



SEATTLE CITY COUNCIL

Finance and Housing Committee

Agenda - Revised

Wednesday, March 15, 2023

9:30 AM

Revised

Council Chamber, City Hall
600 4th Avenue
Seattle, WA 98104

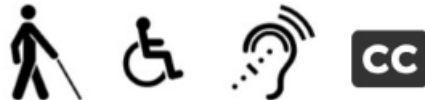
Teresa Mosqueda, Chair
Lisa Herbold, Vice-Chair
Alex Pedersen, Member
Sara Nelson, Member
Andrew J. Lewis, Member

Chair Info: 206-684-8808; Teresa.Mosqueda@seattle.gov

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Meeting Location:

Council Chamber, City Hall, 600 4th Avenue, Seattle, WA 98104

Committee Website:

<http://www.seattle.gov/council/committees/finance-and-housing>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Members of the public may register for remote or in-person Public Comment to address the Council. Details on how to provide Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at <http://www.seattle.gov/council/committees/public-comment>. Online registration to speak will begin two hours before the 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.

In-Person Public Comment - Register to speak on the Public Comment sign-up sheet located inside Council Chambers at least 15 minutes prior to the meeting start time. 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 Councilmember Mosqueda at Teresa.Mosqueda@seattle.gov

Please Note: Times listed are estimated

A. Call To Order**B. Approval of the Agenda****C. Public Comment****D. Items of Business**

1. [CB 120514](#) **AN ORDINANCE relating to app-based workers in Seattle; establishing labor standards requirements for paid sick and paid safe time for app-based workers working in Seattle; adding a new Chapter 8.39 to the Seattle Municipal Code; and amending Section 3.02.125 of the Seattle Municipal Code.**

Supporting Documents:

[Summary and Fiscal Note](#)

[Central Staff Memo](#)

[Memo Att A - Comparison Chart \(ORD 126091 and CB 120514\)](#)

[Memo Att B - Office of Labor Standards Budget Estimate](#)

[Presentation](#)

Briefing, Discussion, and Possible Vote

Presenters: Brianna Thomas, Mayor's Office; Kerem Levitas, Office of Labor Standards; Karina Bull, Council Central Staff

2. [CB 120527](#) **AN ORDINANCE** relating to acceptance of funding from non-City sources; authorizing the heads of various departments to accept and authorize the expenditure of specified grants, private funding, and subsidized loans and to execute, deliver, and perform corresponding agreements; amending Ordinance 126725, which adopted the 2023 Budget, including the 2023-2028 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; revising project allocations for certain projects in the 2023-2028 CIP; and ratifying and confirming certain prior acts.

Supporting Documents:

[Summary and Fiscal Note](#)
[Summary Att A - Q1 Grants Detail Table](#)
[Central Staff Memo](#)
[Presentation](#)

Briefing, Discussion, and Possible Vote

Presenters: Edin Sisic and Greg Doss, Council Central Staff

3. **Seattle Rescue Plan 2022 Year End Report**

Supporting Documents:

[Presentation](#)

Briefing and Discussion

Presenters: Julie Dingley, Director, and William Chen, City Budget Office

4. [CB 120529](#) **AN ORDINANCE relating to the organization of City government; clarifying the structure for the Charter position of Director of Finance; repealing Section 3.39.033 of the Seattle Municipal Code; and amending Sections 3.39.010, 3.39.030, 3.39.035, and 3.39.070 of the Seattle Municipal Code.**

*Supporting
Documents:*

[Summary and Fiscal Note](#)

Briefing, Discussion, and Possible Vote

Presenter: Julie Dingley, Director, City Budget Office

E. Adjournment



Legislation Text

File #: CB 120514, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to app-based workers in Seattle; establishing labor standards requirements for paid sick and paid safe time for app-based workers working in Seattle; adding a new Chapter 8.39 to the Seattle Municipal Code; and amending Section 3.02.125 of the Seattle Municipal Code.

WHEREAS, the Paid Sick and Safe Time Ordinance, Seattle Municipal Code (SMC) Chapter 14.16, has been in effect since September 1, 2012 and requires employers to provide employees with paid leave to care for their personal and family members' health conditions or safety needs; and

WHEREAS, the Paid Sick and Safe Time Ordinance entitles employees to use "paid sick time" for absences related to care of a personal or family member's medical diagnosis, care or treatment of a health condition, illness, injury, or need for preventive medical care; and

WHEREAS, the Paid Sick and Safe Time Ordinance entitles employees to use "paid safe time" for absences related to all workplace closures due to public health emergencies, large employer workplace closures or reduced operations due to any health- or safety- related reasons, closures of a family member's school or place of care, and the need to obtain necessary services for domestic violence, sexual assault and stalking; and

WHEREAS, The City of Seattle (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, on July 13, 2020, the City enacted the Paid Sick and Safe Time Ordinance for Gig Workers, Ordinance 126091, establishing requirements for paid sick and paid safe time for food delivery network company workers during the COVID-19 emergency and these requirements will end on April 31, 2023;

and

WHEREAS, on May 31, 2022, the City Council (Council) passed the App-Based Worker Minimum Payment Ordinance, Ordinance 126595, establishing SMC Chapter 8.37 and requirements for minimum pay, flexibility, and transparency for food delivery network company workers and other app-based workers, and these requirements will go into effect on January 13, 2024; and

WHEREAS, establishing a permanent labor standard that requires food delivery network company workers and other app-based workers to have access to paid sick and paid safe time is a subject of vital and imminent concern to the people of this City and requires appropriate action by the Council to establish this labor standard for app-based workers; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

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

A. 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.

B. Seattle Municipal Code Chapter 8.39, created by this ordinance, protects and promotes public health, safety, and welfare by requiring network companies to provide app-based workers working in Seattle with paid sick and paid safe time, which will: alleviate the economic pressures that compel app-based workers to work when conditions are not safe; reduce the risk of app-based workers working while sick and spreading illness; increase opportunities for app-based workers to stay home and take care of themselves and family members during periods of illness and other health or safety risks; and promote a healthier and more productive workforce with enhanced public health outcomes for app-based workers, their families, network companies, and the community as a whole.

C. Researchers Stefan Pichler and Nicolas Robert Ziebarth report in “The Pros and Cons of Sick Pay Schemes: Testing for Contagious Presenteeism and Noncontagious Absenteeism Behavior,” that mandatory paid sick leave policies in U.S. cities, including Seattle, clearly and significantly reduced the rates of influenza-

like illness.

D. When app-based workers have access to paid leave to care for their personal or family member's health conditions, they are more likely to stay home to care for themselves, their children, or other family members who are sick or who have been exposed to an infectious disease, thereby reducing the risk of public exposure to infectious diseases.

E. When app-based workers have access to paid sick and paid safe time, they have less risk of economic insecurity because they will not lose earnings if they miss work because network companies are not operating due to a public health emergency or other health- or safety-related reasons, or because they need to care for family members when schools or places of care are closed, or to care for themselves, their children, or other family members who are ill or injured.

F. When app-based workers have access to paid leave for reasons related to domestic violence, sexual assault, or stalking, they are better able to receive medical treatment, participate in legal proceedings, and obtain other necessary services, and are more likely to maintain financial independence to leave abusive situations, achieve safety, and minimize physical and emotional injuries.

G. Paid sick and paid safe time will promote the safety, health, and welfare of the people of Seattle by reducing the chances that worker's illnesses will intensify or be prolonged, by reducing the exposure of co-workers and members of the public to infectious diseases, and by reducing the exposure of children at schools and day cares to infectious diseases; resulting in a healthier and more stable and productive workforce, better health for older family members and children, enhanced public health, and improved family economic security, thereby benefiting app-based workers, their families, network companies, and the community as a whole.

H. The need for paid leave is ongoing and continuing for the reasons stated in this ordinance, regardless of the existence of a declared civil emergency related to public health issues, such as COVID-19.

I. Network companies represent that their business models require that they treat app-based workers as independent contractors, thereby creating barriers for app-based workers to access paid sick and paid safe time

protections and other labor standards established by local, state, and federal law, and these barriers make app-based workers highly vulnerable to economic insecurity and health or safety risks.

J. In the pursuit of economic opportunity, many app-based workers are immigrants and people of color who have taken on debt or invested their savings to purchase and/or lease vehicles or other equipment to work for network companies. Therefore, they are highly susceptible to the economic pressures of continuing to work while sick and during periods of heightened public health concern and even if working is not safe for themselves or others.

M. Providing app-based workers with access to paid sick and paid safe time protects public health and supports stable incomes by ensuring that app-based workers can provide their services in a safe and reliable manner and will in turn protect public health.

Section 2. A new Chapter 8.39 is added to the Seattle Municipal Code as follows:

Chapter 8.39 APP-BASED WORKER PAID SICK AND SAFE TIME

8.39.010 Short title

This Chapter 8.39 shall constitute the “App-Based Worker Paid Sick and Safe Time Ordinance” and may be cited as such.

8.39.020 Definitions

For purposes of this Chapter 8.39:

“Adverse action” means reducing the compensation to the app-based worker, garnishing tips or gratuities, temporarily or permanently denying or limiting access to work, incentives, or bonuses, offering less desirable work, demoting, 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 8.39.120. “Adverse action” for an app-based worker may involve any aspect of 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 8.39.

“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 8.39.

“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 8.39, at any time, including 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 food delivery network company worker 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.

“Average daily compensation” means the daily average of compensation owed to the app-based worker for each day worked for the network company during the 12 months immediately prior to the date the app-based worker’s amount of accrued paid sick and paid safe time was last calculated. “Average daily compensation” shall be recalculated every calendar month. When calculating the average of daily compensation, the compensation considered for each covered calendar day includes work performed in Seattle and outside Seattle. Beginning January 13, 2024, “average daily compensation” shall not include tips earned from customers.

“Calendar day” means the 24-hour period that begins at 12:00 AM and ends at 11:59 PM.

“Calendar year” means the twelve-month period that begins on January 1 and ends on December 31.

“City” means The City of Seattle.

“Commences work” and “commencement of work” mean no later than the beginning of the first calendar day on which the app-based worker performs services in furtherance of an offer facilitated or presented by the network company.

“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, commissions, 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 nonfiction writing, art, photography, graphic design, marketing, and related consulting services.

“Day of paid sick and paid safe time” means the average daily compensation amount owed to an app-based worker for one 24-hour period.

“Day worked” or “days worked” means any calendar day(s) that an app-based worker performs services in furtherance of an offer facilitated or presented by the network company, where the services are performed in whole or part in Seattle.

“Deactivation” means the blocking of an app-based worker’s access to the network company’s platform, changing an app-based worker’s status from eligible to provide delivery services to ineligible, or other material restriction in access to the network company’s platform that is effected by a network company.

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

“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” has the same meaning as defined in RCW 19.100.010 as amended.

“Front pay” means the compensation the app-based worker would earn or would have earned if

reinstated by the network company.

“Grocery store” means “grocery store” as defined in Section 23.84A.014.

“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).

“Health-related reason” means a serious public health concern that could result in bodily injury or exposure to an infectious agent, biological toxin, or hazardous material. “Health-related reason” does not include inclement weather.

“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.

“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;

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” (TNC) as defined by RCW 46.04.652 as amended; or

d. An entity that meets the definition of “for hire vehicle company” or “taxicab

association” as defined in Section 6.310.110.

“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 or presented 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 Section 8.37.020;
3. Payment in exchange for services wholly provided digitally;
4. Payment in exchange for creative services or works;
5. TNC dispatched trips. For purposes of this definition, “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 whole or part in Seattle.

“Paid safe time” means accrued days of paid leave provided by a network company for use by an app-based worker for any of the reasons specified in subsection 8.39.060.A.2, for which time an app-based worker shall be compensated at the app-based worker’s average daily compensation.

1. For purposes of determining eligibility for “paid safe time” under subsection 8.39.060.A.2.c, “family member” means a child, parent, spouse, registered domestic partner, grandparent, grandchild, or sibling.

a. “Child” means a biological child, adopted child, foster child, stepchild, or a child to whom an app-based worker stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status.

b. “Parent” means a biological parent, adoptive parent, de facto parent, foster parent, stepparent, or legal guardian of an app-based worker or the app-based worker’s spouse or registered domestic partner, or a person who stood in loco parentis when the app-based worker was a minor child.

2. For purposes of determining eligibility for “paid safe time” under subsection 8.39.060.A.2.d:

a. “Family member” means, as defined in RCW 49.76.020 as amended (wherever that section uses the term “employee,” that term shall be substituted with “app-based worker” as defined by this Section 8.39.020), any individual whose relationship to the app-based worker can be classified as a child, spouse, parent, parent-in-law, grandparent, or person with whom the app-based worker has a dating relationship.

b. “Household members” means, spouses, domestic partners, former spouses, former domestic partners, persons who have a child in common regardless of whether they have been married or have lived together at any time, adult persons related by blood or marriage, adult persons who are presently residing together or who have resided together in the past, persons 16 years of age or older who are presently residing together or who have resided together in the past and who have or have had a dating relationship, persons 16 years of age or older with whom a person 16 years of age or older has or has had a dating relationship, and persons who have a biological or legal parent-child relationship, including stepparents and stepchildren and grandparents and grandchildren.

c. “Domestic violence” means:

1) Physical harm, bodily injury, assault, or the infliction of fear of imminent physical harm, bodily injury or assault, between family or household members;

2) Sexual assault of one family or household member by another; or

3) Stalking of one family or household member by another family or household member.

d. “Stalking” means stalking as defined in RCW 49.76.020 as amended.

e. “Dating relationship” means a social relationship of a romantic nature, as defined in RCW 49.76.020, as amended.

f. “Sexual assault” means sexual assault as defined in RCW 49.76.020 as amended.

“Paid sick time” means accrued days of paid leave provided by a network company for use by an app-based worker for any of the reasons authorized in subsection 8.39.060.A.1, for which time an app-based worker shall be compensated at the app-based worker’s average daily compensation.

1. For purposes of determining eligibility for “paid sick time,” “family member” means a child, parent, spouse, registered domestic partner, grandparent, grandchild, or sibling.

a. “Child” means a biological child, adopted child, foster child, stepchild, or a child to whom an app-based worker stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status.

b. “Parent” means a biological parent, adoptive parent, de facto parent, foster parent, stepparent, or legal guardian of an app-based worker or the app-based worker’s spouse or registered domestic partner, or a person who stood in loco parentis when the app-based worker was a minor child.

“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 a network company or any person who is alleged or found to have committed a violation of this Chapter 8.39.

“Successor” means any person to whom a network company quitting, selling out, exchanging, or disposing of a business sells or otherwise conveys in bulk and not in the ordinary course of the network company’s business, a major part of the property, whether real or personal, tangible or intangible, of the network company’s business. For purposes of this definition, “person” means an individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, corporation, business trust, partnership, limited liability partnership, company, joint stock company, limited liability company, association, joint venture, or any other legal or commercial entity.

“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.

“Verification” means evidence that establishes or confirms that an app-based worker’s use of paid sick and paid safe time is for an authorized purpose under Section 8.39.060.

“Work-related stop in Seattle” means a commercial stop in Seattle that is related to an app-based worker’s performance of services in furtherance of an offer facilitated or presented by a network company, and 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.

“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 “writing” means a printed or printable communication in physical or electronic format, including but not limited to 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.

8.39.030 App-based worker coverage

A. For the purposes of this Chapter 8.39, covered app-based workers are limited to those who perform services in furtherance of an offer facilitated or presented by a covered network company, where those services are performed in whole or part in Seattle.

B. Services performed “in Seattle” shall include a work-related stop in Seattle.

C. App-based workers who are employees under Chapter 14.16 for covered network companies are not covered app-based workers under this Chapter 8.39. Network companies must provide such app-based workers with paid sick and paid safe time in accordance with their obligations in Chapter 14.16.

8.39.040 Network company coverage

A. For the purposes of this Chapter 8.39, 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.

1. From May 1, 2023 to January 12, 2024, only food delivery network companies as defined and covered by Ordinance 126091, last amended by Ordinance 126123, are covered by this Chapter 8.39.

2. Beginning January 13, 2024, covered network companies include any network company.

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.

2. 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.

3. If a network company quits, sells out, exchanges, or disposes the network company's business, or the network company's business is otherwise acquired by a successor, the number of app-based workers hired for the current calendar year for the successor network company 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 successor network company engaged in business.

4. 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 8.39;
- 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 8.39. Separate entities will be considered an integrated enterprise and a single network company under this Chapter 8.39 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; and
4. Degree of common ownership or financial control over the entities.
5. Use of a common brand, trade, business, or operating name.

D. For the purposes of this Chapter 8.39, covered network companies do not include any company that meets the definition of a marketplace network company.

8.39.050 Accrual of paid sick and paid safe time

A. An app-based worker who accrued paid sick leave under Ordinance 126091 shall retain all accrued, unused paid sick and paid safe time and is entitled to use such paid sick and paid safe time as provided in this Chapter 8.39.

B. App-based workers shall accrue at least one day of paid sick and paid safe time for every 30 days worked.

1. Network companies may, but are not required to, frontload paid sick and paid safe time to an app-based worker in advance of the accrual required by this subsection 8.39.050.B.

a. Frontloaded paid sick and paid safe time shall meet requirements for accrual, use, and carry-over, and shall otherwise comply with the provisions of this Chapter 8.39.

b. Network companies shall correct any discrepancies, between the frontloaded paid sick and paid safe time and the amount of paid sick and paid safe time required by this subsection 8.39.050.B, as soon as practicable and no later than 30 days after the network company identifies the discrepancy or after an app-based worker provides notice to the network company of the discrepancy.

c. Network companies shall not request or require reimbursement from an app-based worker who uses frontloaded paid sick and paid safe time that exceeds the amount of paid sick and paid safe time the app-based worker would have accrued absent frontloading.

C. Network companies shall allow app-based workers to carry over at least nine days of accrued, unused paid sick and paid safe time to the following year.

1. For the purposes of this subsection 8.39.050.C, “year” means calendar year, unless otherwise established by the network company in the written policy and procedure required by subsection 8.39.100.B to mean fiscal year, service year, or any other fixed consecutive 12-month period established and used in the ordinary course of the network company’s business for the purpose of calculating compensation to app-based workers.

2. If the network company transitions from one type of year to another for the purpose of

carrying-over accrued, unused paid sick and paid safe time, the network company shall ensure that the transition process maintains the accrual, use, carry-over, and other requirements of this Chapter 8.39.

3. If an app-based worker carries over unused paid sick and paid safe time to the following year, accrual of paid sick and paid safe time in the subsequent year shall be in addition to the hours accrued in the previous year and carried over.

4. Network companies may allow for a more generous carry over of accrued, unused paid sick and paid safe time to the following year.

D. If a network company quits, sells out, exchanges, or disposes the network company's business, or the network company's business is otherwise acquired by a successor, an app-based worker shall retain all accrued, unused paid sick and paid safe time and is entitled to use such paid sick and paid safe time as provided in this Chapter 8.39 as an app-based worker for the successor network company.

8.39.060 Use of paid sick time and paid safe time

A. An app-based worker is entitled to use paid sick and paid safe time for an authorized purpose, as described in this Section 8.39.060.

1. An app-based worker is authorized to use paid sick time for the following reasons:

a. For a personal mental or physical illness, injury, or health condition; to accommodate the app-based worker's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an app-based worker's need for preventive medical care; and

b. For care of a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care of a family member who needs preventive medical care.

2. An app-based worker is authorized to use paid safe time for the following reasons:

a. When the network company has suspended or otherwise discontinued operations by order of a public official, for any health-related reason, to limit exposure to an infectious agent, biological

toxin, or hazardous material;

b. When the network company has reduced, suspended, or otherwise discontinued operations for any health- or safety-related reason;

c. When the app-based worker's family member's school or place of care has been closed; and

d. For any of the following reasons related to domestic violence, sexual assault, or stalking, as set out in RCW 49.76.030 as amended. For the purposes of this Chapter 8.39, wherever RCW 49.76.030 uses the term "employee," that term shall be substituted with "app-based worker" as defined by Section 8.39.020.

1) To enable the app-based worker to seek legal or law enforcement assistance or remedies to ensure the health and safety of the app-based worker or the app-based worker's family or household members, including but not limited to, preparing for, or participating in, any civil or criminal legal proceeding related to or derived from domestic violence, sexual assault, or stalking;

2) To enable the app-based worker to seek treatment by a health care provider for physical or mental injuries caused by domestic violence, sexual assault, or stalking, or to attend to health care treatment for a victim who is the app-based worker's family or household member;

3) To enable the app-based worker to obtain, or assist a family or household member in obtaining, services from a domestic violence shelter, rape crisis center, or other social services program for relief from domestic violence, sexual assault, or stalking;

4) To enable the app-based worker to obtain, or assist a family or household member in obtaining, mental health counseling related to an incident of domestic violence, sexual assault, or stalking, in which the app-based worker or the app-based worker's family or household member was a victim of domestic violence, sexual assault, or stalking; or

5) To enable the app-based worker to participate in safety planning, temporarily

or permanently relocate, or take other actions to increase the safety of the app-based worker or app-based worker's family or household members from future domestic violence, sexual assault, or stalking.

B. An app-based worker is entitled to use accrued paid sick and paid safe time if the app-based worker has performed services in whole or part in Seattle within 90 calendar days preceding the app-based worker's request to use paid sick and paid safe time. An app-based worker is entitled to use paid sick and paid safe time during a deactivation or other status that prevents work for the network company, unless such status is due to a verified allegation of sexual assault perpetrated by the app-based worker.

C. Network companies shall establish an accessible system for app-based workers to understand, request, and use their paid sick and paid safe time. Network companies shall make this system available to the app-based worker via smartphone application or online web portal. The Director may issue rules defining reasonable criteria or requirements for this system to ensure that app-based workers have sufficient information to understand and readily access their paid sick and paid safe time, including but not limited to criteria or requirements for the system to include the written notice of rights required by Section 8.39.100, clear instructions and procedures, timely responses to app-based worker requests to use paid sick and paid safe time, ongoing access to paid sick and safe time information (e.g., accrued, used, and available PSST; rate of average daily compensation), and transparent information on days worked and earnings to show the basis for calculating paid sick and paid safe time information. Any rules issued by the Director pursuant to this subsection 8.39.060.C shall go into effect no earlier than January 13, 2024.

D. Network companies shall make accrued days of paid sick and paid safe time available for use as soon as practicable and no more than one week after the date of accrual. The network company shall provide accrued, available paid sick and paid safe time upon an app-based worker's request. An app-based worker is entitled to request one or more accrued days of paid sick and paid safe time for immediate use, including consecutive days of use. The app-based worker shall provide notice of the request to use paid sick time and paid safe time as soon as practicable.

1. Network companies shall compensate the app-based worker for the requested day(s) of paid sick time and paid safe time no later than 14 calendar days or the next regularly scheduled date of compensation following the requested day(s) of paid sick and paid safe time, whichever date is sooner.

2. Network companies shall not request or require reasonable verification except as provided under subsection 8.39.060.F or 8.39.060.G. If verification is required by the network company, the app-based worker must be compensated for the requested day(s) of paid sick and paid safe time no later than the app-based worker's next regularly scheduled date of compensation after the verification is provided.

E. Accrued days of paid sick and paid safe time shall be used in increments of 24 hours.

1. Network companies shall provide the app-based worker with notice, via smartphone application, online web portal or personal log-in, of the duration of their 24-hour increment for use of the paid sick and paid safe time.

2. If an app-based worker performs services in furtherance of an offer facilitated or presented by the network company during the 24-hour period(s) for which the app-based worker requested day(s) of paid sick and paid safe time, a network company may determine that the app-based worker did not use paid sick and paid safe time for an authorized purpose and may follow procedures under subsection 8.39.060.I to withhold compensation for the requested day(s) of paid sick and paid safe time.

F. When an app-based worker uses more than three consecutive days of paid sick and paid safe time, network companies may require reasonable verification that the app-based worker used paid sick time and paid safe time for an authorized purpose covered by subsection 8.39.060.A.1 or 8.39.060.A.2. Network companies are prohibited from requesting verification until an app-based worker uses more than three consecutive days of paid sick and paid safe time.

1. A network company shall provide the app-based worker with a reasonable time period to provide verification; a "reasonable time period" shall be defined by a network company's written policy and procedure required by subsection 8.39.100.B and shall not be less than ten calendar days following the first day

of the app-based worker's use of paid sick and paid safe time.

2. A network company's requirements for verification shall not result in an unreasonable burden or expense on the app-based worker and shall not intrude upon the app-based worker's privacy.

a. When requiring verification, a network company shall notify the app-based worker of the right to provide an oral or written explanation asserting that the app-based worker used paid sick and paid safe time for an authorized purpose and describing how the network company's verification requirement would create an unreasonable burden or expense.

b. If the app-based worker provides an explanation, a network company shall respond within ten calendar days and shall provide alternatives for the app-based worker to meet the verification requirement in a manner that does not result in an unreasonable burden or expense on the app-based worker. Examples of such alternatives include: (i) a network company's acceptance of an app-based worker's oral or written statement that the app-based worker used paid sick time for an authorized purpose; (ii) a network company's acceptance of documentation from a different source than identified in the initial verification requirement, such as documentation from a service provider indicating that the app-based worker used paid sick time or paid safe time for an authorized purpose; or (iii) a network company's payment for at least half the cost of the app-based worker's out-of-pocket expenses to obtain the verification.

G. For reasonable verification of paid sick time, a network company may require documentation signed by a health care provider indicating that the app-based worker's use of paid sick time was necessary; a network company shall not request or require that the documentation explain the nature of the illness, injury, health condition, or preventive care.

H. For reasonable verification of paid safe time:

1. A network company may require that requests under subsections 8.39.060.A.2.a through 8.39.060.A.2.c be supported by verification of a notice of reduced operations or closure and the app-based worker may satisfy this verification request by providing the notice, or a copy of the notice, in whatever format

the app-based worker received it.

2. A network company may require that requests under subsection 8.39.060.A.2.d be supported by verification that the app-based worker or app-based worker's family or household member is a victim of domestic violence, sexual assault, or stalking, and that the leave taken was for one of the purposes covered by subsection 8.39.060.A.2.d. An app-based worker may satisfy this verification requirement by one or more of the following methods:

a. An app-based worker's written statement that the app-based worker or the app-based worker's family or household member is a victim of domestic violence, sexual assault, or stalking and that the leave taken was for one of the purposes of subsection 8.39.060.A.2.d;

b. A police report indicating that the app-based worker or app-based worker's family or household member was a victim of domestic violence, sexual assault, or stalking;

c. A court order protecting or separating the app-based worker or app-based worker's family or household member from the perpetrator of the act of domestic violence, sexual assault, or stalking, or other evidence from the court or the prosecuting attorney that the app-based worker or app-based worker's family or household member appeared, or is scheduled to appear, in court in connection with an incident of domestic violence, sexual assault, or stalking; or

d. Documentation that the app-based worker or app-based worker's family or household member is a victim of domestic violence, sexual assault, or stalking, from any of the following persons from whom the app-based worker or app-based worker's family or household member sought assistance in addressing the domestic violence, sexual assault, or stalking: an advocate for victims of domestic violence, sexual assault, or stalking; an attorney; a member of the clergy; or a medical or other professional. The provision of documentation under subsection 8.39.060.H does not waive or diminish the confidential or privileged nature of communications between a victim of domestic violence, sexual assault, or stalking with one or more of the individuals named in subsection 8.39.060.H.

e. Any verification requirements for use of paid safe time under subsection 8.39.060.A.2.d shall comply with the provisions outlined in WAC 296-135-070 <<https://app.leg.wa.gov/wac/default.aspx?cite=296-135-070>> as amended. For the purposes of this Chapter 8.39, wherever WAC 296-135-070 uses the terms “employee” and “employer,” those terms shall be substituted with “app-based worker” and “network company” respectively, as defined by Section 8.39.020.

I. If a network company can demonstrate that the app-based worker did not use paid sick and paid safe time for an authorized purpose covered by subsection 8.39.060.A.1 or 8.39.060.A.2, the network company may withhold compensation for the days paid sick and paid safe time, subject to the following conditions:

1. The network company shall provide the app-based worker with written notification, in a format that is readily accessible to the app-based worker, of the network company’s decision to withhold compensation and shall provide a method of contact and accessible procedure for the app-based worker to contest the withholding of compensation and to assert that the app-based worker’s use of paid sick and paid safe time was for an authorized purpose.

2. The network company shall not subsequently restrict the app-based worker’s future use of such paid sick and safe time or deduct it from the app-based worker’s days of paid sick and paid safe time available for use.

3. The network company shall not take adverse action against the app-based worker, other than withholding compensation for the applicable days of paid sick and paid safe time.

J. Network companies may not request or require, as a condition of an app-based worker taking paid sick and paid safe time, that the app-based worker search for or find a replacement app-based worker to cover the day(s) during which the app-based worker uses paid sick and paid safe time.

K. Nothing in this Chapter 8.39 shall be construed to prohibit a network company from establishing a policy whereby app-based workers may donate unused accrued paid sick and paid safe time to another app-based worker.

L. Network companies shall provide each app-based worker with written notification of their paid sick and paid safe time information.

1. The notification shall include the following:

a. The current rate of average daily compensation for use of paid sick and paid safe time;

b. An updated amount of accrued paid sick and paid safe time since the last notification, reduced by paid sick and paid safe time used since the last notification; and

c. Any unused paid sick and paid safe time available for use.

2. Network companies shall provide this notification no less than monthly.

3. Network companies may choose a reasonable system for providing this notification, including but not limited to, an email, a pay stub, a weekly summary of compensation information, or the accessible system required by subsection 8.39.060.C where app-based workers can access their own paid sick and paid safe time information via smartphone application or online web portal. If the accessible system required by subsection 8.39.060.C is used to provide this notification, network companies shall affirmatively inform app-based workers where and how to access this information. The Director may issue rules clarifying network company requirements for affirmatively providing notification through the accessible system required by subsection 8.39.060.C.

4. Network companies are not required to provide this notification to an app-based worker if the app-based worker has not worked any days since the last notification.

8.39.070 Confidentiality and nondisclosure

A. Except as provided in subsection 8.39.070.B, a network company shall maintain the confidentiality of information provided by the app-based worker or others in support of an app-based worker's request for paid sick and paid safe time under this Section 8.39.070, including but not limited to health information of the app-based worker or the app-based worker's family member, the fact that the app-based worker or app-based worker's family member is a victim of domestic violence, sexual assault, or stalking, the fact that the app-based worker requested or obtained paid sick and paid safe time under this Chapter 8.39, and any written or oral statement, documentation, record, or corroborating evidence provided by the app-based worker.

B. Information protected by subsection 8.39.070.A may be disclosed by network companies only if it is:

1. Requested or consented to by the app-based worker;
2. Ordered by a court or administrative agency; or
3. Otherwise required by applicable federal or state law.

8.39.080 Separation from work

A. If an app-based worker separates from work due to inactivity, deactivation, or other reason, and commences working within 12 months of separation by the same network company:

1. Previous work shall be counted for purposes of determining the app-based worker's eligibility to use accrued paid sick time and paid safe time under subsection 8.39.060.B, except that if separation does occur, the total time of work used to determine eligibility under subsection 8.39.060.B shall occur within three years.

2. Previously accrued, unused paid sick and paid safe time shall be retained by the app-based worker and the app-based worker is entitled to use such paid sick and paid safe time, depending upon eligibility under subsection 8.39.060.B.

B. If an app-based worker separates from work and commences work after 12 months of separation by the same network company, the app-based worker is not entitled to retain previously accrued paid sick and paid safe time and for the purposes of this Chapter 8.39 the app-based worker shall be considered to have newly commenced work.

8.39.100 Notice of rights

A. Network companies shall affirmatively provide each app-based worker eligible to accrue paid sick and paid safe time with a written notice of rights established by this Chapter 8.39.

1. The Agency may create and distribute a model notice of rights in English and other languages. If the Agency creates a model notice of rights, network companies shall affirmatively provide such notice according to the schedule outlined in subsection 8.39.100.A.2. However, network companies are responsible for

providing app-based workers with the notice of rights required by this subsection 8.39.100.A, in a form and manner sufficient to inform app-based workers of their rights under this Chapter 8.39, regardless of whether the Agency has created and distributed a model notice of rights. The notice of rights shall provide information on:

a. The right to paid sick and paid safe time guaranteed by this Chapter 8.39;

b. The amount of paid sick and paid safe time accrual and the terms of its use guaranteed under this Chapter 8.39;

c. The right to be protected from retaliation for exercising in good faith the rights protected by this Chapter 8.39; and

d. The right to file a complaint with the Agency or bring a civil action for violation of the requirements of this Chapter 8.39, including a network company's denial of paid sick time and paid safe time as required by this Chapter 8.39, and a network company or other person's retaliation against an app-based worker or other person for requesting or taking paid sick and paid safe time or otherwise engaging in an activity protected by this Chapter 8.39.

2. Network companies shall affirmatively provide each app-based worker eligible to accrue paid sick and paid safe time with the written notice of rights according to the following schedule:

a. For each app-based worker working for the network company as of May 1, 2023, network companies shall provide the notice of rights by May 30, 2023.

b. For each app-based worker hired by the network company after May 1, 2023, network companies shall provide the notice of rights prior to the app-based worker commencing work for the network company.

c. For each app-based worker, network companies shall provide the notice of rights no less than annually.

d. If the accessible system required by subsection 8.39.060.C is used to provide notice of rights, network companies shall affirmatively inform app-based workers where and how to access this information.

The Director may issue rules clarifying network company requirements for affirmatively providing notice of rights through the accessible system required by subsection 8.39.060.C.

B. Network companies shall affirmatively provide each app-based worker with written notice of the network company's policy and procedure for meeting the requirements of this Chapter 8.39.

1. The policy and procedure shall provide information on:

- a. The app-based worker's right to paid sick and paid safe time under this Chapter 8.39;
- b. Whether the network company is using a year other than the calendar year for carry-over of accrued, unused paid sick and paid safe time;
- c. The authorized purposes under which paid sick and paid safe time may be used;
- d. The manner of providing app-based workers with written notification of the current rate of average daily compensation for use of paid sick and paid safe time, and an updated amount of accrued, reduced, and available paid sick and paid safe time;
- e. Prohibitions against retaliation for use of paid sick and paid safe time;
- f. If applicable, explanation of:
 - 1) Verification required by the network company for use of paid sick and paid safe time for more than three consecutive days;
 - 2) Shared paid sick and paid safe time program in which an app-based worker may choose to donate paid sick and paid safe time to a co-worker;
 - 3) Policy related to frontloaded paid sick and paid safe time; and
- g. Other information that is material and necessary to effectuate the terms of this Chapter 8.39, pursuant to Director rules.

C. Network companies shall provide the notice of rights required by subsection 8.39.100.A and the policy and procedure required by subsection 8.39.100.B in an electronic format that is readily accessible to the app-based worker. The notices shall be made available to the app-based worker via smartphone application 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(s). The Director may issue rules governing the form and content of the notice of rights, the manner of its distribution, required languages for its translation, and requirements for network companies to file their notice of rights in a written format with the Agency.

8.39.110 Network company records

A. Network companies shall retain records that document compliance with this Chapter 8.39 for each app-based worker including:

1. Date of commencement of work;
2. Days worked in whole or part in Seattle;
3. Compensation for days worked in whole or part in Seattle;
4. Rates of average daily compensation as calculated every calendar month;
5. Paid sick and paid safe time accrued, and any unused paid sick and paid safe time available

for use;

6. Paid sick and paid safe time reductions, including but not limited, to paid sick and paid safe time used, paid sick and paid safe time donated to a co-worker through a shared leave program, or paid sick and paid safe time not carried over to the following year; and

7. Other records that are material and necessary to effectuate the terms of this Chapter 8.39, pursuant to Director rules.

B. Network companies shall retain the records required by subsection 8.39.110.A for three years from the date of days worked or the date of use of paid sick and paid safe time.

C. If a network company fails to retain adequate records required under subsection 8.39.110.A, there shall be a presumption, rebuttable by clear and convincing evidence, that the network company violated this Chapter 8.39 for the periods and for each app-based worker for whom records were not retained.

D. Records and documents relating to verification of paid sick and paid safe time for the app-based

worker or their family members, created for purposes of this Chapter 8.39, shall be kept as confidential medical records in separate files/records from the network company's app-based worker files.

8.39.120 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 8.39. A network company may not adopt or enforce any policy that counts the use of paid sick and paid safe time as an event that may lead to or result in discipline or other adverse action against the app-based worker.

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 8.39. Such rights include but are not limited to the right to use paid sick time and/or paid safe time pursuant to this Chapter 8.39; the right to make inquiries about the rights protected under this Chapter 8.39; the right to inform others about their rights under this Chapter 8.39; 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 8.39; the right to file an oral or written complaint with the Agency or bring a civil action for an alleged violation of this Chapter 8.39; the right to cooperate with the Agency in its investigations of this Chapter 8.39; the right to testify in a proceeding under or related to this Chapter 8.39; the right to refuse to participate in an activity that would result in a violation of federal, state, or local law; and the right to oppose any policy, practice, or act that is unlawful under this Chapter 8.39.

C. No network company or any other person shall communicate to a person exercising rights protected in this Section 8.39.120, directly or indirectly, the willingness to inform a government employee or contracted organization 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 the app-based worker to a federal, state, or local agency because the app-based worker has exercised a right under this Chapter 8.39.

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 8.39.120. However, in the case of seasonal work that ended before the close of the 90-day period, the presumption also applies if the network company fails to rehire a former app-based worker at the next opportunity for work in the same position. 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 8.39.120 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 8.39.120 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 8.39.120 shall apply to any person who mistakenly but in good faith alleges violations of this Chapter 8.39.

G. A complaint or other communication by any person triggers the protections of this Section 8.39.120 regardless of whether the complaint or communication is in writing or makes explicit reference to this Chapter 8.39.

8.39.125 Rulemaking authority

The Director is authorized to administer and enforce this Chapter 8.39. 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 8.39 pursuant to Chapter 3.02, providing affected entities with due process of law and in conformity with the intent and purpose of this Chapter 8.39. 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 8.39.

8.39.130 Enforcement power and duties

The Agency shall have the power to investigate violations of this Chapter 8.39 and shall have such powers and

duties in the performance of these functions as are defined in this Chapter 8.39 and otherwise necessary and proper in the performance of the same and provided for by law.

8.39.140 Violation

The failure of any respondent to comply with any requirement imposed on the respondent under this Chapter 8.39 is a violation.

8.39.150 Investigation

A. The Agency shall have the power to investigate any violations of this Chapter 8.39 by any respondent. The Agency may prioritize investigations of workforces that are vulnerable to violations of this Chapter 8.39. The Agency may initiate an investigation pursuant to Director 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 8.39 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 8.39. The Agency shall encourage reporting pursuant to this Section 8.39.150 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 8.39 or for other appropriate purposes.

2. The Agency may require the network company to post or otherwise notify app-based workers working for the network company that the Agency is conducting an investigation. If required, network

companies shall provide the notice to app-based workers 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 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 8.39 and any administrative enforcement proceeding under this Chapter 8.39 based upon the same facts. For purposes of this Chapter 8.39:

1. The Agency's investigation begins on the earlier date of when the Agency receives a complaint from a person under this Chapter 8.39, or when the Agency provides notice to the respondent that an investigation has commenced under this Chapter 8.39.

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 as amended to the Hearing Examiner for the issuance of subpoenas requiring a network company to produce the records required by Section 8.39.110, or for the attendance and testimony of witnesses, or for the production of documents required to be retained under Section 8.39.110, or any other document relevant to the issue of whether any app-based worker or group of app-based workers has been or is afforded proper amounts of paid sick and paid safe time under this Chapter 8.39 and/or to whether a network company has violated any provision of this Chapter 8.39. 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 that 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 8.39 or 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 8.39.150.E in an investigation by the Agency under this Chapter 8.39 before the issuance of a Director's Order issued pursuant to subsection 8.39.160.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 8.39.150.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 8.39.180.

8.39.160 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 8.39 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 8.39, the Director shall issue a "Determination of No Violation" with notice of an app-based worker or other person's right to appeal the decision, pursuant to Director rules.

C. If the Director determines that a violation of this Chapter 8.39 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 8.39 for each violation, including payment of unpaid compensation, liquidated damages, civil penalties, penalties payable to aggrieved parties, fines, and interest pursuant to Section 8.39.170.

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 8.39.170.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 8.39, 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 8.39.180.

8.39.170 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 8.39 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 8.39.170 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 as amended.

4. If there is a remedy due to an aggrieved party, the Director may waive part or all of the amount of 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 8.39.170 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 8.39.170.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 8.39.

B. A respondent found to be in violation of this Chapter 8.39 shall be liable for full payment of unpaid compensation due plus interest in favor of the aggrieved party under the terms of this Chapter 8.39 and other equitable relief.

1. 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:

a. Determine unpaid compensation as a matter of just and reasonable inference, including the use of representative evidence such as testimony or other evidence from representative app-based workers or other aggrieved parties establishing violations for a class of app-based workers or aggrieved parties; or

b. Assess a daily amount for unpaid compensation in a minimum amount of \$150 per accrued day of paid sick and paid safe time owed to the aggrieved party, where a minimum amount of \$150 may be assessed in place of the average daily compensation owed for each day. This amount 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. For a first violation of this Chapter 8.39, the Director may assess liquidated damages in an additional amount of up to twice the unpaid compensation.

3. For subsequent violations of this Chapter 8.39, the Director shall assess an amount of liquidated damages in an additional amount of twice the unpaid compensation.

4. For purposes of establishing a first and subsequent violation for this Section 8.39.170, the violation must have occurred within ten years of the settlement agreement or Director's Order.

C. A respondent found to be in violation of this Chapter 8.39 for retaliation under Section 8.39.120 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 8.39, 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 \$6,230.88.

D. The Director is authorized to assess civil penalties for a violation of this Chapter 8.39 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 8.39, the Director may assess a civil penalty of up to \$622.85 per aggrieved party.

2. For a second violation of this Chapter 8.39, the Director shall assess a penalty of up to \$1,245.71 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 8.39, the Director shall assess a penalty of up to \$6,230.88 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 Section 8.39.170, 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 8.39 and may specify that the 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 establish an accessible system for an app-based worker to request and use paid sick and paid safe time under subsection 8.39.060.C	\$622.85 per aggrieved party
Failure to provide notification of the current rate of average daily compensation and an updated amount of paid time available for use as paid sick and paid safe time under subsection 8.39.060.L	\$622.85 per aggrieved party
Failure to provide app-based workers with written notice of rights under subsection 8.39.100.A	\$622.85 per aggrieved party
Failure to provide app-based workers with the network company’s written policy and procedure for meeting paid sick and paid safe time requirements under subsection 8.39.100.B	\$622.85 per aggrieved party
Failure to retain network company records for three years under subsections 8.39.110.A and 8.39.110.B	\$622.85 per missing record
Failure to comply with prohibitions against retaliation for exercising rights protected under Section 8.39.120	\$1,245.71 per aggrieved party
Failure to provide notice of investigation to app-based workers under subsection 8.39.150.B.2	\$622.85
Failure to post or distribute public notice of failure to comply with final order under subsection 8.39.210.A.1	\$622.85

The maximum amount that may be imposed in fines in a one-year period for each type of violation listed above is \$6,230.88 per aggrieved party unless a fine for retaliation is issued, in which case the maximum amount that may be imposed is \$24,922.26 per aggrieved party.

F. A respondent who willfully hinders, prevents, impedes, or interferes with the Director or Hearing Examiner in the performance of their duties under this Chapter 8.39 shall be subject to a civil penalty of not less than \$1,245.71 and not more than \$6,230.88.

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 8.39, including but not limited to reasonable attorney’s fees.

H. A respondent that is the subject of a settlement agreement stipulating that a violation 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 network company 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 8.39.170.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 8.39.170.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 network companies subject to debarment under this subsection 8.39.170.H.

8.39.180 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 8.39 may appeal the Determination of No Violation, pursuant to Director rules.

B. A respondent may appeal the Director's Order, including all remedies issued pursuant to Section 8.39.170, 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.

8.39.190 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.

8.39.200 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 as amended, 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 8.39.200.

8.39.210 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 settlement agreement, a Director's Order or a final order of the Hearing Examiner under Section 8.39.220.

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 8.39.210.A.4.

B. No respondent that is the subject of a settlement agreement or final order issued under this Chapter 8.39 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 settlement agreement or the final order at least three business days prior to 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 the settlement agreement or the final order issued by the Director or the Hearing Examiner, shall become immediately due and payable. If the amount due under the settlement agreement or 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.

8.39.220 Debt owed The City of Seattle

A. All monetary amounts due under a settlement agreement or 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 8.39.180.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 as amended, 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 8.39.180.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 8.39.200.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 5.50.050 as amended, 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 8.39.200.A, shall also be admissible without further evidentiary foundation.

D. In considering matters brought under subsections 8.39.220.B and 8.39.220.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 8.39.

8.39.230 Private right of action

A. Any person or class of persons that suffers an injury as a result of a violation of this Chapter 8.39, or is the subject of prohibited retaliation under Section 8.39.120, may bring a civil action in a court of competent jurisdiction against the network company or other person violating this Chapter 8.39 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 \$6,230.88 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 as amended.

B. For purposes of this Section 8.39.230, “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 8.39.230, two or more app-based workers are similarly situated if they:

1. Are or were hired 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 8.39.230.C, app-based workers shall not be considered dissimilar solely because the app-based workers’:

1. Claims seek damages that differ in amount, or

2. Job titles or other means of classifying app-based workers differ in ways that are unrelated to their claims.

8.39.235 Encouragement of more generous policies

A. Nothing in this Chapter 8.39 shall be construed to discourage or prohibit a network company from the adoption or retention of a paid sick and paid safe time policy more generous than the one required herein.

B. Nothing in this Chapter 8.39 shall be construed as diminishing the obligation of a network company to comply with any contract or other agreement providing more generous protections to an app-based worker than required by this Chapter 8.39.

8.39.240 Other legal requirements-Effect on other laws

A. The provisions of this Chapter 8.39:

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 standard that provides for greater accrual or use by app-based workers of sick or safe time, whether paid or unpaid, 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 8.39 shall not be construed to preclude any person aggrieved from seeking judicial review of any final administrative decision or order made under this Chapter 8.39 affecting such person. Nothing in this Section 8.39.240 shall be construed as restricting an app-based worker's right to pursue any other remedies at law or equity for violation of their rights.

8.39.250 Severability

The provisions of this Chapter 8.39 are declared to be separate and severable. If any clause, sentence,

paragraph, subdivision, section, subsection, or portion of this Chapter 8.39, 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 8.39, or the validity of its application to other persons or circumstances.

Section 3. Section 3.02.125 of the Seattle Municipal Code, last amended by Ordinance 126665, 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
* * *	
App-Based Worker Minimum Payment Ordinance (Chapter 8.37)	No fee
App-Based Worker Paid Sick and Safe Time Ordinance (Chapter 8.39)	No fee
* * *	

* * *

Section 4. Sections 2 and 3 of this ordinance shall take effect on May 1, 2023.

Section 5. 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 _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Elizabeth M. Adkisson, Interim City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Legislative Department	Karina Bull/206-715-2460	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 workers in Seattle; establishing labor standards requirements for paid sick and paid safe time for app-based workers working in Seattle; adding a new Chapter 8.39 to the Seattle Municipal Code; and amending Section 3.02.125 of the Seattle Municipal Code.

Summary and Background of the Legislation: In summer 2020, the City of Seattle (City) enacted the PSST for Gig Workers Ordinance ([Ordinance 126091](#)), a labor standard establishing temporary protections for food delivery network company workers and transportation network company (TNC) drivers during the COVID-19 emergency. Since the nature of delivery and transportation services provided by these workers could involve close contact with the public, they were at risk of catching or spreading COVID-19 and other illnesses. However, unlike employees covered by the Paid Sick and Safe Time Ordinance ([Seattle Municipal Code 14.16](#)), these workers did not have a right to paid leave to stay home when sick because network companies hired them as independent contractors.

The PSST for Gig Workers Ordinance established a temporary right for food delivery network company workers and TNC drivers to accrue and use PSST (i.e., paid leave to care for their personal or family member's health conditions and safety needs) and tasked the Office of Labor Standards (OLS) with implementation and enforcement. For TNCs, these requirements ended on January 1, 2023, when a statewide paid sick leave system established by [Engrossed Substitute House Bill \(ESHB\) 2076](#) took effect and (with certain exceptions) preempted the City from regulating the field of TNCs and drivers. For food delivery network company workers, these requirements will end on April 30, 2023.

This legislation would establish a permanent right to PSST for food delivery network company workers and other app-based workers providing services in whole or part in Seattle for network companies. The legislation would largely adopt the framework of the PSST for Gig Workers Ordinance, with a substantive change in coverage and a handful of other changes to improve clarity, align with other labor standards, and facilitate implementation of permanent requirements.

Coverage would expand from food delivery network companies under the PSST for Gig Workers Ordinance to all network companies covered by the App-Based Workers Minimum Payment Ordinance ([Ordinance 126595](#)). To prevent disruption of temporary benefits, the legislation would become effective for food delivery network companies on May 1, 2023, and for other covered network companies on January 13, 2024 (i.e., the effective date of the App-Based Worker Minimum Payment Ordinance).

OLS would implement and enforce these requirements and aggrieved parties would have a private right of action. As with the City’s other labor standards, OLS would be required to commence any investigation within three years of the alleged violation and could order penalties, fines, and unpaid compensation for violations.

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. This legislation would establish an implementation and enforcement role for OLS.

To implement and enforce the legislation, OLS estimates \$115,000 in 2023 costs and \$148,000 in ongoing annual costs. Costs in 2023 would cover \$46,000 for initial implementation activities (e.g., creation of model notice of rights and educational documents, translation and interpretation services, rulemaking, outreach, communication campaigns) and \$69,000 for six months of salary for 1.0 FTE Senior Investigator position. On-going annual costs would cover the full year salary for 1.0 FTE Senior Investigator and a reduced scope of outreach. See Attachment B for a budget chart listing OLS’s estimated implementation costs.

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

This legislation would establish rights for app-based workers to access paid leave if they are not able to work due to health or safety reasons. There are no financial costs to the City of not implementing the legislation. However, not implementing this legislation could impact the public health, safety and welfare of the community because workers without access to PSST are more likely to work while sick and to miss opportunities to care for their personal and family member’s health or safety needs.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
Yes. OLS would implement and enforce this legislation. The Hearing Examiner would conduct hearings on appeals from respondents and aggrieved parties. There also could be an undetermined number of legal referrals to the City Attorney.
- 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 (RSJI) is the City’s commitment to eliminating racial disparities and achieving racial equity in Seattle. This legislation is intended to change the underlying system that creates race-based disparities in our community by establishing a right for app-based workers to accrue and use paid leave to stay home and take care of themselves and family members for health and safety reasons. Providing access to paid leave is intended to support recovery from illness, reduce the spread of illness, and enhance financial and health outcomes for workers, their families, and the community.

A 2021 Pew Research Center study found that 16 percent of American adults earned money from app-based work and the rates were higher for those who Black, Indigenous, and other People of Color (BIPOC).¹ While most surveyed workers (68 percent) reported that app-based work was a side job, 31 percent reported that app-based work was their main job during the past year. Surveyed workers also reported being very (15 percent) or somewhat (36 percent) concerned about contracting a contagious illness (e.g., COVID-19) on the job, with BIPOC workers (59 percent) reporting being at least somewhat concerned compared to white workers (38 percent).²

Given that workers may need to miss days of work for health and safety reasons on an ongoing basis (regardless of COVID-19 risks), establishing a permanent right to PSST could provide an important benefit for app-based workers who would otherwise receive no paid leave. This benefit could especially impact BIPOC workers. Black and Latinx workers are

¹ Anderson, Monica; McClain, Colleen; Faverio, Michelle; Gelles-Watnick, Risa. [The State of Gig Work in 2021](#). Pew Research Center, December 2021.

² *Id.*

overrepresented in the app-based industry, comprising almost 42 percent of app-based workers but less than 29 percent of the overall labor force.³

Regarding language access, this legislation would authorize OLS to create and distribute a model “notice 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?

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.

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)?

OLS could publicly share information on outreach and enforcement efforts on its [on-line, interactive dashboard](#). The same metrics publicized for other local labor standards could apply for this legislation (e.g., number of inquiries, number of investigations, amount of remedies). OLS also could contract with community and business organizations to conduct measurable outreach and education efforts on worker rights and network company responsibilities.

³ [Labor Force Statistics from the Current Population Survey: Electronically Mediated Employment](#). U.S. Bureau of Labor Statistics, May 2017.

March 10, 2023

MEMORANDUM

To: Finance and Housing Committee
From: Karina Bull, Analyst
Subject: App-Based Worker Paid Sick and Safe Time Ordinance

On March 15, 2023, the Finance and Housing Committee will discuss and possibly vote on Council Bill (CB) 120514, that would establish permanent requirements for network companies to provide paid sick and safe time (PSST) for app-based workers. This memo provides a background and summary of the legislation, describes potential impacts, and defines next steps.

Background

In summer 2020, the City of Seattle (City) enacted the PSST for Gig Workers Ordinance ([Ordinance 126091](#)), a labor standard establishing temporary protections for food delivery network company workers and transportation network company (TNC) drivers during the COVID-19 emergency. Since the nature of delivery and transportation services provided by these workers could involve close contact with the public, they were at risk of catching or spreading COVID-19 and other illnesses. However, unlike employees covered by the Paid Sick and Safe Time Ordinance ([Seattle Municipal Code 14.16](#)), these workers did not have a right to paid leave to stay home when sick because network companies hired them as independent contractors.

The PSST for Gig Workers Ordinance established a temporary right for food delivery network company workers and TNC drivers to accrue and use PSST (i.e., paid leave to care for their personal or family member's health conditions and safety needs) and tasked the Office of Labor Standards (OLS) with implementation and enforcement. For TNCs, these requirements ended on January 1, 2023, when a statewide paid sick leave system established by [Engrossed Substitute House Bill \(ESHB\) 2076](#) took effect and (with certain exceptions) preempted the City from regulating the field of TNCs and drivers. For food delivery network company workers, these requirements will end on April 30, 2023.

The City has established other protections for food delivery network company workers. The Premium Pay for Gig Workers Ordinance ([Ordinance 126094](#)) temporarily required premium pay for food delivery network company workers during the COVID-19 emergency and ended on October 31, 2022. The App-Based Worker Minimum Payment Ordinance ([Ordinance 126595](#)), will require network companies to comply with minimum payment standards for food delivery network company workers and other app-based workers as of January 13, 2024.

The enactment of the App-Based Worker Minimum Payment Ordinance signaled the City's recognition that the workforce for the rapidly expanding app-based economy warrants permanent workplace protections.

A study by Mastercard projected double-digit annual growth of the app-based economy between 2019-2023.¹ Sales for app-based, food delivery services collectively grew eight percent year over year from 2018 through May 2022 and similar growth is projected through 2026.² Other industries driving the app-based economy include delivery of retail items (e.g., clothing, electronics, home goods, fuel and cooking gas) and services related to staffing, laundry, car washing, in-home salon and beauty care, health and wellness, education, carpentry, cleaning, moving, professional services and more.³

A 2021 Pew Research Center study found that 16 percent of American adults earned money from app-based work and the rates were higher for those who are Black, Indigenous, and other People of Color (BIPOC).⁴ While most surveyed workers (68 percent) reported that app-based work was a side job, 31 percent reported that app-based work was their main job during the past year. Surveyed workers also reported being very (15 percent) or somewhat (36 percent) concerned about contracting a contagious illness (e.g., COVID-19) on the job, with BIPOC workers (59 percent) reporting being at least somewhat concerned compared to white workers (38 percent).⁵

CB 120514

This legislation would establish a permanent right to PSST for app-based workers providing services in whole or part in Seattle for network companies. The legislation would largely adopt the framework of the PSST for Gig Workers Ordinance, with a substantive change in coverage and other changes to improve clarity, align with other labor standards, and facilitate implementation of permanent requirements.

¹ [The Global Gig Economy: Capitalizing on a \\$500B Opportunity](#). Mastercard and Kaiser Associates, May 2019.

² Perri, Janine. [Which Company is Winning the Restaurant Food Delivery War?](#) Bloomberg, *Second Measure*, June 15, 2022; Dalin-Kaptzan, Zahava. [Food Delivery: Industry Trends for 2022 and Beyond](#). BRINGG, 2022; [Online Food Delivery](#). Statista, 2022.

³ Vyas, Manish. [Eight Service Industries that Drive the On-Demand Economy](#). Peerbits, January 18, 2023.

⁴ Anderson, Monica; McClain, Colleen; Faverio, Michelle; Gelles-Watnick, Risa. [The State of Gig Work in 2021](#). Pew Research Center, December 2021.

⁵ *Id.*

Coverage would expand from the limited focus on food delivery network companies under the PSST for Gig Workers Ordinance to all network companies covered by the App-Based Workers Minimum Payment Ordinance. To prevent disruption of temporary benefits, the legislation would become effective for food delivery network companies on May 1, 2023, and for other covered entities on January 13, 2024 (i.e., the effective date of the App-Based Worker Minimum Payment Ordinance). See Attachment A for a comparison chart summarizing the differences between the PSST for Gig Workers Ordinance and the App-Based Worker PSST Ordinance.

New Labor Standard

The legislation would require network companies to provide app-based workers with PSST to care for themselves and family members.

- **Paid sick time:** paid leave for the diagnosis care, or treatment of an injury, illness, or health condition; or preventative care.
- **Paid safe time:** paid leave for when a network company has discontinued operations by order of a public official during a public health emergency, or for any health or safety reason; closure of a family member’s school or place of care; or for reasons related to domestic violence, sexual assault, or stalking.

Coverage

The legislation would apply to app-based workers providing services in whole or part in Seattle for network companies with 250 or more app-based workers worldwide.

Network company coverage would broadly include “on-demand network companies” primarily engaged in facilitating “on-demand offers” (i.e., offers that require workers to initiate services within two hours of acceptance) and certain network companies facilitating “pre-scheduled offers” (i.e., offers that require workers to initiate services two or more hours after acceptance).

Coverage would exclude “marketplace network companies” that primarily facilitate pre-scheduled offers but exert less control over the worker or performance of services (e.g., workers can interface with prospective customers to determine the scope of services before the customer places an online order, workers can set their own rates, the network company does not monitor offers by mileage or time). Coverage would also exclude TNCs due to state preemption of the field of regulating TNCs and drivers under ESHB 2076.

Accrual, Use and Payment

The legislation would condition an app-based worker’s accrual, use, and payment of PSST on days worked for the network company in whole or part in Seattle.

Upon commencing work for the network company, app-based workers would accrue one day of PSST for every 30 days with at least one work-related stop in Seattle (e.g., shopping at a store in Seattle, making a delivery in Seattle). Food delivery network company workers who accrued PSST under the PSST for Gig Workers Ordinance would be entitled to retain and use that paid leave after the effective date of this legislation.

App-based workers would be entitled to use PSST in 24-hour increments if they had worked in whole or part in Seattle within the preceding 90 calendar days. App-based workers could request PSST for immediate use and consecutive days of use. The legislation's anti-retaliation provision would prevent network companies from penalizing app-based workers (e.g., charging fees, offering less work) for using PSST.

Payment for PSST would be the app-based worker's "average daily compensation," a daily average of compensation for each calendar day worked in whole or part in Seattle in the preceding 12 months. The calculation of average daily compensation would include earnings for services performed in Seattle and outside Seattle for each covered calendar day.⁶ The rate of average daily compensation would be recalculated every calendar month.

In addition to providing accrual, use, and payment of PSST, network companies would need to follow other requirements:

- Establish an accessible system for workers to understand and readily access their PSST,
- Provide each worker with monthly notification of their accrued, used, and available PSST and rate of average daily compensation,
- Wait until after a worker has used PSST for more than three consecutive days to ask for reasonable verification,
- Carry-over up to nine days accrued, unused PSST to the following calendar year, and
- Provide each worker with a written notice of rights (at hire and annually) and PSST policy.

Enforcement

OLS would implement and enforce these requirements and aggrieved parties would have a private right of action. As with the City's other labor standards, OLS would be required to commence any investigation within three years of the alleged violation and could order penalties, fines, and unpaid compensation for violations.

⁶ As of the effective date of the App-Based Worker Minimum Payment Ordinance (i.e., January 13, 2024), the calculation for average daily compensation would include compensation for any engaged time and engaged miles covered by the App-Based Worker Minimum Payment Ordinance but would *not* include tips.

Potential Impacts

This legislation is intended to protect and promote public health, safety, and welfare by establishing a right for app-based workers to accrue and use paid leave to stay home and take care of themselves and family members for health and safety reasons. Providing access to paid leave is intended to support recovery from illness, reduce the spread of illness, and enhance financial and health outcomes for workers, their families, and the community.

Workers

When the PSST Ordinance for Gig Workers went into effect during the early phase of the COVID-19 emergency, consumer demand for food delivery services had sharply accelerated and food delivery network company workers were exposed to a heightened risk for exposure to serious illness while performing their jobs. Several years later, the hazards of working in close contact with the public remain (although less extreme) while consumer demand for food delivery and other app-based services is predicted to continue growing at a steady rate.

Given that workers may need to miss days of work for health and safety reasons on an ongoing basis (regardless of pandemic risks), establishing a permanent right to PSST could provide an important benefit for app-based workers who would otherwise receive no paid leave. This benefit could especially impact BIPOC workers. Black and Latinx workers are overrepresented in the app-based industry, comprising almost 42 percent of app-based workers but less than 29 percent of the overall labor force.⁷

A potential tradeoff of establishing this right, however, is a possible increase in the number of individuals vying for app-based work due to improved benefits, resulting in increased competition for offers and potentially less income for each worker.

Network companies

Establishing permanent requirements for network companies to provide PSST to app-based workers could result in changes to the costs, demand, and supply of app-based services. Due to the new nature of the app-based industry and the limited, recent establishment of industry regulations, the presence or scale of such impacts is unknown. Potential impacts could include reduction of services in Seattle; an increase in the cost of services (or new fees); and a corresponding decrease in demand for services due to higher costs.

Notably, the delayed effective date for newly covered network companies is intended to allow more time for those companies to adjust their policies and procedures, thereby potentially increasing their compliance.

⁷ [Labor Force Statistics from the Current Population Survey: Electronically Mediated Employment](#). U.S. Bureau of Labor Statistics, May 2017.

OLS Implementation

Establishing a permanent right to PSST with an expanded scope of coverage presents opportunities and costs for OLS. There is an opportunity for streamlined implementation since OLS could adapt materials created for the PSST for Gig Workers Ordinance and incorporate outreach into similar activities for the App-Based Worker Minimum Payment Ordinance. However, expanded coverage could also result in increased inquiries and investigations, creating more work for the enforcement team.

OLS fielded more questions about PSST for Gig Workers Ordinance than for any other gig worker or independent contractor ordinance over the past two years.⁸ Since mid-2020, OLS has responded to over 200 inquiries about the PSST for Gig Workers Ordinance and initiated nine compliance inquiries or formal investigations, recovering over \$5 million in remedies for over 30,000 workers. OLS anticipates that company-wide investigations of newly covered network companies (potentially involving hundreds of thousands of aggrieved parties) would be time intensive and dramatically impact investigator workloads.

To implement this legislation, OLS estimates \$115,000 in 2023 costs and \$148,000 in ongoing annual costs. Costs in 2023 would cover \$46,000 for initial implementation activities (e.g., creation of model notice of rights and educational documents, translation and interpretation services, rulemaking, outreach, communication campaigns) and \$69,000 for six months of salary for 1.0 FTE Senior Investigator position. On-going annual costs would cover the full year salary for 1.0 FTE Senior Investigator and a reduced scope of outreach. See Attachment B for more information on OLS's estimated implementation costs.

The 2023 Adopted and 2024 Endorsed Budgets do not include these resources. OLS received additional funding to implement the App-Based Worker Minimum Payment Ordinance and co-enforcement initiatives: \$552,000 OLS Fund in 2023 and \$527,000 OLS Fund in 2024. These appropriations support initial set-up costs, outreach, community partnerships for enforcing all labor standards, and the addition of 3.0 FTEs (i.e., Administrative Specialist, Policy Analyst, Data Analyst).

For reference, OLS did not receive additional funds to implement the PSST Gig Workers Ordinance. To reduce costs, OLS did not issue rules, create a model notice of rights, or engage in a broad communications campaign. Instead, OLS's implementation included the creation of a [PSST for Gig Workers webpage](#), [questions and answer document](#), and [fact sheet](#); translation of materials in [written](#) (eight languages) and [recorded formats](#) (seven languages); and responding to inquiries and enforcement needs with existing staff and contracts with community partners. OLS also partnered with the Department of Neighborhoods for additional outreach activities made possible through one-time funding from the American Rescue Plan Act of 2021. Without additional funding, OLS could potentially forego rulemaking, engage in limited outreach efforts (e.g., outreach efforts for the PSST for Gig Workers Ordinance), use funds

⁸ See [OLS Interactive Data Dashboards](#).

appropriated for the App-Based Worker Minimum Payment Ordinance, reprioritize work and funding to focus on App-Based Worker PSST rather than other labor standards, and/or delay responses to PSST inquiries and requests for investigations (thereby relegating such cases to “backlog status”).

Next Steps

If the Committee votes to recommend approval of CB 120514 on March 15, Council could consider the legislation on March 21.

If the Committee extends deliberations until a second Committee meeting (e.g., March 20), please contact me with any amendment proposals by close of business day, March 15.

Council would need to consider the legislation on March 21 or March 28 for the legislation to go into effect by April 30 (i.e., before temporary benefits expire under the Paid Sick and Safe Time for Gig Workers Ordinance).

Please contact me if you have questions about this proposed legislation.

Attachments:

- A. Comparison Chart (ORD 126091 and CB 120514)
- B. Office of Labor Standards Budget Estimate

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Supervising Analyst

Attachment A: Comparison Chart (ORD 126091 and CB 120514)

- Ordinance 126091, Paid Sick and Safe Time (PSST) for Gig Workers
- Council Bill 120514, App-Based Worker PSST

Item	Topic	Ordinance 126091 (Gig Workers)	CB 120514 (App-Based Workers)
1	Coverage <ul style="list-style-type: none"> • Workers 	Gig workers <ul style="list-style-type: none"> • Food Delivery Network Company (FDNC) workers • Transportation Network Company (TNC) drivers 	App-based workers
2	Coverage <ul style="list-style-type: none"> • Companies 	Hiring entities <ul style="list-style-type: none"> • FDNCs • TNCs 	Network companies <ul style="list-style-type: none"> • Expands coverage to align with the App-Based Worker Minimum Payment Ordinance (i.e., on-demand network companies and some network companies offering pre-scheduled services; not marketplace network companies). • Removes TNCs due to state preemption under ESHB 2076.
3	Coverage <ul style="list-style-type: none"> • Threshold number of workers 	FNDCs & TNCS with 250+ gig workers worldwide	Network companies with 250+ app-based workers worldwide <ul style="list-style-type: none"> • Adds provision to clarify requirement for counting app-based workers in the event of network company acquisitions and mergers (i.e., requirement to count all app-based workers for successor company during first 90 days of current calendar year).
4	Accrual	n/a	Adds provision to require app-based worker’s retention of any PSST accrued under GW PSST Ordinance.
5	Accrual	n/a	Removes outdated accrual requirements under GW PSST (e.g., requirement for network company to choose accrual method for app-based workers performing services before July 2020).

Item	Topic	Ordinance 126091 (Gig Workers)	CB 120514 (App-Based Workers)
6	Use	Requires an “accessible system,” via smartphone application or online web portal, for gig workers to request and use PSST.	<p>Adds provision that Office of Labor Standards (OLS) Director may issue rules defining reasonable requirements for the “accessible system.”</p> <ul style="list-style-type: none"> Rules could establish requirements for the “accessible system” to include notice of rights, clear instructions and procedures, timely responses to app-based worker requests to use PSST, ongoing access to PSST information (e.g., accrual, use, and rate of average daily compensation), and transparent information on days worked and earnings to show the basis for calculating PSST information. Any rules issued by the Director would go into effect no earlier than January 13, 2024.
7	Use	Requires accrued PSST to be made available for use no more than one week after accrual.	Revises provision to require network companies to make accrued PSST available for use <i>as soon as practicable</i> and no more than one week after accrual.
8	Use	Requires gig workers to request PSST in advance of use (i.e., gig workers cannot request retroactive use of PSST).	Adds provision allowing app-based workers to request PSST <i>as soon as practicable</i> to create more flexibility when workers cannot request PSST in advance because they are incapacitated.
9	Payment	<p>Requires payment of the gig worker’s average daily compensation:</p> <ul style="list-style-type: none"> Requires daily average of all compensation owed to worker (i.e., payments for providing services, bonuses, commissions, tips) in the highest earning calendar month since October 2019 or since commencing work for the hiring entity, whichever date is later. Includes compensation for all work performed inside Seattle and outside Seattle during lookback period. Requires recalculation every calendar month. 	<p>Revises calculation for average daily compensation.</p> <ul style="list-style-type: none"> Reduces lookback period to preceding 12 months. Removes requirement to base calculation on highest earning calendar month during lookback period. Excludes tips beginning January 13, 2024. <p>Retains certain requirements.</p> <ul style="list-style-type: none"> Requires daily average of all compensation owed to worker during lookback period (as of January 13, 2024, this compensation would include network company payments for engaged time and engaged miles under the App-Based Worker Minimum Payment Ordinance). Includes compensation for all work performed inside Seattle and outside Seattle during lookback period. Requires recalculation every calendar month.

Item	Topic	Ordinance 126091 (Gig Workers)	CB 120514 (App-Based Workers)
10	Notice of rights	Requires providing each app-based worker with a notice of rights by the effective date of the ordinance.	<p>Establishes a schedule to provide app-based workers with a notice of rights.</p> <ul style="list-style-type: none"> • Existing workers – provide notice by May 30, 2023. • New Workers hired after May 1, 2023 – provide notice before start date. • All workers – provide notice of rights on annual basis. <p>Adds provision that OLS Director may issue rules requiring the network company to file the notice of rights with OLS.</p>

Attachment B: Office of Labor Standards Budget Estimate

- CB 120514, Office of Labor Standards estimated implementation costs.

Activity	Item	2023	2024 (ongoing)
Outreach	Translation (three languages) <ul style="list-style-type: none"> • Press releases about rules • Effective date 	\$900	n/a
Outreach	Communication campaign <ul style="list-style-type: none"> • Social media • Ethnic media • Billboard ads 	\$20,000	\$2,000
Outreach	Notice of rights design	\$2,250	n/a
Outreach	Notice of rights translation	\$7,750	\$1,500
Outreach	Educational events and materials <ul style="list-style-type: none"> • Video • Webinars • Language Access 	\$6,400	\$25,00
Policy	Rulemaking activities <ul style="list-style-type: none"> • Participant engagement • Language access • Daily Journal of Commerce Advertisement(s) 	\$4,500	n/a
Enforcement	1.0 FTE Senior Investigator	\$68,854 (six months)	\$137,707
Enforcement	New employee set-up	\$3,050	\$375
Enforcement	Peer to Peer text messaging service	\$1,000	\$4,000
Total		\$114,704	\$148,077



SEATTLE CITY COUNCIL
CENTRAL STAFF

CB 120514

App-Based Worker Paid Sick and Safe Time

KARINA BULL, ANALYST
FINANCE AND HOUSING COMMITTEE
MARCH 15, 2023

App-Based Worker Paid Sick and Safe Time

Council Bill 120514

- Network companies would provide app-based workers with paid sick and safe time (PSST) to care for their personal and family members' health conditions or safety needs.
- Office of Labor Standards (OLS) would implement and enforce requirements.
- Effective on May 1, 2023.

Timeline



PSST

Scope	<ul style="list-style-type: none">• App-based worker• App-based worker's family member
Sick Time	<ul style="list-style-type: none">• Diagnosis, care, or treatment of an injury, illness, or health condition• Preventive care
Safe Time	<ul style="list-style-type: none">• Network company has discontinued operations due to a public health emergency• Network company has reduced or discontinued operations for any health or safety reason• Closure of family member's school or place of care• Services for domestic violence, sexual assault, or stalking

Coverage

- **App-based workers** who perform services, in whole or part in Seattle, for a covered network company.
- **Network companies** covered by the App-Based Worker Minimum Payment Ordinance (Ordinance 126595).
 - On-demand network companies primarily engaged in facilitating **on-demand offers** (i.e., offers that require workers to initiate services within two hours of acceptance).
 - Certain network companies facilitating **pre-scheduled offers** (i.e., offers that require workers to initiate services two or more hours after acceptance).

Coverage Exclusions

- **Marketplace network companies** that primarily facilitate pre-scheduled offers but exert less control over the worker or performance of services.
 - Workers can interface with prospective customer to determine the scope of services before the customer places an online order,
 - Workers can set their own rates, and
 - Network company does not monitor offers by mileage or time.
- **Transportation Network Companies (TNCs)** due to state preemption of the field of regulating TNCs and drivers under ESHB 2076.

Coverage Dates

- **May 1, 2023**
 - Effective date of coverage for food delivery network companies.
- **January 13, 2024**
 - Effective date of coverage for all covered network companies.

Accrual and Use

Accrual

- **One day of PSST would accrue for every 30 days worked for the network company with a work-related stop in Seattle.**
- Food delivery network company workers who accrued PSST under the PSST for Gig Workers Ordinance would be entitled to retain and use that paid leave.

Use

- **PSST would be used in 24-hour increments** (i.e., daily increments).
- App-based workers would be eligible to use PSST if they had performed services in whole or part in Seattle for the network company within 90 calendar days of the PSST request.
- Network companies could request “reasonable verification” (i.e., evidence showing that PSST was used for an authorized purpose) only after the app-based worker used PSST for more than three consecutive days.

Payment

Payment for PSST = App-based worker's "average daily compensation."

- Daily average of compensation for each day worked in whole or part in Seattle in the preceding 12 months.
- Calculation would include earnings for services performed in Seattle and outside Seattle for each covered calendar day of work.
- As of January 13, 2024, calculation would include compensation for any engaged time or engaged miles covered by the App-Based Worker Minimum Payment Ordinance but would *not* include tips.
- Rate of average daily compensation would be recalculated every calendar month.

Accessible System

- Network companies would provide an **accessible system** via smartphone or online web portal for app-based workers to understand, request, and use PSST.
- OLS Director could issue rules defining reasonable criteria or requirements for this system:
 - Notice of rights
 - Clear instructions and procedures
 - Timely responses to app-based worker requests to use paid sick and paid safe time, ongoing access to paid sick and safe time information (e.g., accrued, used, and available PSST; rate of average daily compensation)
 - Transparent information on days worked and earnings to show the basis for calculating paid sick and paid safe time information.
 - Any rules would go into effect no earlier than January 13, 2024.

Other requirements

- **Notification** – At least monthly, network companies would provide written notification of PSST information (e.g., accrued, used, and available PSST; rate of average daily compensation).
- **Carry-over** – Network companies would allow carry-over of at least nine days of accrued, unused PSST to the following year.
- **Separations from work** – App-based workers would retain accrued, unused PSST for work separations (voluntary inactivity, deactivation) of 12 months or less.

Other requirements

- **Notice of rights** – Network companies would provide each app-based worker with a written notice of rights (at hire and annually) and PSST policy.
- **Recordkeeping** – Network companies would retain records showing compliance for three years.
- **Prohibited retaliation** – Network companies would be prohibited from retaliating against an app-based worker for exercising their right to PSST.

Enforcement

OLS

- Rulemaking, outreach and education.
- Company-wide investigations.
- Remedies of unpaid compensation (treble damages) with interest, civil penalties and fines. Director discretion to award penalties and fines to aggrieved parties.
- Estimated implementation costs of \$115,000 in 2023 and \$148,000 ongoing.

Private right of action

- Individual or class action.
- Remedies of unpaid compensation (treble damages) with interest, penalty for retaliation.

Next Steps

- **March 15**
 - If Committee votes to recommend approval of CB 120514 on March 15, Council could consider the legislation on March 21.
 - If Committee extends deliberations until a second Committee meeting, please contact Central Staff (Karina Bull) with any amendment proposals by close of business day, March 15.
- **March 21 or 28**
 - Council would need to consider the legislation on March 21 or 28 for the legislation to go into effect by April 30 (i.e., before temporary benefits expire under the Paid Sick and Safe Time for Gig Workers Ordinance).

Questions?



Legislation Text

File #: CB 120527, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to acceptance of funding from non-City sources; authorizing the heads of various departments to accept and authorize the expenditure of specified grants, private funding, and subsidized loans and to execute, deliver, and perform corresponding agreements; amending Ordinance 126725, which adopted the 2023 Budget, including the 2023-2028 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; revising project allocations for certain projects in the 2023-2028 CIP; and ratifying and confirming certain prior acts.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. For each item in the following table, the head of the listed department is authorized to accept non-City funding from the listed sources below; and to execute, deliver, and perform, on behalf of The City of Seattle, agreements for the purposes described. The funding, when received, shall be deposited in the receiving fund identified to support, or as reimbursement for, either the appropriations set forth in Section 2 of this ordinance or existing appropriations in the receiving department.

Item	Department	Source	Purpose	Fund	Accept
1.1	Department of Finance and Administrative Services	Bloomberg Philanthropies	This additional grant funding from the Bloomberg Philanthropies I-Teams Procurement Cohort supports procurement innovation and transformation for The City of Seattle.	Finance and Administrative Services Fund (50300)	\$500,000
1.2	Human Services Department	Department of Commerce	Funding to design, construct, and pilot an innovative portative construction type to house the homeless.	Human Services Fund (16200)	\$582,000

1.3	Office of Emergency Management	Washington State Military Department - Emergency Management Division	Emergency Management Performance Grants (EMPGs) support the enhancement, sustainment, and improvement of state, local, and tribal EM programs. This FY22 EMPG provides funding support for three full-time OEM emergency management positions.	General Fund (00100)	\$440,497
1.4	Office of Emergency Management	Department of Homeland Security - FEMA Region 10	This grant supports creation of Puget Sound Resilience Hubs, which are augmented community-led and community-serving spaces to support socially vulnerable communities with coordinated resource distribution and services before, during, or after a catastrophic event. This project will coordinate efforts with all 8 Puget Sound Counties to design a pilot that is scalable for all community types and sizes, to address the needs of people who need support.	General Fund (00100)	\$1,496,750
1.5	Executive (Office of Housing)	Department of Energy	The purpose of the grant is to decarbonize 3-5 affordable housing multifamily buildings.	Low Income Housing Fund (16400)	\$1,050,000

1.6	Seattle Department of Transportation	Federal Highway Administration (FHWA) - FFY 2022 Local Bridge Program Selections	The City of Seattle will repaint the existing steel superstructure and substructure of the Dr. Jose P. Rizal Bridge supports on 12th Ave S and spans across S. Dearborn St. The proposed body of work is to repaint the existing steel superstructure and substructure. As part of the repainting of the structure, the project will also conduct lead abatement to remove the existing lead-based paint that is on the bridge before repainting the bridge with an environmentally friendly paint system.	Transportation Fund (13000)	\$3,150,465
1.7	Seattle Department of Transportation	FHWA	This project will install pedestrian refuge islands, rectangular rapid flashing beacons, crosswalks, curb extensions, and ADA ramps to reduce pedestrian exposure at uncontrolled spot (reactive) locations where a serious injury or fatal pedestrian crash occurred between 2016-2020 or at uncontrolled systemic (proactive) locations that rank within the top 5% of uncontrolled intersections per the BPSA rankings for pedestrian safety.	Transportation Fund (13000)	\$1,330,000

1.8	Seattle Department of Transportation	FHWA	This project will rebuild Harrison St and improve connecting transit corridors to serve high-frequency bus routes and significantly increased pedestrian activity. Primary project elements include roadway upgrades such as repaving and rechannelization, traffic signal upgrades and transit signal priority, transit stops, real-time information signage for transit, trolleywire infrastructure, and enhanced pedestrian realm improvements.	Transportation Fund (13000)	\$4,200,000
1.9	Seattle Department of Transportation	FHWA	This project will construct 1.9 miles of protected bike lane on Airport Way S, S Alaska St and 6th Ave S between S Lucile St and Airport Way S and the intersection of the SODO Trail and S Forest St to connect the Georgetown neighborhood to Downtown Seattle as the final link in a system of trails and protected bike lanes in the SODO area of the Duwamish River Valley.	Transportation Fund (13000)	\$2,370,000

1.10	Seattle Department of Transportation	FHWA	This planning project would lead to TS&L (type, size, and location) for the 4th/Argo Railyard Bridge Replacement following a previous seismic retrofit that identified replacement as the best, most cost-effective option. The replacement structure will consider design elements that will provide for safe and predictable travel for people walking, biking, and driving in cars as well as freight trucks to access jobs and essential services. It will also protect safe, efficient, and cost-effective rail freight mobility for the railyard that this replacement structure will span across.	Transportation Fund (13000)	\$2,400,000
1.11	Seattle Department of Transportation	FHWA	This grant will expand The City of Seattle’s Transportation Demand Management (TDM) programs to reach key underserved or unserved travel markets. The key elements of this work will support TDM programs for event spaces and small businesses, expand SDOT’s wayfinding program, and provide support and guidance to employers to achieve compliance with Seattle’s Commuter Benefit Ordinance.	Transportation Fund (13000)	\$3,820,000

1.12	Seattle Fire Department	Dept of Homeland Security/FEMA	The AFG Grant Program provides financial assistance directly to eligible fire departments, non-affiliated EMS organizations and State Fire Training Academies for critical training and equipment to recognize standards, enhance operational efficiencies, foster inoperability and support community resilience.	General Fund (00100)	\$1,815,609
1.13	Seattle Fire Department	Dept of Homeland Security/FEMA	The object of the Port Security Grant Program is to provide funding to port authorities, facility operators and state and local agencies for activities associated with implementing Area Maritime Security Plans (AMSPs), facility security plans and other port-wide risk management efforts.	General Fund (00100)	\$20,625

1.14	Seattle Fire Department	King County Office of Emergency Management	The State Homeland Security Program (SHSP) provides funds to build capabilities at the State, Local, Tribal and Territorial levels, to enhance National resilience to absorb disruptions and rapidly recover from incidents both natural and manmade as well as to implement the goals and objectives included in State Homeland Security Strategies and Initiatives. Activities implemented under SHSP must support terrorism preparedness by building or enhancing capabilities that relate to the prevention of, protection from, mitigation of, response to, and recovery from terrorism in order to be considered eligible. Many capabilities which support terrorism preparedness simultaneously support preparedness for other hazards.	General Fund (00100)	\$332,192
1.15	Seattle Police Department	Washington Traffic Safety Commission	This item provides funding for overtime related to supplemental traffic enforcement with special emphasis on impaired and distracted driving, seat belt, and motorcycle safety.	General Fund (00100)	\$25,900
1.16	Seattle Police Department	Department of Homeland Security	This grant provides funding for a contract intelligence analyst to support emergency preparedness efforts in King County.	General Fund (00100)	\$85,000

