and, upon prevailing, could be awarded attorney fees plus costs.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Yes. There would be financial implications for OLS (e.g., cost of rulemaking, outreach, and enforcement), and to a lesser extent for the City Attorney Office (e.g., cost of supporting OLS enforcement), and Hearing Examiner (e.g., cost of conducting hearings on appeals from respondents and aggrieved parties).

OLS estimates that the cost to implement the ordinance would include \$566,900 for initial implementation in the first year, \$670,685 per year for on-going staffing, and an additional \$502,775 per year for on-going costs such as translations, outreach and communication, community partnerships. Central Staff will continue to gather and analyze information from OLS to better understand financial implications.

The legislation requests that OLS report back to City Council if, during rulemaking or enforcement, they observe or learn that network companies are changing their business practices to meet the definition of a “marketplace network company” to be excluded from the legislation’s requirements. It is anticipated that this will not require proactive, additional work by OLS, but if the department determines that it then needs to make recommendations related to marketplace network companies, Council requests that OLS determine a scope and methodology for that work, and provide Council information on additional needed resources.

Are there financial costs or other impacts of *not* implementing the legislation?

No.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Yes. OLS would implement and enforce this legislation. There would be an undetermined number of legal referrals to the City Attorney. The Hearing Examiner would conduct hearings on appeals from respondents and aggrieved parties.

b. Is a public hearing required for this legislation?

No.

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

d. Does this legislation affect a piece of property?

No.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

The Race and Social Justice Initiative works toward eliminating racial disparities and achieving racial equity in Seattle. Black, Indigenous, and other People of Color face unique barriers to economic insecurity and disproportionately work in low-wage jobs with insecure working conditions. Black and Latinx workers are overrepresented among app-based workers, comprising almost 42 percent of app-based workers but less than 29 percent of the overall labor force, and are disproportionately deprived of core employee protections when network companies treat them as independent contractors.

The compensation scheme established by this legislation seeks to address the inequities of app-based work by providing workers with minimum pay for each performed offer, transparent information about their work and pay, and the discretion to choose when to work. To encourage vulnerable workers to report violations of these requirements, OLS would keep identifying information of complainants confidential and would have authority to conduct company-wide investigations. To incentivize network company compliance, OLS could impose strong remedies (e.g., triple damages for workers and per violation penalties) for violations.

To reach workers with limited English proficiency, network companies would provide a notice of rights in English and in the worker's primary language. OLS would create and distribute model notices of rights in English and other languages.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

N/A

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

N/A

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

OLS posts information on outreach and enforcement efforts on their [on-line, interactive dashboard](#). The same metrics publicized for other labor standards could apply for this legislation (e.g., number of inquiries, number of investigations, amounts of remedies). OLS contracts with community and business organizations to conduct measurable outreach efforts on worker rights and hiring entity/employer responsibilities.

Summary Attachments: