

**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

..title

AN ORDINANCE relating to app-based workers’ labor standards; establishing minimum network company payment standards for app-based workers working in Seattle; establishing flexibility, transparency, notice, and record-keeping requirements for network companies; prescribing remedies and enforcement procedures; amending Sections 3.02.125, 3.15.000, and 6.208.020 of the Seattle Municipal Code; and adding a new Title 8 and Chapter 8.37 to the Seattle Municipal Code.

..body

WHEREAS, an estimated 40,000 app-based workers work in Seattle, including those who are Black, Indigenous, and other People of Color (BIPOC), immigrants, workers with disabilities, LGBTQ+ workers, and single parents; and

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

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

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

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

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

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

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

10 WHEREAS, the City intends to address the inequities of app-based work by ensuring that such  
11 workers are paid at least the City’s minimum wage plus reasonable expenses, with  
12 meaningful transparency and the ability to exercise the flexibility promised by app-based  
13 companies; and

14 WHEREAS, the City intends to set clear, transparent, and enforceable requirements for  
15 minimum network company payments, transparency, flexibility, notice, and record-  
16 keeping that are applicable regardless of the specific business model, technical function,  
17 or administrative apparatus of any given network company; and

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

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

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

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

6 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

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

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

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

12 C. This ordinance protects and promotes public health, safety, and welfare by  
13 establishing standards for minimum payment, transparency, flexibility, and notice for app-based  
14 workers.

15 D. Minimum payment and other labor standards benefit employers and hiring entities by  
16 improving worker performance, reducing worker turnover, and thereby improving productivity  
17 and the quality of the services provided by workers, including app-based workers.

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

21 F. Minimum payment and other labor standards promote the general welfare, health, and  
22 prosperity of Seattle by ensuring that workers have stable incomes and can better support and  
23 care for their families and fully participate in Seattle’s civic, cultural, and economic life.

1 G. Establishing these labor standards also benefits the Seattle economy by increasing  
2 app-based worker earnings and thereby boosting consumer spending in Seattle and benefiting the  
3 economy overall.

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

5 **TITLE 8 LABOR STANDARDS**

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

7 **Chapter 8.37 APP-BASED WORKER MINIMUM PAYMENT**

8 **8.37.010 Short title**

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

11 **8.37.020 Definitions**

12 For purposes of this Chapter 8.37:

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

16 “Adverse action” means reducing compensation; garnishing tips or gratuities; temporarily  
17 or permanently denying or limiting access to work, incentives, or bonuses; offering less desirable  
18 work; terminating; deactivating; threatening; penalizing; retaliating; engaging in unfair  
19 immigration-related practices; filing a false report with a government agency; or otherwise  
20 discriminating against any person for any reason prohibited by Section 8.37.120. “Adverse  
21 action” for an app-based worker may involve any aspect of the app-based worker’s work,  
22 including compensation, work hours, volume and frequency of offers made available, desirability  
23 and compensation rates of offers made available, responsibilities, or other material change in the

1 terms and conditions of work or in the ability of an app-based worker to perform work. “Adverse  
2 action” also includes any action by the network company or a person acting on the network  
3 company’s behalf that would dissuade a reasonable person from exercising any right afforded by  
4 this Chapter 8.37.

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

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

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

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

19 “Associated cost factor” means the additional percentage of the minimum wage  
20 equivalent rate that reasonably accounts for the non-mileage expenses borne by app-based  
21 workers, which include but are not limited to the following:

- 22 1. Employer-side payroll taxes that app-based workers must pay;
- 23 2. Cost of paid family and medical leave insurance;

- 1 3. Cost of state-provided unemployment insurance;
- 2 4. Cost of workers' compensation insurance;
- 3 5. Business taxes that app-based workers must pay;
- 4 6. Business licensing fees that app-based workers must pay; and
- 5 7. Cost of miscellaneous expenses such as purchase of cellular phones, data plans, and
- 6 other equipment required for work.

7 "Associated mileage factor" means the additional percentage of the mileage rate that  
8 reasonably compensates app-based workers for miles traveled that are necessary to conduct app-  
9 based work, which may include but is not limited to the following:

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

14 "Associated time factor" means the additional percentage of the minimum wage  
15 equivalent rate that reasonably accounts for the time that app-based workers must spend working  
16 or engaged to wait for work without compensation to perform app-based work, including but not  
17 limited to the following:

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

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

3           “City” means The City of Seattle.

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

7           “Creative services or works” means labor that results in or contributes to the creation of  
8 original works, as well as the works resulting from such labor. The term “creative services or  
9 works” includes but is not limited to fiction and non-fiction writing, art, photography, graphic  
10 design, marketing, and related consulting services.

11           “Customer” means an end customer and/or a paying customer.

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

14           “End customer” means the recipient of an online order.

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

18           “Engaged time” means the period of time in which an app-based worker performs  
19 services in furtherance of an offer or any training program required by a network company.

20 Engaged time begins and ends as described below:

21           1. If an offer is being facilitated or presented by an on-demand network company, or the  
22 performance of an offer is expected within two hours of acceptance, “engaged time” begins upon  
23 the app-based worker’s acceptance of the offer and ends upon the app-based worker’s

1 completing performance of the offer, cancellation of the offer by the network company or  
2 customer, or cancellation with cause of the app-based worker’s acceptance of the offer pursuant  
3 to subsection 8.37.080.B.

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

9           The Director may issue rules on “engaged time” for offers with non-compensable time,  
10 such as sleep time or other periods of off-duty time. The Director may also issue rules on the  
11 applicability of the minimum network company payment provisions in Section 8.37.050 to  
12 “engaged time” for compensable periods of time when the worker is not completely relieved of  
13 the duty to perform services for a network company.

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

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

17           “Franchise” means an agreement by which:

18           1. A person is granted the right to engage in the business of offering, selling, or  
19 distributing goods or services under a marketing plan prescribed or suggested in substantial part  
20 by the grantor or its affiliate;

21           2. The operation of the business is substantially associated with a trademark, service  
22 mark, trade name, advertising, or other commercial symbol designated, owned by, or licensed by  
23 the grantor or its affiliate; and

1           3. The person pays, agrees to pay, or is required to pay, directly or indirectly, a franchise  
2 fee.

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

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

8           “Incentive” means a sum of money paid to an app-based worker upon completion of  
9 services, including but not limited to completing performance of a certain number of offers,  
10 completing performance of a certain number of consecutive offers, completing performance of  
11 an offer subject to a price multiplier or variable pricing policy, making oneself available to  
12 accept offers in a particular geographic location during a specified period of time, or recruiting  
13 new app-based workers.

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

18           “Network company” means an organization whether a corporation, partnership, sole  
19 proprietor, or other form, operating in Seattle, that uses an online-enabled application or  
20 platform, such as an application dispatch system, to connect customers with app-based workers,  
21 present offers to app-based workers, and/or facilitate the provision of services for compensation  
22 by app-based workers.

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

3           2. The term “network company” does not include:

4                 a. An entity offering services that enable individuals to schedule appointments  
5 with and/or process payments to users, when the entity in no manner engages in additional  
6 intermediation of the relationships between parties to such transactions nor engages in any  
7 oversight of service provision; or

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

11           “Network company payment” means the amount owed to an app-based worker by reason  
12 of performing services in furtherance of an offer facilitated or presented by the network  
13 company, including but not limited to payment for providing services, and commissions.

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

17           1. An opportunity to perform services for compensation includes but is not limited to an  
18 opportunity described via a worker platform as a shift, a period of time to be spent engaged in  
19 service provision, a continuous period of time in which the app-based worker must make  
20 themselves available to perform services, or any other continuous period of time when the worker  
21 is not completely relieved of the duty to perform the service(s), and such a period of time shall  
22 be considered as one offer.

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

1 “On-demand offer” means all offers that are not pre-scheduled offers, including but not  
2 limited to offers that require performance within two hours of acceptance.

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

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

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

15 “Online order” means an order for services that is placed through an online-enabled  
16 application or platform, such as an application dispatch system, and that is facilitated by a  
17 network company or presented by a network company for its own benefit. The term “online  
18 order” does not include the following transactions:

- 19 1. Sale or rental of products or real estate;
- 20 2. Payment in exchange for a service subject to professional licensure that has been listed  
21 by the Director pursuant to this Section 8.37.020;
- 22 3. Payment in exchange for services wholly provided digitally;
- 23 4. Payment in exchange for creative services or works;

1           5. Transportation Network Company (TNC) dispatched trips, as defined in Section  
2 14.33.020; and

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

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

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

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

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

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

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

21          “Rate of inflation” means 100 percent of the annual average growth rate of the bi-  
22 monthly Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and

1 Clerical Workers, termed CPI-W, for the 12-month period ending in August; provided, that the  
2 percentage increase shall not be less than zero.

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

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

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

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

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

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

4 **8.37.030 App-based worker coverage**

5           A. An app-based worker is covered by this Chapter 8.37 if the app-based worker  
6 performs services in Seattle in furtherance of an offer facilitated or presented by a network  
7 company covered by this Chapter 8.37.

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

11 **8.37.040 Network company coverage**

12           A. For the purposes of this Chapter 8.37, covered network companies are limited to those  
13 that facilitate work performed by 250 or more app-based workers worldwide regardless of where  
14 those workers perform work, including but not limited to chains, integrated enterprises, or  
15 franchises associated with a franchise or network of franchises that facilitate work performed by  
16 250 or more app-based workers worldwide in aggregate.

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

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

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

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

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

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

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

18 **8.37.050 Minimum network company payment**

19           A. For each offer resulting in engaged time or engaged miles, a network company shall  
20 compensate app-based workers by providing a minimum network company payment, and/or  
21 ensuring app-based workers receive a minimum network company payment, of the greater of  
22 either:

1                   1. The minimum per-minute amount for engaged time under subsection  
2 8.37.050.B.1 plus the minimum per-mile amount for engaged miles under subsection  
3 8.37.050.B.2; or

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

5                   B. Minimum network company payment calculation

6                   1. Per-minute amount. For each minute of engaged time, a network company  
7 shall compensate app-based workers, and/or ensure that app-based workers receive, at least the  
8 equivalent of the total of the minimum wage equivalent rate multiplied by the associated cost  
9 factor multiplied by the associated time factor. In 2022, the per-minute amount is \$0.39.

10                   a. Associated cost factor. The associated cost factor is 1.13.

11                   b. Associated time factor. The associated time factor is 1.21.

12                   2. Per-mile amount. For each engaged mile traveled, a network company shall  
13 compensate app-based workers, and/or ensure that app-based workers receive, at least the  
14 equivalent of the standard mileage rate multiplied by the associated mileage factor. In 2022, the  
15 per-mile amount is \$0.73.

16                   a. Associated mileage factor. The associated mileage factor is 1.25.

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

19                   (Engaged minutes x minimum wage equivalent rate  
20                   x associated cost factor x associated time factor)  
21                   + (engaged miles x standard mileage rate x associated mileage factor)  
22                   = minimum network company payment per offer.

23                   The established current rates and factors result in the following calculation for the  
24 required minimum network company payment:

$$\begin{aligned} & \text{(Engaged minutes x \$0.288 x 1.13 x 1.21)} \\ & + \text{(Engaged miles x \$0.585 per x 1.25)} \\ & = \$0.39/\text{minute} + \$0.73/\text{mile}. \end{aligned}$$

4. Per-offer amount. For each offer resulting in engaged time or engaged miles, a network company shall compensate app-based workers a minimum per-offer amount of at least \$5.

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

5. Application of minimum network company payment requirements

a. A minimum network company payment shall be provided for any offer resulting in engaged time and engaged miles by the app-based worker, offers cancelled by a customer or the network company, and offers for which acceptance was cancelled with cause by the app-based worker pursuant to subsection 8.37.080.B. The Director may issue rules excluding certain offers from payment of the minimum per-offer amount under subsection 8.37.050.B.4, including but not limited to offers cancelled by the customer within a grace period that occurs shortly after acceptance.

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

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

1                   1. Adjustment of the associated cost factor. Beginning three years after the  
2 effective date of this Chapter 8.37, the Director by rule may adjust the associated cost factor  
3 annually; provided, that this adjustment shall not result in reduction of the associated cost factor  
4 below 1.13. In adjusting the associated cost factor, the Director shall consider relevant and  
5 available sources of data, which may include but are not limited to: app-based worker surveys;  
6 data provided by network companies; data provided by app-based workers; data provided by  
7 customers; data from other jurisdictions; data available through academic, policy, or community-  
8 based organizations; public testimony provided; and stakeholder interviews. The Director may  
9 consider the non-exhaustive list of factors that comprise the “associated cost factor” as defined in  
10 Section 8.37.020, as well as any other factor the Director determines is necessary to further the  
11 purposes of this Chapter 8.37. The Agency shall file a schedule of any adjustment(s) to the  
12 associated cost factor with the City Clerk.

13                   2. Adjustment to the associated time factor. Beginning three years after the  
14 effective date of this Chapter 8.37, the Director by rule may adjust the associated time factor  
15 annually; provided, that this adjustment shall not result in reduction of the associated time factor  
16 below 1.21. In adjusting the associated time factor, the Director shall consider relevant and  
17 available sources of data, which may include but are not limited to: app-based worker surveys;  
18 data provided by network companies; data provided by app-based workers; data provided by  
19 customers; data from other jurisdictions; data available through academic, policy, or community-  
20 based organizations; public testimony provided; and stakeholder interviews. The Director may  
21 consider the non-exhaustive list of factors that comprise the “associated time factor” as defined  
22 in Section 8.37.020, as well as any other factor the Director determines is necessary to further the

1 purposes of this Chapter 8.37. The Agency shall file a schedule of any adjustment(s) to the  
2 associated time factor with the City Clerk.

3 D. Deductions

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

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

14 **8.37.060 Tip and incentive compensation**

15 A. Tips

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

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

18 towards:

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

21 b. A guaranteed minimum amount of network company payment for an  
22 offer, as described in Section 8.37.070, regardless of whether the guaranteed minimum amount  
23 exceeds the minimum network company payment owed to the worker;

1 c. An advertised or guaranteed incentive to the app-based worker; or

2 d. An advertised or guaranteed amount of compensation to the app-based  
3 worker, including but not limited to compensation per number of offers accepted or per hour in  
4 which an individual makes themselves available to receive offers via the worker platform.

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

7 **8.37.070 Network company transparency**

8 A. Right to up-front information regarding offers

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

11 a. A best estimate of the engaged time required to complete performance  
12 of the offer;

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

16 c. A guaranteed minimum amount of network company payment for the  
17 offer; provided, that it does not fall below the minimum network company payment requirements  
18 established in Section 8.37.050;

19 d. The amount of any tip that each customer has indicated they will  
20 provide, if the network company's online-enabled application or platform enables customers to  
21 tip in advance of completion of an online order, as well as a clear statement of the network  
22 company's tip policy, included but not limited to whether the network company permits  
23 customers to modify or remove tips after performance;

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

3 f. To the extent it is reasonably ascertainable, information regarding  
4 physical labor required to perform services in furtherance of the offer and accessibility at  
5 locations where work will be performed, including but not limited to weights of any goods to be  
6 handled; numbers of flights of stairs; and availability of elevators, ramps, and other conditions  
7 affecting accessibility. The Director shall issue rules regarding the types of information required  
8 to be disclosed, the format of provision of the information, and efforts to ascertain the  
9 information that would be considered sufficient; and

10 g. To the extent it is reasonably ascertainable, the network company shall  
11 make available to the app-based worker information that it has about the contents of each online  
12 order.

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

15 3. If an offer entails fulfillment of multiple individual online orders, and the  
16 network company lacks advance notice of each online order to provide the information in  
17 subsections 8.37.070.A.1.f and 8.37.070.A.1.g, the network company shall provide the app-based  
18 worker with such information prior to assigning them work in furtherance of each online order,  
19 to the extent it is reasonably ascertainable.

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

23 1. The total amount of engaged time;

- 1                   2. The total amount of engaged miles;
- 2                   3. The approximate geographic location or locations where work occurred,
- 3 including pick-up and drop-off locations for offers involving deliveries;
- 4                   4. The total amount charged to the paying customer excluding the cost of any
- 5 goods purchased;
- 6                   5. Amount of any incentive pay;
- 7                   6. Amount of network company payment paid to the app-based worker;
- 8                   7. Itemized deductions;
- 9                   8. Amount of compensation from tips;
- 10                  9. Itemized fees collected from the app-based worker to access the network
- 11 company's online-enabled application or platform;
- 12                  10. Net compensation after tips and deductions; and
- 13                  11. Pursuant to rules that the Director may issue, other information that is material
- 14 and necessary to effectuate the terms of this Chapter 8.37.

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

- 19                   1. The app-based worker's total amount of engaged time;
- 20                   2. The app-based worker's total amount of engaged miles;
- 21                   3. Total amount charged to paying customers served excluding the cost of any
- 22 goods purchased;
- 23                   4. The app-based worker's total and net compensation, itemized by:

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

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

5 b. Total amount of compensation from tips; and

6 c. Total amount of any deductions, itemized by deduction type.

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

9 D. Within 24 hours of an online order's completion, a network company shall transmit an  
10 electronic receipt to a paying customer that lists:

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

12 2. The total amount paid to the network company, itemizing all charges and fees;

13 3. Compensation paid to the app-based worker with tips separately itemized; and

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

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

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

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

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

9 a. Records regarding the availability of offers facilitated via the network  
10 company platform;

11 b. Records regarding the amount of engaged time and engaged miles;

12 c. The amount of time that app-based workers must spend working or  
13 engaged to wait for work without compensation to perform app-based work;

14 d. Records regarding the number of app-based workers who logged onto  
15 the worker platform, logged on for the first time in the reporting period, or accepted an offer;

16 e. Per-offer or aggregated app-based worker compensation, including but  
17 not limited to network company payments, bonuses, incentives, and tips earned from customers;

18 and

19 f. Any other records that the Director determines are material and  
20 necessary to effectuate the purposes of this Chapter 8.37.

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

1 G. A network company shall notify app-based workers via a message in the worker  
2 platform at least 14 days prior to making a significant change to how network company payment  
3 will be calculated.

4 **8.37.080 Flexibility**

5 A. A network company shall not subject an app-based worker to an adverse action, nor  
6 institute a policy subjecting an app-based worker to an adverse action, based on protected  
7 activities. The Director shall issue rules on protected activities, including but not limited to:

8 1. An app-based worker's right to be logged into the network company's worker  
9 platform during any specific dates or times of day or for any minimum amounts of time;

10 2. An app-based worker's right to be logged onto the network company's worker  
11 platform without limitation, except for limitations on a maximum amount of consecutive work  
12 time to protect worker and public safety;

13 3. An app-based worker's right to decide when to make themselves available to  
14 work;

15 4. An app-based worker's right to accept or reject any individual offer, any types  
16 of offers, or any number or proportion of offers. An app-based worker may indicate rejection of  
17 an offer by declining to respond to the offer. A network company shall ensure that its worker  
18 platform enables an app-based worker to communicate a rejection of each offer.

19 B. An app-based worker may cancel their acceptance of an offer with cause. Pursuant to  
20 rules that the Director may issue, cancellation of an acceptance of an offer is a cancellation with  
21 cause when any of the following conditions occur:

1                   1. Information provided pursuant to subsection 8.37.070.A.1 was substantially  
2 inaccurate; provided, that a customer’s alteration of a tip amount shall not constitute grounds for  
3 cancellation with cause;

4                   2. The end customer is not present or fails to respond to communications from the  
5 app-based worker, the end customer’s presence or response is required for the app-based work to  
6 complete performance of the offer, and the app-based worker has made attempts to contact  
7 and/or wait for the end customer in accordance with an applicable network company policy, and  
8 as a result, the app-based worker cannot complete performance of the offer;

9                   3. Timely completion of the offer has become impracticable or unsafe due to an  
10 unforeseen obstacle or occurrence, including but not limited to a mechanical failure or accident  
11 that has rendered an app-based worker’s automobile inoperable or unsafe to operate; or