1.17	Seattle Public Utilities	King County Flood Control District	Provides one of a suite of three awarded grants to fund 2023 construction of the Royal Arch Reach Habitat Restoration Project, a component of the Cedar River Habitat Conservation Program Downstream Habitat Program.	Water Fund (43000)	\$275,000
1.18	Seattle Public Utilities	King County Dept of Natural Resources and Parks	Provides one of a suite of three awarded grants to fund 2023 construction of the Royal Arch Reach Habitat Restoration Project, a component of the Cedar River Habitat Conservation Program Downstream Habitat Program.	Water Fund (43000)	\$1,000,000
1.19	Seattle Public Utilities	WA State Recreation and Conservation Office (RCO)	Provides one of a suite of three awarded grants to fund 2023 construction of the Royal Arch Reach Habitat Restoration Project, a component of the Cedar River Habitat Conservation Program Downstream Habitat Program.	Water Fund (43000)	\$2,144,088
1.20	Seattle Public Utilities	King County Flood Control District	Address frequent flooding of four streets lacking drainage infrastructure that impacts pedestrians, bicyclists, vehicles, and several single-family homes in the southeastern portion of Seattle.	Drainage and Wastewater Fund (44010)	\$283,000
1.21	Seattle Fire Department	Department of Homeland Security	This grant assists high-threat, high density Urban Areas in efforts to build, sustain, and deliver the capabilities necessary to prevent, protect against, mitigate, respond to, and recover from acts of terrorism.	General Fund (00100)	\$1,150,521

1.22	Seattle Police Department	Department of Homeland Security	This grant assists high-threat, high density Urban Areas in efforts to build, sustain, and deliver the capabilities necessary to prevent, protect against, mitigate, respond to, and recover from acts of terrorism.	General Fund (00100)	\$1,720,258
Total					\$30,191,905

Section 2. Contingent upon the execution of grant or other funding agreements and receipt of the funds authorized in Section 1 of this ordinance, the appropriations in the 2023 Budget for the following items are increased from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	CIP Project/ID	Change to 2023 Appropriations
2.1	Department of Finance and Administrative Services	Finance and Administrative Services Fund (50300)	City Purchasing and Contracting Services (50300-BO-FA-CPCS)		\$500,000
2.2	Human Services Department	Human Services Fund (16200)	Addressing Homelessness (16200-BO-HS-H3000)		\$582,000
2.3	Office of Emergency Management	General Fund (00100)	Office of Emergency Management (00100-BO-EP-10000)		\$440,497
2.4	Office of Emergency Management	General Fund (00100)	Office of Emergency Management (00100-BO-EP-10000)		\$1,496,750
2.5	Executive (Office of Housing)	Low Income Housing Fund (16400)	Homeownership & Sustainability (16400-BO-HU-2000)		\$1,050,000
2.6	Seattle Department of Transportation	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	Bridge Painting Program (MC-TR-C007)	\$3,150,465
2.7	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	Vision Zero (MC-TR-C064)	\$1,330,000

2.8	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	Harrison St Transit Corridor (MC-TR-C119)	\$4,200,000
2.9	Seattle Department of Transportation	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	Bike Master Plan - Protected Bike Lanes (MC-TR-C062)	\$2,370,000
2.10	Seattle Department of Transportation	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	Bridge Rehabilitation and Replacement Phase II (MC-TR-C039)	\$2,400,000
2.11	Seattle Department of Transportation	Transportation Fund (13000)	Mobility Operations (13000-BO-TR-17003)		\$3,820,000
2.12	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)		\$1,815,609
2.13	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)		\$20,625
2.14	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)		\$332,192
2.15	Seattle Police Department	General Fund (00100)	Special Operations (00100-BO-SP-P3400)		\$25,900
2.16	Seattle Police Department	General Fund (00100)	Special Operations (00100-BO-SP-P3400)		\$85,000
2.17	Seattle Public Utilities	Water Fund (43000)	Habitat Conservation Program (43000-BC-SU-C160B)	Downstream Fish Habitat (MC-SU-C1607)	\$275,000
2.18	Seattle Public Utilities	Water Fund (43000)	Habitat Conservation Program (43000-BC-SU-C160B)	Downstream Fish Habitat (MC-SU-C1607)	\$1,000,000
2.19	Seattle Public Utilities	Water Fund (43000)	Habitat Conservation Program (43000-BC-SU-C160B)	Downstream Fish Habitat (MC-SU-C1607)	\$2,144,088

2.20	Seattle Public Utilities	Drainage and Wastewater Fund (44010)	Utility Service and Operations (44010-BO-SU-N200B)		\$283,000
2.21	Seattle Fire Department	General Fund (00100)	Operations (00100-BO-FD-F3000)		\$1,150,521
2.22	Seattle Police Department	General Fund (00100)	Special Operations (00100-BO-SP-P3400)		\$1,720,258
Total					\$30,191,905

Unspent funds so appropriated shall carry forward to subsequent fiscal years until they are exhausted or abandoned by ordinance.

CIP Project Allocation modifications for Seattle City Light, Seattle Public Utilities, and the Seattle Department of Transportation in this section shall operate for the purposes of increasing or decreasing the base for the limit imposed by subsection 4(c) of Ordinance 126725.

Section 3. Any act consistent with the authority of this ordinance taken after its passage and 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 _____ day of _____, 2023, and signed by me in open session in authentication of its passage this _____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this _____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2023.

Elizabeth A. Adkisson, Interim City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
City Budget Office	Anna Hurst	

** 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 acceptance of funding from non-City sources; authorizing the heads of various departments to accept and authorize the expenditure of specified grants, private funding, and subsidized loans and to execute, deliver, and perform corresponding agreements; amending Ordinance 126725, which adopted the 2023 Budget, including the 2023-2028 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; revising project allocations for certain projects in the 2023-2028 CIP; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: This ordinance proposes the acceptance of grants and/or private funds or donations from various agencies and organizations and authorizes the expenditure of funding backed by their respective revenue sources.

During the course of a year, City departments receive grant awards or opportunities for other funding resources that are not anticipated in the Adopted Budget. The City Budget Office formally accepts these funds by compiling departmental grants acceptances and similar agreements in separate ordinances throughout the year.

The attached ordinance contains grant-related requests and spending adjustments to the Adopted Budget received for the first quarter of 2023.

2. CAPITAL IMPROVEMENT PROGRAM

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? X Yes No

Appropriation change (\$):	General Fund \$		Other \$	
	2023	2024	2023	2024
	\$7,087,352		\$23,104,553	
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2023	2024	2023	2024
	\$7,087,352		\$23,104,553	

Positions affected:	No. of Positions		Total FTE Change	
	2023	2024	2023	2024
	0	0	0	0

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?
 No.

Is there financial cost or other impacts of *not* implementing the legislation?
 The City would not have available the financial resources that the ordinance accepts.

3.d. Appropriations

This legislation adds, changes, or deletes appropriations.

See Attachment A to this document for additional details.

3.e. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

See Attachment A to this document for additional details.

3.f. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
 Yes, this legislation impacts a number of departments' 2023 budgets.
- 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?**
 Please see Attachment A to this document for additional details.

f. Climate Change Implications

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

Please see Attachment A to this document for additional details.

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.

Please see Attachment A to this document for additional details.

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)?

Please see Attachment A to this document for additional details.

List attachments/exhibits below:

Summary Attachment A – 2023 Q1 Grants Detail Table

Item	Department	Source	Description	Fund	Budget Summary Level / BCL Code	Capital Project / ID	Accept	Appropriate
1.1	Department of Finance and Administrative Services	Bloomberg Philanthropies	This item increases grant-backed appropriation authority by \$500,000 in the Department of Finance and Administrative Services in the Finance and Administrative Services Fund City Purchasing and Contracting Services Budget Control Level (50300-BO-FA-CPCS). This \$500,000 of a \$1,000,000 grant from Bloomberg Philanthropies will provide funds for the digital transformation initiative. Digital transformation will be scoped during the grant period. Examples of ways cities might use digital transformation funds include but are not limited to purchasing a new software or IT solution that digitizes key aspects of the procurement or contract management process (e.g., a new online portal for vendor registration, implementation of a digital survey tool to complete vendor performance evaluations); integration of contracting data across disperse IT systems; or digitization of RFP or contracting documents. The remaining \$500,000 was appropriated through Ordinance 126635 (Items 1.1 and 1.2) in 2022 and is being used for procurement innovations including Citywide Women and Minority-Owned Businesses (WMBE) trainings, production of procurement training materials, and vendor engagement.	Finance and Administrative Services Fund (50300)	City Purchasing and Contracting Services (50300-BO-FA-CPCS)		\$500,000	\$500,000
1.2	Human Services Department	Department of Commerce	This item accepts grant funding and increases appropriation in the Addressing Homelessness Human Services Fund Budget Control Level (HSD - BO-HS-H3000-16200). The grant is from the Washington State Commerce Department for \$600,000; the total amount of the grant, less the fee, is - \$582,000. The grant was appropriated in the 2016 state supplemental capital budget and needs to be spent by June 2023 on costs to design, construct, and pilot an innovative portative construction type to house the homeless. The funds can be used on past projects going back to 2013 as long as the expense is an eligible use of funds.	Human Services Fund (16200)	Addressing Homelessness (16200-BO-HS-H3000)		\$582,000	\$582,000
1.3	Office of Emergency Management	Washington State Military Dept- Emergency Mgmt Division	This item increases appropriation authority in the Office of Emergency Management BSL (00100-BO-EP-10000) by \$440,497 to support the enhancement, sustainment and improvement of the City of Seattle’s emergency management program. This grant provides funding support for three full-time OEM emergency management positions. The terms of this grant run from June 1st, 2022 to September 30th, 2023 and has a matching requirement of \$440,497 provided by OEM’s general fund budget.	General Fund (00100)	Office of Emergency Management (00100-BO-EP-10000)		\$440,497	\$440,497
1.4	Office of Emergency Management	Department of Homeland Security - FEMA Region 10	This item increases appropriation authority in the Office of Emergency Management BSL (00100-BO-EP-10000) by \$1,496,750 from FEMA Region 10 to support creation of Puget Sound Resilience Hubs in coordination with 8 Puget Sound Counties.	General Fund (00100)	Office of Emergency Management (00100-BO-EP-10000)		\$1,496,750	\$1,496,750

Item	Department	Source	Description	Fund	Budget Summary Level / BCL Code	Capital Project / ID	Accept	Appropriate
1.5	Office of Housing	Department of Energy	This item increases appropriation authority by \$1,050,000 in the Office of Housing will provide additional appropriation authority to the Office of Housing Low Income Housing (16400) Homeownership and Sustainability Budget Control Level (OH-BO-HU-2000). This grant will support the decarbonization of multifamily affordable housing. This item will align the departments appropriation authority with the Department of Energy grant award amount of \$1,800,000. Council accepted the initial share of this grant and appropriated \$750,000 in CB 120452 as part of the 2023 Adopted Budget Legislation; this appropriation authority can be referenced in the Att A - 2023 Proposed Budget Grant Acceptance Detail Table, item 1.48. This item will provide the remaining acceptance and appropriation amount of \$1,050,000.	Low Income Housing Fund (16400)	Homeownership & Sustainability (16400-BO-HU-2000)		\$1,050,000	\$1,050,000
1.6	Seattle Department of Transportation	Federal Highway Administration - FFY 2022 Local Bridge Program Selections	This item accepts and increases appropriation authority by \$3,150,465 in the Seattle Department of Transportation (SDOT) Transportation Fund Major Maintenance/Replacement Budget Control Level (13000-BC-TR-19001). This grant will fund the Bridge Painting - Jose Rizal project. The project is currently in design and will move to construction in late 2023/early 2024. The funding is provided from the Federal Highways Administration (FHWA) RFFY 2022 Local Bridge Program Selections. The grant does not require local match as federally eligible costs will be reimbursed at 100%.	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	Bridge Painting Program (MC-TR-C007)	\$3,150,465	\$3,150,465
1.7	Seattle Department of Transportation	FHWA	This item accepts and increases appropriation authority by \$1,330,000 in the Seattle Department of Transportation (SDOT) Transportation Fund Mobility-Capital Budget Control Level (13000-BC-TR-19003). This grant will fund the design phase of pedestrian crossing improvements under the Vision Zero project in 2023. The funding is from the Federal Highways Administration (FHWA) Highway Safety Improvement Program (HSIP) grant program. The grant does not require a local match and the project is eligible for 100% HSIP funding for all phases authorized prior to April 30, 2026.	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	Vision Zero (MC-TR-C064)	\$1,330,000	\$1,330,000
1.8	Seattle Department of Transportation	FHWA	This item accepts and increases appropriation authority by \$4,200,000 in the Seattle Department of Transportation (SDOT) Transportation Fund Mobility-Capital Budget Control Level (13000-BC-TR-19003). The grant will support the design of Harrison St Transit Pathway project starting in late 2023. The funding is provided from the Federal Highways Administration (FHWA) Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) grant program. The grant does not require local match as federally eligible costs will be reimbursed at 100%.	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	Harrison St Transit Corridor (MC-TR-C119)	\$4,200,000	\$4,200,000

Item	Department	Source	Description	Fund	Budget Summary Level / BCL Code	Capital Project / ID	Accept	Appropriate
1.9	Seattle Department of Transportation	FHWA	This item accepts and increases appropriation authority by \$2,370,000 in Seattle Department of Transportation (SDOT) Transportation Fund Mobility-Capital Budget Control Level (13000-BC-TR-19003). This grant will fund the Georgetown to Downtown Protected Bike Lane project. The project is currently in design and the grant will support construction scheduled to start in late 2023. The funding is provided from the Federal Highways Administration (FHWA) Surface Transportation Block Grant Program (STP) grant program. The grant requires a 13.5% local match, which has been budgeted.	Transportation Fund (13000)	Mobility-Capital (13000-BC-TR-19003)	Bike Master Plan - Protected Bike Lanes (MC-TR-C062)	\$2,370,000	\$2,370,000
1.10	Seattle Department of Transportation	FHWA	This item accepts and increases appropriation authority by \$2,400,000 in the Seattle Department of Transportation (SDOT) Transportation Fund Major Maintenance/Replacement Budget Control Level (13000-BC-TR-19001). This grant will fund the 4th/Argo Railyard Bridge Replacement Planning Study that is currently underway. The funding is from the Federal Highways Administration (FHWA) Bridge Investment Program (BIP). The grant requires 20% local match, which has been budgeted.	Transportation Fund (13000)	Major Maintenance/Replacement (13000-BC-TR-19001)	Bridge Rehabilitation and Replacement Phase II (MC-TR-C039)	\$2,400,000	\$2,400,000
1.11	Seattle Department of Transportation	FHWA	This item increases appropriation authority by \$3,820,000 (already accepted in 2021 SDOT-CG02) in the Seattle Department of Transportation (SDOT) Transportation Fund Mobility Operations Budget Control Level (13000-BO-TR-17003). This grant will support the design, construction, and programming of Transportation Demand Management Wayfinding project in 2023. The funding is from the Federal Highways Administration (FHWA) CMAQ grant program. The grant requires 13.5% local match, which has been budgeted.	Transportation Fund (13000)	Mobility Operations (13000-BO-TR-17003)		\$3,820,000	\$3,820,000
1.12	Seattle Fire Department	Dept of Homeland Security /FEMA	This item increases appropriation authority by \$1,815,609 in the Seattle Fire Department (SFD) FD0 BSL (00100-BO-FD-F3000). This grant from the Federal Emergency Management Agency (FEMA) of the Department of Homeland Security provides funding for to purchase two particulate hoods for each SFD firefighter and provides Fire Dynamics Boot Camp Training. The period of Performance is 9/22/2022 – 9/21/2024. There is a 10% Cash Match of \$181,561 required for this project. There are no new positions associated with this project.	General Fund (00100)	Operations (00100-BO-FD-F3000)		\$1,815,609	\$1,815,609

Item	Department	Source	Description	Fund	Budget Summary Level / BCL Code	Capital Project / ID	Accept	Appropriate
1.13	Seattle Fire Department	Dept of Homeland Security /FEMA	This item increases appropriation authority by \$20,625 in the FD0 BSL (00100-BO-FD-F3000). This grant from the Federal Emergency Management Agency (FEMA) of the Department of Homeland Security provides funding for completion of the Area Maritime Security Assessment (AMSE). The AMSA provide analyses and search results concerning vulnerabilities and consequences for four Transportation Security Incidents as defined within the existing Area Maritime Security Plan. The period of Performance is 9/1/2022 – 8/31/2025. There is a 25% match of \$6,875 required for this project. There are no new positions associated with this project.	General Fund (00100)	Operations (00100-BO-FD-F3000)		\$20,625	\$20,625
1.14	Seattle Fire Department	King County Office of Emergency Management	This item increases grant-backed appropriation authority by \$332,192 in the Seattle Fire Department (SFD) General Fund FD0 BSL (00100-BO-FD-F3000). The grant amendment funds received from the Federal Emergency Management Agency (FEMA) of the Department of Homeland Security through the King County Office of Emergency Management, will fund Structural Collapse Refresher Training and purchase of heavy rescue equipment for Seattle Fire Department and regional partners. There are no positions or match required for this grant. The period of performance is 9/1/22 through 5/31/25.	General Fund (00100)	Operations (00100-BO-FD-F3000)		\$332,192	\$332,192
1.15	Seattle Police Department	Washington Traffic Safety Commission	This item increases appropriation authority by \$25,900 in the Special Operations BSL (00100-BO-SP-P3400) from the Washington State Traffic Safety Commission. This item provides funding for overtime related to supplemental traffic enforcement with special emphasis on impaired and distracted driving, seat belt, and motorcycle safety. The contract term runs from October 1, 2022 to September 30, 2023. There are no matching requirements or capital improvement projects associated with this item.	General Fund (00100)	Special Operations (00100-BO-SP-P3400)		\$25,900	\$25,900
1.16	Seattle Police Department	Department of Homeland Security	This item increases appropriation authority by \$85,000 in the Special Operations BSL (00100-BO-SP-P3400) from the Department of Homeland Security. This grant provides funding for a contract intelligence analyst in the Washington State Fusion Center. This position will support emergency preparedness efforts in King County in collaboration with the King County Office of Emergency Management. The term of this agreement runs from October 1, 2022 to September 30, 2025. There is no matching requirement for this item. There are no capital improvement projects associated with this item.	General Fund (00100)	Special Operations (00100-BO-SP-P3400)		\$85,000	\$85,000

Item	Department	Source	Description	Fund	Budget Summary Level / BCL Code	Capital Project / ID	Accept	Appropriate
1.17	Seattle Public Utilities	King County Flood Control District	This item increases appropriation authority by \$275,000 for the Seattle Public Utilities (SPU) Water Fund Habitat Conservation Program (43000-BC-SU-C160B) Budget Control Level. This grant represents an agreement with the King County Flood Control District, beginning in 2022 and ending in 2025, that will provide funding for construction of the Royal Arch Reach Habitat Restoration Project, a component of the Cedar River Habitat Conservation Program Downstream Habitat Program.	Water Fund (43000)	Habitat Conservation Program (43000-BC-SU-C160B)	Downstream Fish Habitat (MC-SU-C1607)	\$275,000	\$275,000
1.18	Seattle Public Utilities	King County Dept of Natural Resources and Parks	This item increases appropriation authority by \$1,000,000 for the Seattle Public Utilities (SPU) Water Fund Habitat Conservation Program (43000-BC-SU-C160B) Budget Control Level. This grant represents an agreement with the King County Department of Natural Resources and Parks, beginning in 2022 and ending in 2023, that will fund construction of the Royal Arch Reach Habitat Restoration Project, a component of the Cedar River Habitat Conservation Program Downstream Habitat Program.	Water Fund (43000)	Habitat Conservation Program (43000-BC-SU-C160B)	Downstream Fish Habitat (MC-SU-C1607)	\$1,000,000	\$1,000,000
1.19	Seattle Public Utilities	WA State Recreation and Conservation Office (RCO)	This item increases appropriation authority by \$2,144,088 for the Seattle Public Utilities (SPU) Water Fund Habitat Conservation Program (43000-BC-SU-C160B) Budget Control Level. This grant represents an agreement with the Washington State Recreation and Conservation Office (RCO), beginning in 2022 and ending in 2027, that will provide funding for construction of the Royal Arch Reach Habitat Restoration Project, a component of the Cedar River Habitat Conservation Program Downstream Habitat Program.	Water Fund (43000)	Habitat Conservation Program (43000-BC-SU-C160B)	Downstream Fish Habitat (MC-SU-C1607)	\$2,144,088	\$2,144,088
1.20	Seattle Public Utilities	King County Flood Control District	This item increases appropriation authority by \$283,000 for the Seattle Public Utilities (SPU) Utility Services and Operations (44010-BO-SU-N200B) Budget Control Level. This grant represents an agreement with the King County Flood Control District to provide funding for the Rainier View flood control project, addressing frequent flooding of four streets lacking drainage infrastructure and resulting in impacts to pedestrians, bicyclists, vehicles, and residences in southeast Seattle.	Drainage and Wastewater Fund (44010)	Utility Service and Operations (44010-BO-SU-N200B)		\$283,000	\$283,000

Item	Department	Source	Description	Fund	Budget Summary Level / BCL Code	Capital Project / ID	Accept	Appropriate
1.21	Seattle Fire Department	Department of Homeland Security	Fiscal Note: This item increases appropriation authority by \$1,150,521 in the FD0 BSL. This grant funding is from the Federal Emergency Management Agency (FEMA) of the Department of Homeland Security through the Washington State Military Department - Office of Emergency Management. This is a part of the UASI FY 2022 Grant that is being submitted and accepted by the Seattle Police Department. The Seattle Fire Department's portion of this grant will provide funds to enhance the City's ability to increase and sustain structural collapse capability for rescue response. The project will include Structural Collapse Training, Aviation Drill Training and purchase of heavy rescue equipment, Class 1 and 2 CBRNE suits, Rescue Task Force body armor (ballistic vests and helmets) and Methane Gas Detectors for the Seattle Fire Department and regional partners. There are no positions associated with this grant and no local match requirement. The period of performance for this grant is from 9/1/22 through 12/31/24.	General Fund (00100)	Operations (00100-BO-FD-F3000)		\$1,150,521	\$1,150,521
1.22	Seattle Police Department	Department of Homeland Security	This item increases appropriation authority by \$1,720,258 in the Special Operations BSL (00100-BO-SP-P3400). This grant funding is from the Federal Emergency Management Agency and U.S. Department of Homeland Security through the Washington State Military Department - Emergency Management Division under the Urban Areas Security Initiative (UASI) for federal fiscal year 2022. This item provides funding to continue and enhance the City of Seattle's ability to prevent, protect, respond to and recover from acts of terrorism as well as other emergency events. The Seattle Police Department accepts and manages this grant on behalf of several regional partners, including the Seattle Fire Department and the Office of Emergency Management. The following SPD projects are funded under this grant: program management and sustainment; citizen preparedness and outreach; contract analysts; equipment and training to respond to acts of terrorism; and mass care shelter planning with the Human Services Department. Seattle Fire Department has a corresponding appropriation increase supported by this grant in the amount of \$1,150,521. The period of performance for this grant is from 9/1/22 through 8/31/24. There are no matching requirements associated with this item.	General Fund (00100)	Special Operations (00100-BO-SP-P3400)		\$1,720,258	\$1,720,258
Total							\$30,191,905	\$30,191,905

March 9, 2023

MEMORANDUM

To: Finance & Housing Committee
From: Edin Sisic, Analyst, Greg Doss, Supervising Analyst
Subject: Council Bill 120527 – 2023 Grant Acceptance & Appropriation Ordinance

On March 15, 2023, the Finance & Housing Committee will discuss and may vote on Council Bill (CB) 120527, which would provide authority for select City departments to accept and appropriate the expenditure of specified grant revenues from non-City sources.

