

May 3, 2018

MEMORANDUM

To: Housing, Health, Energy, and Workers' Rights
From: Patricia Lee, Central Staff
Subject: Domestic Workers: Portable Benefits and Worker Training

Introduction

The Seattle Domestic Workers Alliance report (Report) on domestic workers: [*Home Equity: Inequality and Exclusions Facing Domestic Workers in Seattle*](#) identifies several strategies to strengthen protections and provide benefits for domestic workers. Domestic workers include nannies, gardeners, housekeepers and other individuals who work in or about a private residence. Over the next several months, the Council will address these recommended changes and strategies. This memo addresses two of the recommendations in the report:

1. Implement City funded training and certification; and
2. Create a system for domestic workers to receive portable benefits.

The specifics on what this training would entail or how new portable benefits could be implemented have not been developed at this time. This training and new portable benefits would be for non-City workers working in non-City jobs. This memo provides information on work the City is doing in these areas to provide context for further discussions on these topics.

1. Implement City-sponsored training and certification.

The Report notes that many domestic workers work in the industry for many years and would like to increase their skills and opportunity for increased wages. The Report recommends the City implement and fund training for domestic workers and a certification program.

Options to Develop a Domestic Worker Training Program.

A domestic worker training, testing and certification program would need to be developed. There are several options Council could pursue to assist this development.

- A. The City's Office of Economic Development (OED) has worked with the community college system to develop trainings and certifications. OED's work has focused on career paths that lead to living wage jobs and areas where there is a market demand. The Council could, through a resolution, request OED to work with the SDWA and the community college system to (a) develop an appropriate training, testing and certification system and (b) identify the funding that would be needed to implement it.
- B. If the Council decides to legislate a worker council its work could include working with domestic workers to develop appropriate training.

- C. The Office of Labor Standards already provides a “Know Your Rights” training and could be requested to do specific outreach and training to domestic workers.

Below is some information on current City-funded training.

Training for City Employees

The City recognizes the value of employee training to improve employee’s job performance and career mobility. The City funds various types of employee training including on-line training and attendance at conferences and seminars. In addition, the Seattle Department of Human Resources (SDHR) operates the Career Quest program which provides mentoring and some funds for City employees to enroll in classes provided outside the City.

Training for non-City employees in non-City jobs

The City also funds training programs for non-City employees who will not become City employees. Two examples are childcare and preschool providers funded by the Preschool Levy and Sweetened Beverage Tax and the Priority Hire Program operated by the Facilities and Administrative services (FAS) department.

Priority Hire seeks to increase the number of women, people of color and people from economically disadvantaged areas in the construction industry. For a significant amount of construction work, individuals start as apprentices and then become journey level workers. Apprenticeship programs are competitive and entry to the programs can be challenging.

In order to increase the number of women, people of color and individuals from economically distressed areas who can successfully obtain an apprenticeship the City invests in pre-apprenticeship programs. The City general subfund funding is awarded through a competitive process to pre-apprenticeship programs run by non-City providers. The \$350,000 the City provides annually supports approximately 220 students with job readiness skills, required certifications, case management, student support needs and placement services. These individuals will not necessarily go into City apprenticeships or become City employees. They will however, support the City’s goal of increasing the pool of qualified construction workers from populations traditionally underrepresented in this industry.

2. Create a system for domestic workers to receive portable benefits.

Many domestic workers are employed by individual households that do not provide benefits such as retirement or health care. There are several efforts currently underway which may begin the process of creating a portable benefits system to provide benefits to workers who currently do not have them.

Washington State Legislature

In 2018, [House Bill 2109](#) and [House Bill 2812](#) were introduced but did not pass the House. Both bills would have created a system of portable benefits for workers who work for a contracting agency such as janitors and security guards. The bills define contracting agents as a business entity that facilitated and paid for the provision of services by at least 50 workers in the previous year. Contracting agents would have been required to contribute to a qualified benefit provider an amount for each transaction or hour the worker provided services. The qualified benefit provider would offer health, paid time off, retirement or other benefits determined by the qualified benefit provider. The qualified benefit provider would be a non-profit; and the government would determine other criteria for an organization's eligibility to be a qualified benefit provider.

A similar bill was introduced in 2017 in New Jersey. [Assembly No. 4705](#) received a favorable committee hearing but was not passed.

City of Seattle Retirement Savings Plan

In 2017 the Council passed [Ordinance 125467](#) which will create the framework to establish a Seattle Retirement Savings Plan (SRSP) for workers whose employers do not offer a workplace retirement savings plan. The first step, establishment of a seven-member board, is underway. The three non-City employees are scheduled for confirmation by the Council on April 30, 2018 [there's only one more Monday Full Council meeting in April. One of the non-City employees must be a public representative of eligible employees or an association representing eligible employees. A representative of the Service Employees International Union 775 has been proposed for that position.

The SRSP Board is responsible for establishing, implementing and overseeing the SRSP. The Board's first tasks are to determine the financial and legal feasibility of setting up the SRSP. If determined feasible, it is anticipated the SRSP would begin accepting contributions at the earliest in 2019 and no later than 2021.

The SRSP Board's work to establish a retirement system will hopefully provide a retirement benefit to employees who currently do not have a plan through their employment. It should also provide valuable lessons in how the City could expand this effort to include other portable benefits.

County-Based Health Coverage

The Northwest Health Law Advocates have recently released their report: [County-Based Health Coverage for Adult Immigrants: A Proposal for Counties in Washington State](#). The report provides recommendations for developing a county program of health care in King and Yakima County to cover individuals not covered by government programs such as Medicaid and Medicare or the Affordable Care Act due to their immigration status. Work done in this area could also help inform efforts to develop a portable benefits system for workers who do not have benefits through their employment or are not eligible for government programs.

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