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

14 **8.37.100 Notice of rights**

15                   A. Network companies shall provide each app-based worker with a written notice of  
16 rights established by this Chapter 8.37. The Agency may create and distribute a model notice of  
17 rights in English and other languages. However, upon the effective date of this Chapter 8.37, and  
18 subsequently upon any new app-based worker’s initial offer, network companies are responsible  
19 for providing app-based workers with the notice of rights required by subsection 8.37.100.B, in a  
20 form and manner sufficient to inform app-based workers of their rights under this Chapter 8.37,  
21 regardless of whether the Agency has created and distributed a model notice of rights.

22                   B. The notice of rights shall provide information on:

1                   1. The right to the applicable minimum per-minute amount, per-mile amount, and  
2 per-offer amount guaranteed by this Chapter 8.37, including a clear statement of the current  
3 applicable amounts;

4                   2. The right to receive the information required to be disclosed by this Chapter  
5 8.37 before accepting an offer and performing services in furtherance of an offer;

6                   3. The right to flexibility in making themselves available for work and accepting,  
7 rejecting, or cancelling offers under this Chapter 8.37;

8                   4. The right to be protected from retaliation for exercising in good faith the rights  
9 protected by this Chapter 8.37; and

10                  5. The right to file a complaint with the Agency or bring a civil action for  
11 violation of the requirements of this Chapter 8.37, including but not limited to a network  
12 company's or any person's failure to pay the minimum per-minute amount, per-mile amount, or  
13 per-offer amount, and a network company's or other person's retaliation against an app-based  
14 worker or other person for engaging in an activity protected by this Chapter 8.37.

15                  C. Network companies shall provide the notice of rights required by subsection  
16 8.37.100.B in an electronic format that is readily accessible to the app-based worker. The notice  
17 of rights shall be made available to the app-based worker via smartphone application or online  
18 web portal, in English and any language that the network company knows or has reason to know  
19 is the primary language of the app-based worker. The Director may issue rules governing the  
20 form and content of the notice of rights, the manner of its distribution, and required languages for  
21 its translation.

22 **8.37.110 Network company records**

1           A. Network companies shall retain records that document compliance with this Chapter  
2 8.37 for each app-based worker.

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

5           C. If a network company fails to retain adequate records required under subsection  
6 8.37.110.A, there shall be a presumption, rebuttable by clear and convincing evidence, that the  
7 network company violated this Chapter 8.37 for the periods and for each app-based worker for  
8 whom records were not retained.

9 **8.37.120 Retaliation prohibited**

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

12           B. No network company or any other person shall take any adverse action against any  
13 person because the person has exercised in good faith the rights protected under this Chapter  
14 8.37. Such rights include, but are not limited to, the right to make inquiries about the rights  
15 protected under this Chapter 8.37; the right to inform others about their rights under this Chapter  
16 8.37; the right to inform the person's network company, the person's legal counsel, a union or  
17 similar organization, or any other person about an alleged violation of this Chapter 8.37; the right  
18 to file an oral or written complaint with the Agency or bring a civil action for an alleged  
19 violation of this Chapter 8.37; the right to cooperate with the Agency in its investigations of this  
20 Chapter 8.37; the right to testify in a proceeding under or related to this Chapter 8.37; the right to  
21 refuse to participate in an activity that would result in a violation of city, state, or federal law;  
22 and the right to oppose any policy, practice, or act that is unlawful under this Chapter 8.37.

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

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

11 E. Proof of retaliation under this Section 8.37.120 shall be sufficient upon a showing that  
12 a network company or any other person has taken an adverse action against a person and the  
13 person's exercise of rights protected in this Section 8.37.120 was a motivating factor in the  
14 adverse action, unless the network company can prove that the action would have been taken in  
15 the absence of such protected activity.