This memo summarizes CB 120527 and describes next steps in the budget adjustment process for 2023.

CB 120527 Background and Summary

In prior years, the appropriation of grants was authorized via a supplemental appropriations ordinance, while grants were accepted through a separate, grant acceptance ordinance. This year, Council Central Staff, in partnership with the Law Department and City Budget Office, created a standalone grant acceptance and appropriation ordinance to improve grant legislation processes. Streamlining acceptance and appropriation of grants will provide a number of benefits, including:

- Reduce a backlog of awarded but not yet accepted and appropriated grants, thus reducing project and operational interruptions as a result of grant appropriation delays.
- Improve timing issues, as grant awards don’t always follow the supplemental budget processes.
- Enhance visibility and transparency of the City’s grant legislation processes for the Council and the public, among other improvements.

CB 120527 is the first comprehensive grant acceptance and appropriation legislation transmitted by the Executive in 2023, authorizing City departments to accept and appropriate the expenditure of \$30.2 million from external funding sources. Table 1 below shows, by department, the total award and appropriation amount from each grant source.

Table 1. CB 120527: Grant Acceptances and Appropriations by Department and Grant Source:

Department	Grant Source	Amount (\$ millions)
Finance and Administrative Services (FAS)	Bloomberg Philanthropies	\$0.50
Office of Housing (OH)	Department of Energy	\$1.05

Human Services Department (HSD)	Department of Commerce	\$0.58
Office of Emergency Management (OEM)	Department of Homeland Security - FEMA Region 10	\$1.50
	Washington State Military Department - Emergency Management Division	\$0.44
Seattle Department of Transportation (SDOT)	Federal Highway Administration – multiple grants	\$17.27
Seattle Fire Department (SFD)	Department of Homeland Security	\$1.15
	Dept of Homeland Security/FEMA – two grants	\$1.84
	King County Office of Emergency Management	\$0.33
Seattle Police Department (SPD)	Department of Homeland Security – two grants	\$1.81
	Washington Traffic Safety Commission	\$0.03
Seattle Public Utilities (SPU)	King County Dept of Natural Resources and Parks	\$1.00
	King County Flood Control District	\$0.56
	WA State Recreation and Conservation Office (RCO)	\$2.14
Grand Total		\$30.19

Approximately 57 percent of the total amount in Table 1 is funding from the Federal Highway Administration for various SDOT programs, as itemized in *Table 2* below.

Table 2. SDOT Federal Highway Administration Grants by Program

Program & Grant Summary	Amount (\$ millions)
2022 Local Bridge Program Selections grant program for the bridge painting maintenance of the Jose Rizal bridge	\$3.15
million from the Congestion Mitigation and Air Quality grant program to support Transportation Demand Management and Wayfinding improvements	\$3.82
Surface Transportation Block Grant Program for the Georgetown to Downtown protected bike lane	\$2.40
Bridge Investment Program for the 4 th /Argo Bridge replacement planning study	\$2.37
Highway Safety Improvement Program to fund Vision Zero pedestrian-crossing design	\$1.33
Coronavirus Response and Relief Supplemental Appropriations Act to fund the Harrison St Transit Corridor CIP project	\$4.20
Total	\$17.27

Other noteworthy grant backed items include:

- \$500,000 of a \$1 million grant from Bloomberg Philanthropies to FAS for the digital transformation project managed through a partnership between FAS and CBO-Office of Innovation and Performance. The project is still in the scoping phase; these funds will be used for digital transformation purchases that could include but are not limited to: a new software or IT solution that digitizes key aspects of the procurement or contract management process (e.g., a new online portal for vendor registration, implementation of a digital survey tool to complete vendor performance evaluations); integration of contracting data across disparate IT systems; or digitization of RFP or contracting documents. The other half of this \$1 million grant was appropriated in the 2022 Mid-Year Supplemental Budget Ordinance ([ORD 126641](#)) .
- \$1.5 million from the Department of Homeland Security-Federal Emergency Management Agency (FEMA) Region 10 to OEM to support creation of Puget Sound Resilience Hubs in coordination with eight Puget Sound Counties.
- \$1.1 million from the Department of Energy to OH for the decarbonization of multifamily affordable housing.
- \$1.8 million from the Department of Homeland Security-Federal Emergency – FEMA Region 10 to SFD to purchase two particulate hoods for each SFD firefighter and provides Fire Dynamics Boot Camp Training. The period of Performance is from September 22, 2022 to September 21, 2024. There is a 10 percent cash match of \$181,561 required for this project.
- \$3.4 million from three grants awarded to SPU to provide funding for the construction of the Royal Arch Reach Habitat Restoration Project, a component of the Cedar River Habitat Conservation Program Downstream Habitat Program.
- 1.8 million from the Department of Homeland security grant to SPD. See further detail on SPD expenditures below and a full list of expenditures in Attachment 1: (FY2022 Urban Area Security Initiative (UASI) Grant, Seattle Police Department).

These and all other grants that would be accepted and appropriated in the bill are described in Attachment A to the summary and fiscal note submitted by the Executive.

Department of Homeland Security Grant for SPD:

The Department of Homeland Security administers the UASI grant funds awarded to the City to support the Seattle region in its efforts to build, sustain, and deliver the capabilities necessary to prevent, protect against, mitigate, respond to, and recover from acts of terrorism.

CB 120527 would accept and appropriate \$1.72 million to SPD which includes \$140,000 for the Office of Emergency Management and pass-through grant funding and equipment for regional UASI jurisdictions; and

SPD would use its 2023 UASI grant award on program maintenance and administration, including continued funding for a regional Grant Manager, as well as ongoing support of 5.5 FTE analysts at the regional Fusion Center. SPD would also make new purchases that include (1) \$124,000 for Self-Contained Breathing Apparatus (SCBA) kits for regional partners; and (2) \$398,000 for a rescue vehicle system (armored “BearCat” transport vehicle). More information on the grant selection process and the specific projects can be found in Attachment 1: FY2022 Urban Area Security Initiative (UASI) Grant, Seattle Police Department.

The new BearCat would replace a 20-year-old armored vehicle (one of two such SPD vehicles) that is for region-wide use in high-threat situations (active shooters, barricaded suspects, terrorist attacks, etc.). SPD staff have also indicated that “it is common for one to be in for maintenance of some kind, limiting our capability to one and relying on mutual aid if required.”

The department has characterized the BearCat as a “strictly defensive vehicle that grants safe access to injured victims in [an] unsecured area via multiple vehicle exits, allowing them to be moved to safety and treated.” SPD staff report that these vehicles have been used many times in active shooter incidents in Seattle and have saved officer lives. Over the past four years, the department has deployed a BearCat an average of 113 times a year.

SPD asserts that two armored vehicles are necessary to: (1) provide two bullet-proof protection points for a building that must be surrounded on all sides; and (2) allow multiple vehicles to be deployed simultaneously if necessary. For example, one BearCat might be deployed at a stadium sporting event while another is available for regional emergencies. The department used a BearCat vehicle during protest events, including the 2020 Black Lives Matter demonstrations but SPD has indicated that they would not deploy a BearCat to future demonstrations as part of the standard/usual staffing of protest events. However, a BearCat might be deployed to a demonstration if SPD had a credible indication of violence that might involve weapons.

If the Council does not want SPD to purchase the BearCat, CB 120527 could be amended to add a proviso that restricts the purchase with the appropriated funding. If a proviso is imposed, the funds will be distributed to another UASI project/jurisdiction. SPD has indicated that the \$398,000 would likely be spread amongst several smaller law enforcement projects in other jurisdictions across the region. If the funding is reallocated to a non-law enforcement project (e.g., an SFD project), then the Council may need to amend the adopted budget through a future supplemental budget ordinance to transfer the spending authority from SPD to SFD.

Next Steps

If the committee votes to make a recommendation on CB 120527 at the March 15, 2023, Finance & Housing Committee meeting, the legislation will be considered for final action at the March 21, 2023, City Council meeting.

Future 2023 budget adjustments will include mid-year and year-end comprehensive supplemental adjustments and grant acceptance and appropriation bills, and any other stand-alone supplemental bills necessary to address unforeseen circumstances, consistent with [RCW 35.32A.060](#).

Attachments

1. FY2022 Urban Area Security Initiative (UASI) Grant, Seattle Police Department

cc: Esther Handy, Director
Aly Pennucci, Deputy Director



FY2022 Urban Area Security Initiative (UASI) Grant

Seattle Police Department

March 6, 2023



What is UASI?



FEMA

- One of 3 Homeland Security Grant programs administered by FEMA
- Together, these 3 grants **“support a regional network in efforts to build, sustain, and deliver the capabilities necessary to prevent, protect against, mitigate, respond to, and recover from acts of terrorism.”**



Who can apply?

- Eligible high-risk urban areas for the UASI program are determined through a central analysis of relative risk of terrorism faced by the 100 most populous metropolitan statistical areas (MSAs) in the United States.
- Grant applications are coordinated regionally. The City of Seattle is a signatory on the grant and has fiduciary responsibility.
- SPD, OEM, and SFD all accept UASI funding on behalf of the City, to benefit the region.



How are projects chosen?

- UAWG jurisdictions
 - Snohomish County
 - Pierce County
 - King County
 - City of Seattle
 - City of Bellevue
- The UAWG performs risk assessments to determine the gaps in preparedness in the region.

The Urban Area Working Group (UAWG) *has several subcommittees...*

Law Enforcement
Subcommittee

Fire/EMS/HazMat
Subcommittee

Emergency Mgmt
Subcommittee

Cybersecurity
Subcommittee

Aviation
Subcommittee

Public Health
Subcommittee

Infrastructure
Subcommittee



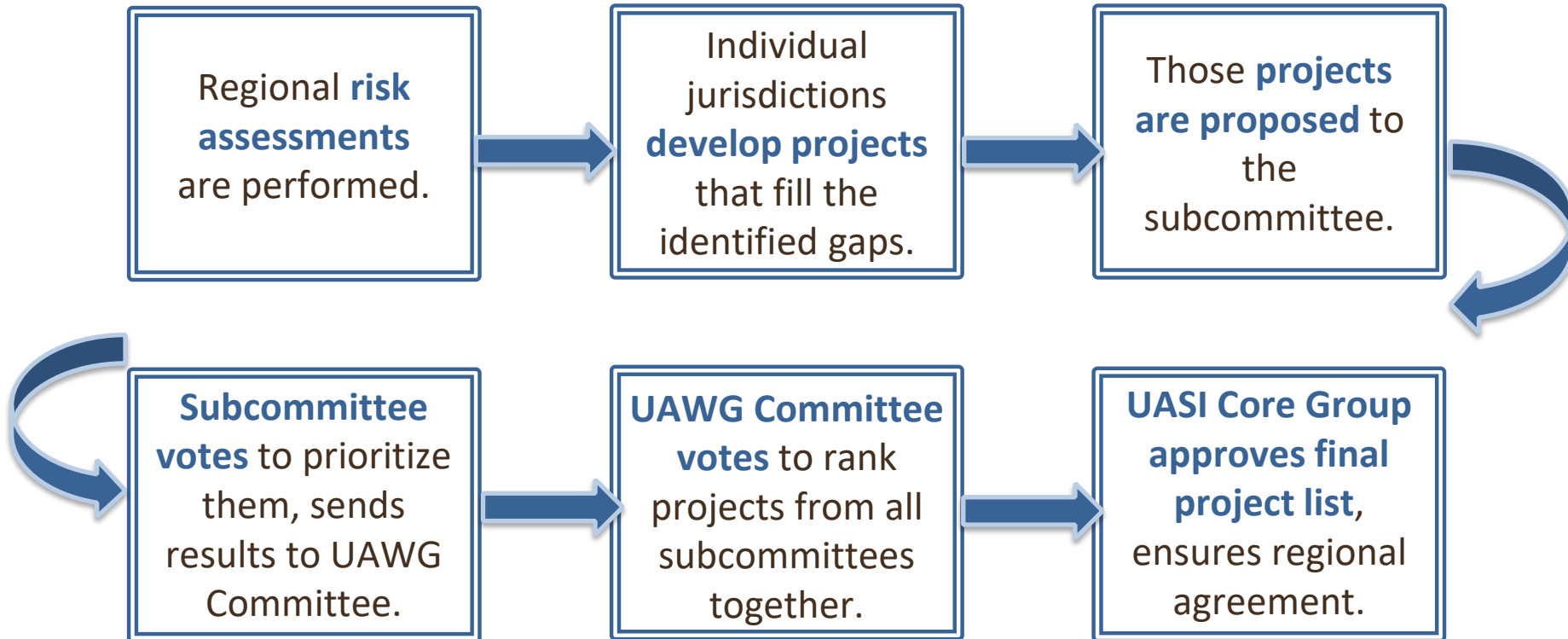
How are projects chosen?



- **Projects must close the gaps identified in the risk assessments.**
- Each subcommittee develops project proposals, then votes to prioritize them.
- Prioritized proposals from the LE subcommittee are submitted to the UAWG committee at large.
- UAWG votes to rank projects from all subcommittees.
- The UASI Core Group makes all final project approvals.



How are projects chosen?





FY22 Projects

Ongoing Costs and Administration	
Planning	\$240k
Regional Law Enforcement Program Manager	\$147k
WA State Fusion Center	\$585k
Maintenance and Administration	\$86k
One-Time Costs	
Regional On-scene Security, Protection, and Law Enforcement	\$124k
Critical Infrastructure Cyber Incident TTX	\$90k
Community Safety Ambassadors (OEM)	\$50k
Rescue Vehicle System	\$398k
TOTAL	\$1.7M



Ongoing Costs and Administration

Project	Amount	Description
Planning	\$240k	Funds Grant Manager position at SPD, focusing on project planning and grant compliance.
Regional Law Enforcement Program Manager	\$147k	Funds Regional Law Enforcement Program Manager position at SPD, focusing on the execution of grant projects and acquisition of equipment.
WA State Fusion Center	\$585k	The WA State Fusion Center's objective is to detect, deter, and prevent terrorist attacks. This is accomplished through open information sharing with appropriate stakeholders. This funding will support analysts that are dedicated to information sharing and analysis in the urban area.
Maintenance and Administration	\$86k	Partially funds Grant Accountant position at SPD



One-Time Costs: Regional On-scene Security, Protection, and LE



This funding will be used for maintenance and repairs on equipment purchased with UASI funding, in any jurisdiction.

If unused, it will fund additional CBRNE/SCBA kits for regional partners.

This funding will be used to purchase CBRNE/ Self-Contained Breathing Apparatus (SCBA) kits for SPD.



One-Time Costs: Critical Infrastructure Cyber Incident TTX

\$90,000

- This project supports a discussion-based tabletop exercise (TTX) focused on a **regional ransomware attack on water treatment and distribution systems** affecting the Seattle Urban Area.
- Funding will cover expenses such as facility rental, personnel expenses associated with planning and the facilitator, as well as supplies (including printing, training aids, and other support items).
- This will benefit all regional attendees.



One-Time Costs: Community Safety Ambassadors

\$50,000

- Office of Emergency Management project that focuses on building effective community response to major disasters, by way of community training and engagement.
- Funding will cover:
 1. Stipends for Community Safety Ambassadors (CSA) and for staff at regional community-based organizations;
 2. Costs for developing, printing, and translating preparedness materials, including Alert Seattle items; and
 3. Costs for promoting alert system sign-ups for the underserved communities.



One-Time Costs: Rescue Vehicle System

\$398,250

- This funding will be used to replace an expiring armored vehicle for use in high-threat situations (active shooters, barricaded suspects, terrorist attacks, etc.) region-wide.
- The new Bearcat is a strictly defensive vehicle that is uniquely able to:
 - ✓ Safely deliver negotiation items (i.e., phones)
 - ✓ Give officers visibility into an unsecured dangerous area using 360° cameras
 - ✓ Increase SPD's ability to de-escalate situations and negotiate
 - ✓ Increase safety for first responders, innocent bystanders, and victims
 - ✓ Grant safe access to injured victims in the unsecured area via multiple vehicle exits, allowing them to be moved to safety and treated



One-Time Costs: Rescue Vehicle System



The suspect was aiming at the officers driving this Bearcat.
Without the armored vehicle, they would have died.



Questions

What happens if Council does not approve the Bearcat?

If Council accepts UASI but provisos the funds for the Bearcat, the funds will be returned and distributed to another project/jurisdiction. SPD will likely need a new federal grant contract, but this should not require any legislative action unless the funds are redistributed to another Law Enforcement subcommittee project (i.e., returned for another use).

Is this a replacement or a new item?

This is a replacement for an end-of-life vehicle.

What else could we have spent the money on?

If this project had not been chosen, the \$ would have gone to another project on the ranked list at the UAWG. There is no guarantee it would have benefitted Seattle.



Questions

You already have two Bearcats. Why do you need more?

- This is a replacement for one that is nearly 20 years old and breaking down.
- Best practice. The top 100 most populous US cities have an average of 4 Bearcats. (Seattle is ranked #18.)
- If a barricaded suspect is in a house that needs to be surrounded on 4 sides, SPD requires two Bearcats. Otherwise, half the officers are unprotected.
- Improved technology on the new model (side exit doors and 360° cameras) make this Bearcat a more effective safety tool.
- With two Bearcats the dept is able to remove an injured victim for medical treatment without completely abandoning the position.
- These are often deployed to potential terrorist targets (sports games, etc.) in case of a large-scale emergency. In a city of this size, it is not unreasonable that another emergency could happen concurrently.
- Regional asset. SPD has the only 24-hour SWAT team in the region.



Legislation Text

File #: Inf 2243, **Version:** 1

Seattle Rescue Plan 2022 Year End Report

Seattle Rescue Plan: Update on Seattle's ARPA Spending

Julie Dingley, Director, City Budget Office

William Chen, Evaluation, Fiscal & Policy Manager, Innovation & Performance

March 15, 2023



City of Seattle **124**

Overview

Key Takeaways

Lay of the Federal Funding Land

FEMA Update

Federal Infrastructure Funding Update

Seattle Rescue Plan Summary

Completed Programs

Evaluation Update

Key Takeaways

- **City of Seattle is ahead of the pack in spending CLFR funds.** Thanks to our quick planning and implementing since 2021, Seattle has made great progress in getting our COVID recovery funds out into the community. According to a [Bloomberg analysis](#) of spending reports from across the country, on average as of last September, large cities and counties have spent 29% of their CLFR funds; **Seattle has spent 75% of CLFR funds.**
- **More performance reporting to come.** Implementing Seattle Rescue Plan programs continues and we will continue to gather data and stories about what these funds have done for the people of Seattle.

Lay of the Federal Funding Land

American Rescue Plan Act (ARPA):

- \$300m in direct funding for Seattle; allocated via “**Seattle Rescue Plan**” packages.

FEMA Public Assistance:

- COVID-19 incident period ends May 11, 2023. Almost all reimbursement applications for eligible activity submitted; OEM continues to work to move applications through the review pipeline; some additional small reopening projects still outstanding.

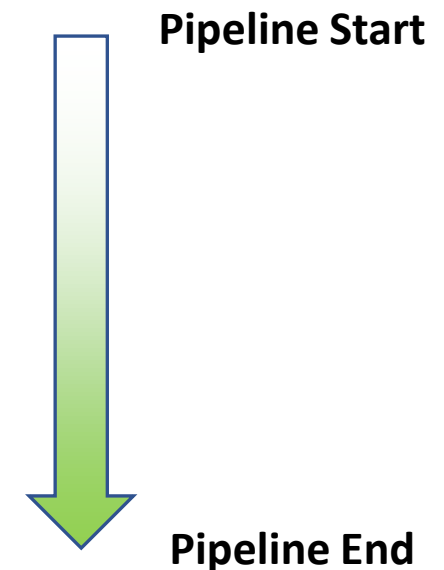
Additional resources for Infrastructure Funding:

- **Bipartisan Infrastructure Law (BIL)/Infrastructure Investment and Jobs Act (IIJA):**
 - Federal agencies’ grant funding continues for another four years.
 - City departments continue to watch for info to be released, respond to RFIs, and apply for funding.
- **Inflation Reduction Act (IRA):**
 - More to come down the road. Note: the same federal agencies implementing BIL are responsible for IRA.

FEMA Public Assistance Update

- \$18.4m of reimbursements received or approved by FEMA; \$9.9m in process
- FEMA reimbursements are all already factored into revenue projections/balancing
- **99.6% approval rate: only \$70k of submissions to FEMA have been rejected**

	# of Projects	Amount
Project Worksheets (PWs) pending submission from Depts	-	-
PWs currently in review with OEM	-	-
PWs currently in State/FEMA Desk Review	-	-
PWs in review by FEMA Consolidated Resources Center	9	\$9,981,094
PWs Approved by FEMA	-	-
FEMA Reimbursement Received	31	\$16,715,353
<i>FEMA Reimbursement Held for Close-Out</i>		<i>\$1,723,827</i>
Total	40	\$28,420,274



Federal Infrastructure Funding Update

Seattle has been awarded over \$70 million in federal infrastructure grants from the Bipartisan Infrastructure Law (BIL) to-date.

A few grants of note:

Department	Grant Name	Project Descriptions	Award Amount
SDOT	Safe Streets for All	Ped/bike safety improvements	\$25,600,000
CEN	All Stations Accessibility Program	Renovation of SC Monorail Station for ADA accessibility	\$15,000,000
SDOT	Surface Transportation Block Grant	Harrison Street Transit Corridor, Denny Way Overlay, Georgetown-Downtown Bike Lane, Beacon Avenue Bike Lane	\$9,110,000

Federal Infrastructure Funding Update

City departments continue to watch for info to be released, respond to RFIs, and apply for funding.

BIL was a five-year funding bill. Federal agencies' grant cycles funded by BIL will continue for another four years, through 2026.

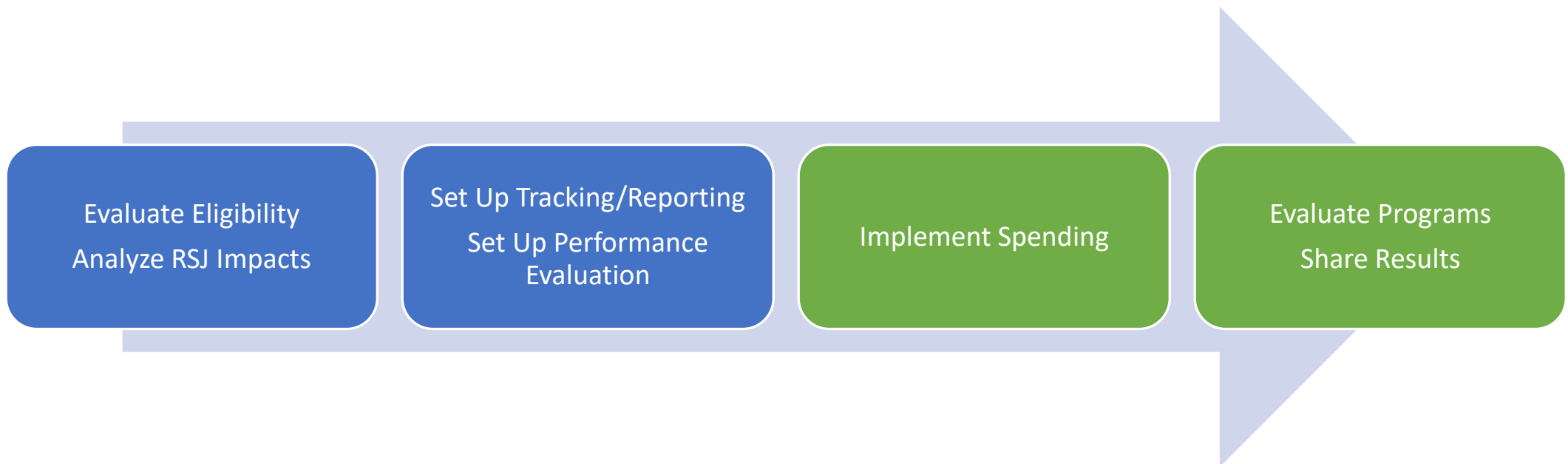


The Office of Intergovernmental Relations (OIR) will provide an update on BIL and IRA activity at their presentation in April.

Seattle Rescue Plan Implementation Continues

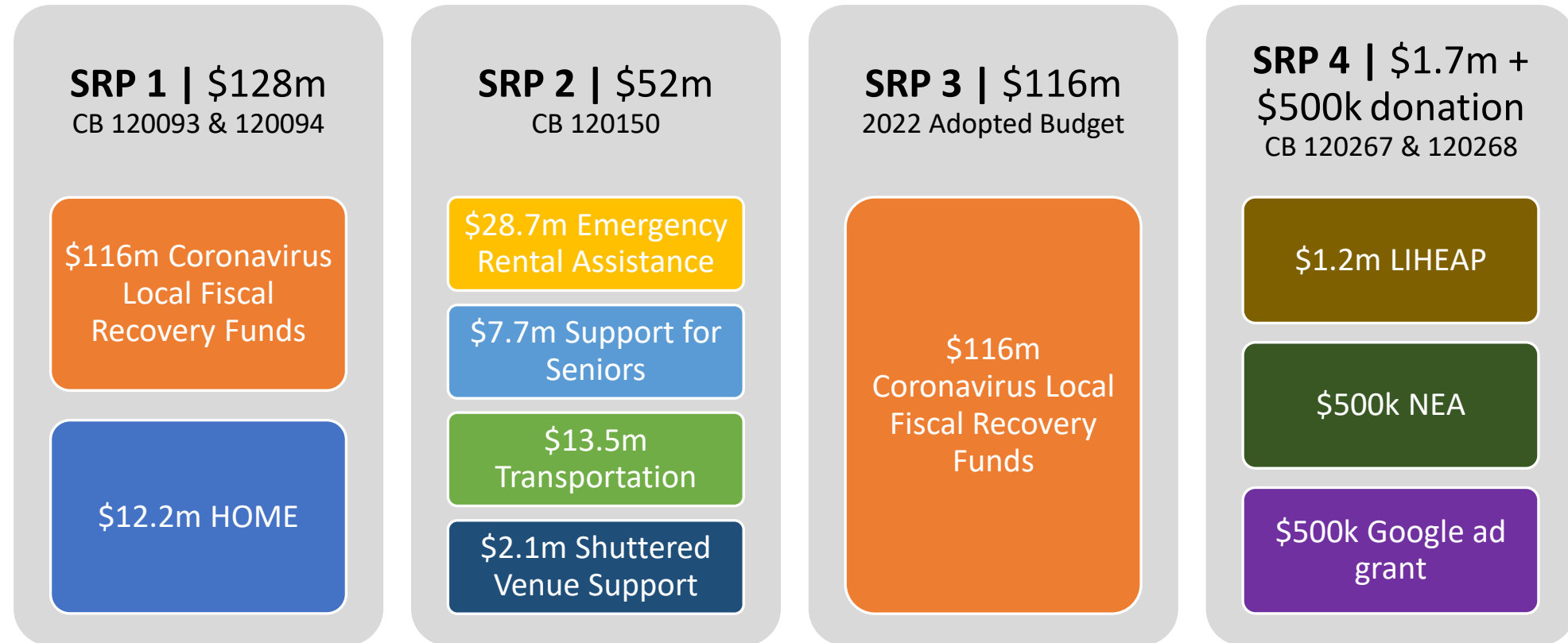
With programs concluding spending, we will have much more to share later this year after conducting research and analysis.

Spending updates and program highlights from our research will be added to the [SRP Transparency Portal](#).



Seattle Rescue Plan (SRP) Summary

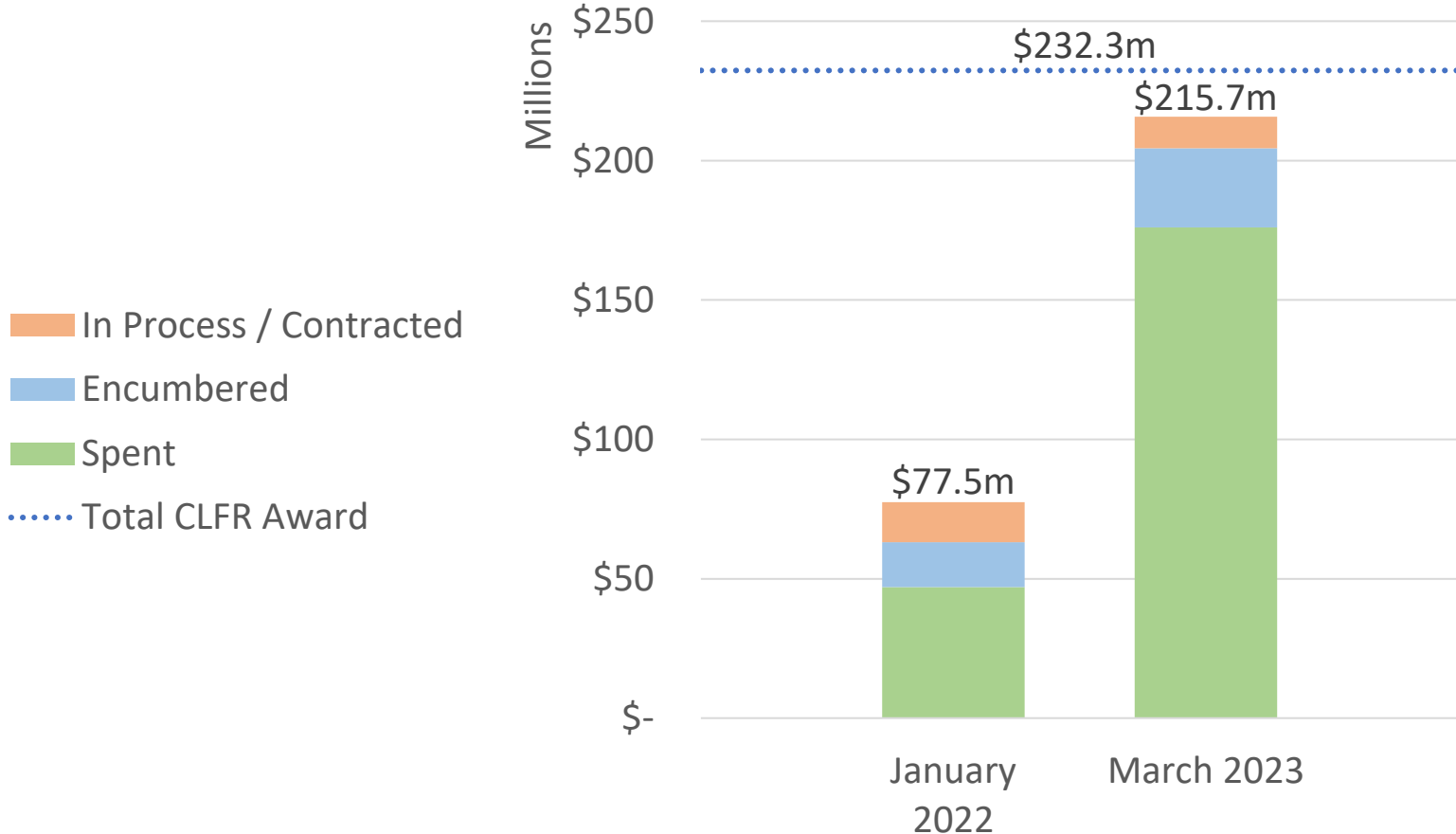
Seattle has received \$300M of the \$1.9T total from the American Rescue Plan Act (ARPA), including \$232M in local direct aid (flexible funding from the Coronavirus Local Fiscal Recovery [CLFR] funds) and other targeted aid under the umbrella of the “**Seattle Rescue Plan.**”



All-SRP Appropriation Summary

	Direct-CLFR	CLFR Revenue Replacement	Other ARPA Grants	Total
Grand Total	\$137,389,328	\$94,952,299	\$69,472,648	\$301,814,275
Housing & Homelessness	\$55,912,968	-	\$44,574,092	\$100,487,060
Community Well-being & Reopening Services	\$31,763,388	\$27,458,110	\$7,752,975	\$66,974,473
Community & Small Business Recovery	\$32,316,156	\$1,400,000	\$17,145,581	\$50,861,737
Community Safety & Mental Health	\$1,200,000	\$4,200,000	-	\$5,400,000
Supporting City Workers & Services	\$16,196,816	\$61,894,189	-	\$78,091,005

CLFR Progress Since January 2022 Update



- **\$120m+ in new expenditures since January 2022**

CLFR Spending Update

	Allocated	In Process / Contracted	Encumbered	Spent	Total Spent/ Encumbered/ In Process	% Progress
Grand Total	\$232,341,627	\$11,259,856	\$28,396,531	\$176,026,864	\$215,683,251	93%
Housing & Homelessness	\$55,912,968	-	\$21,479,075	\$34,167,794	\$55,646,869	99%
Community Well-being & Reopening Services	\$31,763,388	\$2,143,383	\$1,613,954	\$18,937,733	\$22,695,070	71%
Community & Small Business Recovery	\$32,316,156	\$1,793,833	\$5,250,042	\$19,545,593	\$26,589,468	82%
Community Safety & Mental Health	\$1,200,000	-	\$53,460	\$1,146,540	\$1,200,000	100%
Supporting City Workers & Services	\$16,196,816	\$7,322,640	-	\$7,276,905	\$14,599,545	90%
Revenue Replacement	\$94,952,299	-	-	\$94,952,299	\$94,952,299	100%

Other SRP Spending Update

	Allocated	Encumbered	Spent	Total Spent/ Encumbered	% Progress
Grand Total	\$69,472,648	\$2,943,889	\$43,001,420	\$45,945,309	66%
Housing & Homelessness	\$44,574,092	\$317,919	\$24,023,472	\$24,341,391	55%
Community Well-being & Reopening Services	\$7,752,975	\$2,310,963	\$2,965,145	\$5,276,108	68%
Community & Small Business Recovery	\$17,145,581	\$315,007	\$16,012,803	\$16,327,810	95%

Completed Programs

Housing & Homelessness

Dept	Program	Allocation	Metrics	Intended Outcomes
HSD	Enhanced Shelter and Outreach*	7,500,000	<ul style="list-style-type: none"> Shelter utilization Length of stay Permanent housing exits Demographic data for metrics above 	40% of people served exiting to permanent housing with a goal of maintaining housing (serving unsheltered BIPOC individuals with behavioral health needs and/or criminal legal system involvement)
OH	Multifamily Housing Acquisition Capital	16,300,000	<ul style="list-style-type: none"> 443 new apartment units in 4 acquired affordable housing buildings. All four new developments are in Central Seattle. 	Developing housing for an estimated 400 people (with a focus on creating new housing units for those facing or at risk of homelessness)

**Updated metrics for this program will be received in the upcoming months.*

Completed Programs

Housing & Homelessness (cont.)

Dept	Program	Allocation	Metrics	Intended Outcomes
OH	Emergency Rental Assistance 1*† (non-CLFR)	21,222,606	<ul style="list-style-type: none"> Through June 2022, 7,842 households received aid 47% under 30% AMI; 23.5% between 30%-50% AMI 66% BIPOC 43% households with children 	Provide rental and utility bill assistance for low-income residents to prevent loss of housing (provided through community-based organizations, United Way of King County, and Seattle's Office of Housing)
SCL	Emergency Rental Assistance 1 (non-CLFR)	1,000,000	<ul style="list-style-type: none"> 2,198 accounts received an average utility assistance amount of \$448 	
SPU	Emergency Rental Assistance 1 (non-CLFR)	500,000	<ul style="list-style-type: none"> 355 accounts received an average utility assistance amount of \$1,408 	

*Updated metrics for this program will be received in the upcoming months.

† Includes ERA2 metrics through June 2022.

"I would like to thank your organization for helping me during the pandemic. I am eternally grateful for the rent assistance. It gives me time to find a job and have a roof over my head. Thank you again so much!"

"Thank you so much. This means a lot to me and my daughter. Thank you for helping us and saving us from [losing] our housing. Thank you for helping wipe away / dry our tears."

-Recipients of ERA assistance

Completed Programs

Community Safety & Mental Health

Dept	Program	Allocation	Metrics	Intended Outcomes
HSD	Gender Based Violence Response Services*	600,000	<ul style="list-style-type: none"> • Advocacy: # of new clients • Legal: # and type of legal services and domestic legal representation provided • Response: # of trainings and/or technical assistance consultations to community staff and stakeholders 	Investing in community-driven, community-based programming to prevent, intervene, and end gender-based violence.

**Metrics for this program will be received in the upcoming months.*

“Many of our clients due to the pandemic have lost their jobs. The unemployed, left dependent on the men in their lives, face an increased risk for abuse at a time when women are more likely to have lost jobs and been unable to regain them. This funding has allow[ed] us to continue offering these lifesaving services...”

-Consejo Counseling and Referral Service

Completed Programs

Supporting City Workers & Services

Dept	Program	Allocation	Metrics	Intended Outcomes
SDHR	Employee Vaccine Verification System	295,000	Tracking vaccination status of City employees, and to collect test results and screen for symptoms was implemented.	Create systems around vaccine verification, contact tracing, booster status, and case management to reduce and prevent contraction of COVID-19 among City staff

Community Well-Being & Reopening Services

Dept	Program	Allocation	Metrics	Intended Outcomes
OIRA	Seattle Relief Fund	25,000,000	Cash assistance of \$1,000-\$3,000 disbursed to 11,712 households totaling over 26,000 people, including nearly 10,000 children.	Providing cash assistance to vulnerable immigrant, refugee, and low-income communities to improve their ability to survive the pandemic and to make it through the long recovery process in a stronger position than they would without it.

Completed Programs

Community Well-Being & Reopening Services

Dept	Program	Allocation	Metrics	Intended Outcomes
CEN	Summer Campus Activation	200,000	Almost 30,000 people attended the eight summer activation events.	Return business opportunity and revenue to small businesses in the tourism and hospitality industries through activation events
DEEL	Child Care Wage Allocation	2,951,593	Awards of \$835 each went to about 3,500 staff at 537 sites that serve about 20,000 children.	Support staff hiring and retention with a focus on women and women of color childcare providers

“To retain good staff, you have to value them, not only in words, but in deeds. Over the last year, it has been so great to have my staff be acknowledged, not just by me, but by the City, the County, and the State. Child care has been looked down on for so many years, and it has really been great to have us finally receive this recognition, so that our staff know that they are valued within the community.”

-Grace Alams, Director of Creative Kids Learning Center

Completed Programs

Community Well-Being & Reopening Services

Dept	Program	Allocation	Metrics	Intended Outcomes
HSD	Enhanced Diaper Distribution*	225,000	670,000 diapers were distributed from September to December 2021.	Reduce and prevent financial hardships for low-income families with children by providing essential items like diapers, clothing, and equipment
	Good Food Kitchens*	690,000	43,000+ meals were served between 2021 through 2022. Meals were primarily distributed in Central and SE Seattle.	Reduce food insecurity by providing culturally appropriate food to for low-income and primarily BIPOC community members (through local neighborhood restaurants that are BIPOC owned)

**Updated metrics for this program will be received in the upcoming months.*

Completed Programs

Community Well-Being & Reopening Services (cont.)

Dept	Program	Allocation	Metrics	Intended Outcomes
SPL	Library Hours Restoration	465,317	34 employees were rehired, and all 27 libraries reopened in 2021. Library hours were mostly restored to pre-pandemic levels by December 2021.	Address lost capacity and allow the Library to rehire cut positions and return hours to pre-pandemic levels
SPR	Community Programming (Childcare Scholarships)*	1,000,000	Scholarship utilization - amount and number of scholarships.	Alleviate cost burdens associated with childcare for families through scholarships for low-income residents
	Community Programming (Outdoor Recreation)	200,000	26,000 individuals participated in Rec’N the Streets (Outdoor Mobile Recreation program) events at 39 locations from January to December 2021.	Hosting outdoor recreation events in partnership with community, with a focus on providing outdoor programming for neighborhoods with higher health disparities

**Metrics for this program will be received in the upcoming months.*

Completed Programs

Community Well-Being & Reopening Services (cont.)

Dept	Program	Allocation	Metrics	Intended Outcomes
SPR	Community Programming (Wading Pools)	400,000	Funded more open days per week at 11 wading pools around the city in 2021. Nearly 26,800 children used the wading pools in 2021.	Improve health by reopening wading pool services at 11 locations that were closed due to the COVID-19 pandemic
	Enhanced Maintenance - Grounds	1,050,000	From January to September 2021, CLFR funded 22 full-time employees who provided 34,000 hours of enhanced park maintenance	Supporting community safety in public parks and open spaces by filling maintenance positions left vacant as a result of the COVID-19 pandemic

Completed Programs

Community and Small Business Recovery

Dept	Program	Allocation	Metrics	Intended Outcomes
OED	Downtown Workforce Development*	292,574	As of April 2022: <ul style="list-style-type: none"> Virtual Hiring Hall: 810 jobs posted by 79 employers, including 22 unions. 79 people received wraparound employment services and 35 of them were placed into jobs. 	Increase job placement for un- and under-employed BIPOC and vulnerable individuals in the hospitality sector in downtown Seattle
SDOT	Safe Starts	300,000	Funded an estimated 64 permits to use the public right-of-way for outdoor dining, display, and vending in 2021.	Support businesses in meeting COVID-19 safety guidelines while reopening for business

*Metrics for this program will be received in the upcoming months.

“When they told me about all the benefits, I truly could not believe it! The benefits, to feel protected by the union and know that someone has my back. I have never worked in an environment where I felt secure like that – and where there were possibilities. We’ve begun talking with my husband about what’s possible now. Because we both have health care and there’s maternity leave in my union contract, maybe we can start a family. That’s a possibility now, and it wouldn’t be if it wasn’t for my new union job.”

-Mayra Sanchez, Union Jobs Fair participant,
Line Server at the Google campus in South Lake Union, New union member of UNITE HERE Local 8

Completed Programs

Community and Small Business Recovery (cont.)

Dept	Program	Allocation	Metrics	Intended Outcomes
SPR	Clean City Initiative Expansion*	4,208,860	<ul style="list-style-type: none"> • Pounds of trash and debris collected from illegal dumping, encampment sites, and RV cleans 	Improve public health and mitigate the spread of COVID-19 by providing sanitation services to prevent the spread of infectious disease for people living outside and for anyone using and moving through public spaces
SPU	Clean City Initiative Expansion*	955,824	<ul style="list-style-type: none"> • Number of authorized trash bags distributed • Number of needles collected per collection boxes • Location of needle collection boxes 	

**Metrics for this program will be received in the upcoming months.*

"We have been extremely pleased with the response and support that Lake City has benefitted from through the Clean City Initiative. Residents and businesses have noted that our business district corridor, traditionally problematic areas in the Little Brook area and other pockets of the neighborhood have vastly improved. The program has been well coordinated, adaptive, and very responsive. Thank you to the Office of Economic Development, Seattle Public Utilities and all departments and staff involved in this effort."

-Chris Levenson, Project Manager, Build Lake City Together

Evaluation Update

Last fall we shared highlights from the 2022 Recovery Plan Performance Report, including output metrics and analysis showing success in aligning program's geographic distribution with areas of the city with greatest need.

The evaluation team is about to kick into high gear analyzing program data from the past year to produce this year's Recovery Plan Performance Report.

In addition, the team is planning and conducting more:

- In-depth analyses on select programs that have the data to enable deeper exploration
- Qualitative research to follow up with beneficiaries of programs and gather their stories of how SRP programs have affected them

Much more to come.

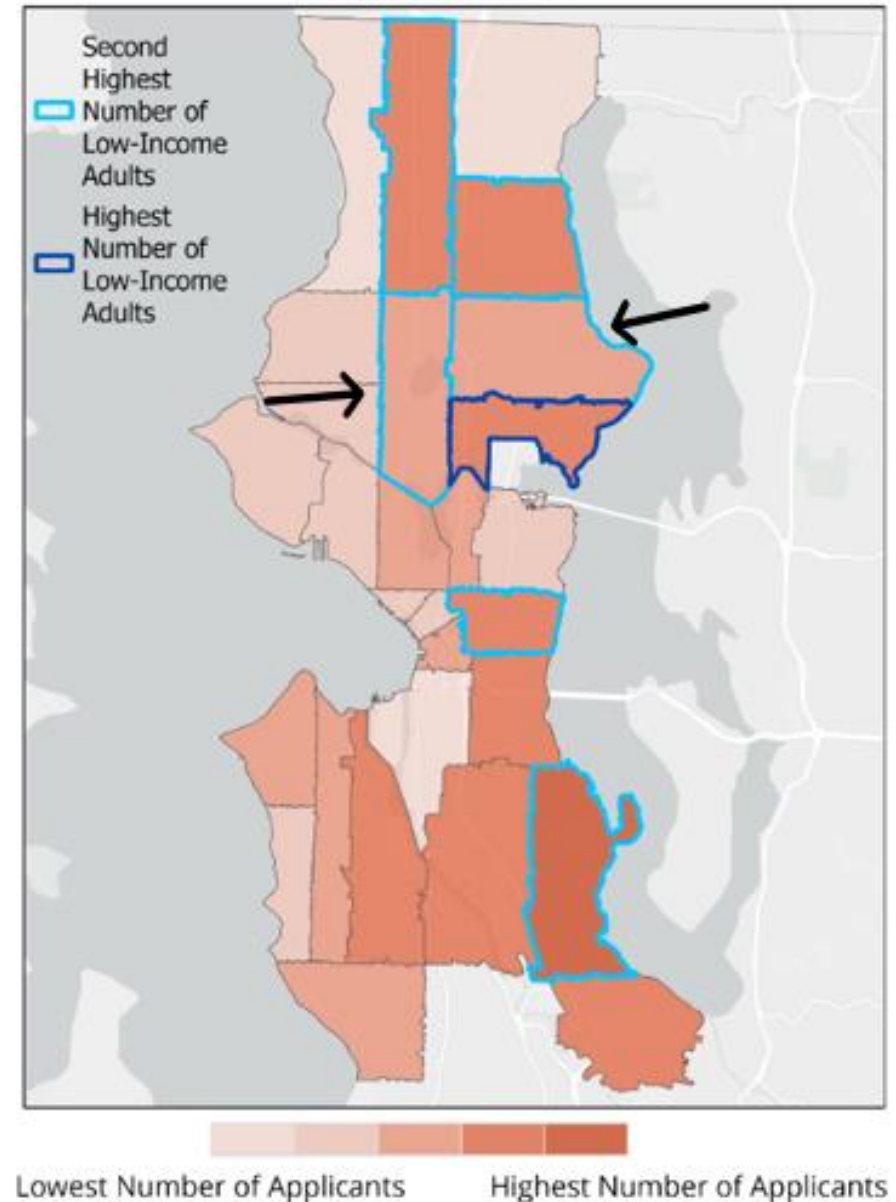
In-Depth Evaluation: CiviForm Continuous Improvement

A closer look at where different disadvantaged populations live around Seattle

- BIPOC, low-income adults and families, disadvantaged neighborhoods, non-English speaking, no internet at home, struggling with affordability

Comparing to where applications are concentrated, to identify where to target more outreach

CiviForm Applicants Compared to Population of Low-Income Adults



Questions?



Legislation Text

File #: CB 120529, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the organization of City government; clarifying the structure for the Charter position of Director of Finance; repealing Section 3.39.033 of the Seattle Municipal Code; and amending Sections 3.39.010, 3.39.030, 3.39.035, and 3.39.070 of the Seattle Municipal Code.

WHEREAS, the Department of Finance and the Director of Finance are established by Seattle City Charter Article VIII, Section 1; and

WHEREAS, Sections 3.39.010, 3.39.030, 3.39.033, 3.39.035, and 3.39.070 of the Seattle Municipal Code contain language that make the reporting structure of the Director of Finance unclear, and the Mayor and City Council wish to clarify the structure of the Department of Finance and its employees; and

WHEREAS, it is the intent of the Mayor and City Council to undertake a holistic review of the organization of the City’s finance, budget, and forecast functions in coming years, as resources allow, to determine those functions’ most efficient and effective organization; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 3.39.010 of the Seattle Municipal Code, last amended by Ordinance 126395, is amended as follows:

3.39.010 Department established-Purpose

There is established a Department of Finance and Administrative Services.

A. The Department shall exercise general supervision over the financial affairs of the City, including but not limited to the following:

- 1. Direct City borrowing activities;

2. Provide policy direction concerning investments;
3. Administer licensing for regulation and/or revenue unless law or ordinance vests such power elsewhere;
4. Provide support to the Office of Economic and Revenue Forecasts;
5. Provide economic and policy analysis on matters related to these same revenue sources;
6. Provide assessments of local economic conditions and more general economic analyses, as appropriate and/or as requested;
7. Provide general oversight of the City's Retirement Boards; and
8. Provide citywide oversight and management of the City's enterprise financial systems.

* * *

E. Within the Department there is established (~~(a Finance Division)~~) an Office of City Finance, which shall be the Department of Finance for the purposes of Article VIII, Section 1 of the City Charter. The (~~(Finance Division)~~) Office of City Finance shall perform such duties of the Department of Finance and Administrative Services as described in subsection 3.39.010 A and Section 3.39.035, plus those assigned at the discretion of the Director of Finance and Administrative Services.

* * *

Section 2. Section 3.39.030 of the Seattle Municipal Code, enacted by Ordinance 123361, is amended as follows:

3.39.030 Director of Finance-Appointment and removal((,))

The Director of Finance manages the (~~(Finance Division)~~) Office of City Finance housed within the Department of Finance and Administrative Services, and is the Director of Finance referenced in Article VIII, Section 1 of the City Charter. The Director of Finance(~~(, who shall report to the Director of Finance and Administrative Services,))~~) shall be appointed by the Mayor subject to confirmation by a majority of the City Council, and shall be subject to reappointment and reconfirmation every four years. The Director of Finance ((

Director)) may be removed by the Mayor by filing a statement of ((his or her)) reasons for the removal with the City Council.

Section 3. Section 3.39.033 of the Seattle Municipal Code, enacted by Ordinance 123361, is repealed:

~~**(3.39.033 Joint Appointment of the Director of Finance and Administrative Services and the Director of Finance.**~~

~~The positions of Director of Finance and Director of Finance and Administrative Services are not incompatible offices and may be held by the same person. Should the Mayor choose to appoint the same person to concurrently fill the Director of Finance and the Director of Finance and Administrative Services positions, the Mayor shall make a single appointment to the two positions. If a concurrent appointment is confirmed by the City Council, both offices shall report to the Mayor.)~~

Section 4. Section 3.39.035 of the Seattle Municipal Code, last amended by Ordinance 126395, is amended as follows:

3.39.035 Director of Finance-Functions and powers

The Director of Finance's functions and powers include but are not limited to the following:

A. ((Provide)) Providing support to the Office of Economic and Revenue Forecasts for economic forecasting.

B. ((Provide)) Providing support to the Office of Economic and Revenue Forecasts for revenue forecasting and analysis including:

1. Monitoring revenue collections relative to forecasts, and
2. Assessing and developing revenue policy options in response to emerging trends, changes in

state policies, and requests by City officials (including the City Budget Office).

C. ((Manage)) Managing City tax administration:

1. ((Create and administer)) Creating and administering rules and procedures for City-levied

taxes,

2. ~~((Ensure))~~ Ensuring processing tax information is efficient,
3. Maintaining existing and develop new strategies for ensuring tax compliance, and~~((;))~~
4. Overseeing process to adjudicate taxpayer appeals about tax liabilities.

D. In accordance with City ~~((Ordinances))~~ ordinances, the Seattle Municipal Code, and applicable state or federal laws, ~~((provide))~~ providing general oversight of City retirement boards including:

1. The Seattle City Employees' Retirement System. Duties shall include:

- a. ~~((Provide))~~ Providing fund monitoring,
- b. ~~((Oversee))~~ Overseeing fund management,
- c. ~~((Assess and deliberate))~~ Assessing and deliberating investment policies,
- d. ~~((Assess and deliberate))~~ Assessing and deliberating contribution policies,
- e. ~~((Assess and deliberate))~~ Assessing and deliberating benefit policies, and~~((;))~~
- f. ~~((Support))~~ Supporting members of the Board of Administration of the Seattle City

Employees' Retirement System and the City's elected officials in their assessment of the system's financial integrity.

2. Police Relief and Pension Fund - general oversight,
3. Firemen's Relief and Pension Fund - general oversight, and~~((;))~~
4. The City of Seattle Voluntary Deferred Compensation Plan and Trust Committee. Duties shall

include:

- a. Overseeing plan administration, and~~((;))~~
- b. Assessing fund selection options.

E. Debt administration, in coordination with the City Budget Office, including:

1. Developing and maintaining general policies for City debt,
2. Assessing proposals for use of debt~~((;ensure))~~ and ensuring proposals consistent to debt

policies,

3. ~~((Issue))~~ Issuing debt,

4. ~~((Ensure))~~ Ensuring compliance ~~((to))~~ with federal, state, City, and bond restrictions for use of bond proceeds, and~~((;))~~

5. ~~((Ensure))~~ Ensuring debt service is paid from appropriate funds.

F. ~~((Manage))~~ Managing City borrowing and investor relations, applying for bond ratings, ~~((execute and issue))~~ executing and issuing all appropriate documents including contracts and other documents for and on behalf of the City in connection with the issuance of bonds and other debt instruments as authorized by ordinance or resolution, retaining financial and other necessary consultants, keeping all necessary registers of creditors, and ~~((arrange))~~ arranging for repayment of debts~~((;))~~ .

G. Reporting not less than quarterly to the Council's Finance Committee, or its successor committee, the cash position of each City Fund, performance of investments in the common investment portfolio, and the status of all interfund loans authorized by ordinance. Such report may be in the form of an email to the members of the Council's Finance Committee, or its successor committee.

H. Reporting not less than annually to the City's Debt Management and Policy Advisory Committee as established by Section 3.76.010, or its successor committee, the status of City debts, debt service, debt capacity, and debt guarantees.

I. Reporting to the Council's Finance Committee, or its successor committee, the status of the budgetary fund balance of City funds, with the frequency and scope of this reporting to be determined at the discretion of the Director of Finance or when requested by the Chair of the Finance Committee.

J. In September 2022, and biennially thereafter, ~~((prepare))~~ preparing and submitting a citywide financial condition report to the Council's Finance Committee, or its successor, for the City Council and the people of Seattle. The report shall provide:

1. Information on the City's financial condition as of the end of the prior fiscal year; and
2. Historical trends on City financial indicators.

The report shall include analysis of financial indicators as identified by the Director of Finance, in consultation with the Director of the Office of Economic and Revenue Forecasts.

K. Financial oversight for specified City financial commitments, including:

1. Supporting the Director of the Office of Intergovernmental Relations by providing financial oversight of and monitoring the City's fiscal responsibilities related to public corporations established pursuant to Chapter 3.110, including City public development authorities, preservation and development authorities, and the Museum Development Authority; and

2. Developing processes to monitor and report on City's use of federal stimulus and infrastructure funds; and

~~3. Assessing the City's liabilities for compliance to the Americans with Disabilities Act).~~

L. Submitting a report in writing not less than quarterly to the Council's Finance Committee, or its successor committee, the status of any audits conducted by the Washington State Auditor's Office and act as a liaison to facilitate communication among City departments, the Washington State Auditor's Office, and the Seattle City Council. Such report may be in the form of an email to the members of the Council's Finance Committee, or its successor committee.

~~((With the approval of the Director of Finance and Administrative Services, the))~~ The Director of Finance may delegate any of the duties authorized in this Chapter 3.39 to any other qualified city employee.

Section 5. Section 3.39.070 of the Seattle Municipal Code, enacted by Ordinance 123361, is amended as follows:

3.39.070 Designation of delegates in City offices and departments((-))

A. The Director of Finance ~~((and Administrative Services))~~ is authorized to designate and appoint the head of a department, office, board, or other administrative unit, and with ~~((his or her))~~ the Director of Finance's concurrence subordinate officers therein, as delegates for the express purpose of authenticating and certifying vouchers, payrolls, and other central financial management transactions of the City, and updating

vendor file information. Delegates so designated shall assume responsibility for ensuring that all claims that have been incurred by their respective administrative units are just, due and unpaid obligations and that materials were furnished, services were rendered or labor was performed as stated on each such claim, and that the vendor file information has been updated.

B. The Director of Finance (~~(and Administrative Services)~~) may at (~~(his or her)~~) discretionarily withdraw any or all authority delegated.

Section 6. The budget transfer rules described in Chapter 5.08 of the Seattle Municipal Code do not apply to the City Finance Budget Summary Level (BO-FA-CITYFINAN).

Section 7. Intent. The intent of this ordinance is to clarify the reporting structure for the Director of Finance, a Charter office. The intent is that the Director of Finance and subordinate officers (which compose the Charter office of the Department of Finance) are employees of the Department of Finance and Administrative Services (FAS) for purposes of budgeting, accounting, and administrative functions. The Director of Finance controls the day-to-day operations of the Charter office of Department of Finance, which is organized as the Office of City Finance in FAS. The employees of the Department of Finance report to, and have their work directed by, the Director of Finance. The Director of Finance remains the appointing authority for subordinate employees of the Department of Finance (Office of City Finance in FAS). Further, it is the intent of the Mayor and City Council to review the organization of the City's finance, budget, and forecast functions in the coming years, as resources allow, to determine those functions' most efficient and effective organization.

Section 8. 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 _____, 2023, and signed by

me in open session in authentication of its passage this ____ day of _____, 2023.

President _____ of the City Council

Approved / returned unsigned / vetoed this ____ day of _____, 2023.

Bruce A. Harrell, Mayor

Filed by me this ____ day of _____, 2023.

Elizabeth A. Adkisson, Interim City Clerk

(Seal)

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Mayor's Office		Adam Schaefer

** 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 the organization of City government; clarifying the structure for the Charter position of Director of Finance; repealing Section 3.39.033 of the Seattle Municipal Code; and amending Sections 3.39.010, 3.39.030, 3.39.035, and 3.39.070 of the Seattle Municipal Code.

Summary and Background of the Legislation: This legislation is intended to resolve confusion created by conflicting provisions of the Seattle City Charter and the Seattle Municipal Code.

The Department of Finance and the Director of Finance are a Charter office and Charter position, respectively. (Seattle City Charter Article VIII, Section 1.) During a reorganization of City government in 2010, the Finance Department was made a division of the Department of Finance and Administrative Services (Ordinance 123361). One provision of that legislation indicated that the Director of Finance “shall report to the Director of Finance and Administrative Services.” This provision causes confusion as the Director of Finance is a Charter position that requires Mayoral appointment and approval by the City Council.

This legislation clarifies that the Director of Finance is appointed by the Mayor and confirmed by the City Council. The subordinate employees in the Department of Finance (the “Office of City Finance” in the Department of Finance and Administrative Services) report to the Director of Finance and the Director of Finance remains the appointing authority for those subordinate employees. The Department of Finance and Administrative Services (FAS) will continue to provide administrative support to the Department of Finance (Office of City Finance), including accounting, budgetary, and human resources services. It also signals the intent of the Mayor and Council to evaluate the City’s budget, finance, and forecasting functions in future years.

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?
No.

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

The organizational and reporting structure between the Department of Finance and the Department of Finance and Administrative Services could remain unclear.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**
The Department of Finance and Administrative Services, including the Office of City Finance (the Department of Finance as authorized by the Seattle City Charter).
- 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?**
N/A
- f. Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**
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.**
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)?**
N/A