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

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

21 **8.37.125 Rulemaking authority**

22 The Director is authorized to administer and enforce this Chapter 8.37. The Director is  
23 authorized to promulgate, revise, or rescind rules and regulations deemed necessary,

1 appropriate, or convenient to administer, evaluate and enforce the provisions of this Chapter  
2 8.37 pursuant to Chapter 3.02, providing affected entities with due process of law and in  
3 conformity with the intent and purpose of this Chapter 8.37. Any rules promulgated by the  
4 Director shall have the force and effect of law and may be relied on by network companies, app-  
5 based workers, and other parties to determine their rights and responsibilities under this Chapter  
6 8.37.

7 **8.37.130 Enforcement power and duties**

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

11 **8.37.140 Violation**

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

14 **8.37.150 Investigation**

15 A. The Agency shall have the power to investigate any violations of this Chapter 8.37 by  
16 any respondent. The Agency may prioritize investigations of workforces that are vulnerable to  
17 violations of this Chapter 8.37. The Agency may initiate an investigation pursuant to Director's  
18 Rules, including but not limited to situations when the Director has reason to believe that a  
19 violation has occurred or will occur, or when circumstances show that violations are likely to  
20 occur within a class of network companies or businesses because the workforce contains  
21 significant numbers of app-based workers who are vulnerable to violations of this Chapter 8.37  
22 or the workforce is unlikely to volunteer information regarding such violations. An investigation

1 may also be initiated through the receipt by the Agency of a report or complaint filed by an app-  
2 based worker or other person.

3 B. An app-based worker or other person may report to the Agency any suspected  
4 violation of this Chapter 8.37. The Agency shall encourage reporting pursuant to this Section  
5 8.37.150 by taking the following measures:

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

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

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

19 C. The Agency's investigation shall commence within three years of the alleged  
20 violation. To the extent permitted by law, the applicable statute of limitations for civil actions is  
21 tolled during any investigation under this Chapter 8.37 and any administrative enforcement  
22 proceeding under this Chapter 8.37 based upon the same facts. For purposes of this Chapter 8.37:

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

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

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

9                   E. The Director may apply by affidavit or declaration in the form allowed under RCW  
10 5.50.050 to the Hearing Examiner for the issuance of subpoenas requiring a network company to  
11 produce the records required by Section 8.37.110, or for the attendance and testimony of  
12 witnesses, or for the production of documents required to be retained under Section 8.37.110, or  
13 any other document relevant to the issue of whether any app-based worker or group of app-based  
14 workers received the information or other benefits required by this Chapter 8.37, and/or to  
15 whether a network company has violated any provision of this Chapter 8.37. The Hearing  
16 Examiner shall conduct the review without hearing as soon as practicable and shall issue  
17 subpoenas upon a showing that there is reason to believe that: a violation has occurred; a  
18 complaint has been filed with the Agency; or circumstances show that violations are likely to  
19 occur within a class of businesses because the workforce contains significant numbers of app-  
20 based workers who are vulnerable to violations of this Chapter 8.37, the workforce is unlikely to  
21 volunteer information regarding such violations, or the Agency has gathered preliminary  
22 information indicating that a violation may have occurred.

1 F. A network company that fails to comply with the terms of any subpoena issued under  
2 subsection 8.37.150.E in an investigation by the Agency under this Chapter 8.37 before the  
3 issuance of a Director’s Order issued pursuant to subsection 8.37.160.C may not use such  
4 records in any appeal to challenge the correctness of any determination by the Agency of  
5 liability, damages owed, or penalties assessed.

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

8 H. Where the Director has reason to believe that a violation has occurred, the Director  
9 may order any appropriate temporary or interim relief to mitigate the violation or maintain the  
10 status quo pending completion of a full investigation or hearing, including but not limited to a  
11 deposit of funds or bond sufficient to satisfy a good-faith estimate of compensation, interest,  
12 damages, and penalties due. A respondent may appeal any such order in accordance with Section  
13 8.37.180.

14 **8.37.160 Findings of fact and determination**

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

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

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

4 1. The Director’s Order shall state with specificity the amounts due under this  
5 Chapter 8.37 for each violation, including payment of unpaid compensation, liquidated damages,  
6 civil penalties, penalties payable to aggrieved parties, fines, and interest pursuant to Section  
7 8.37.170.

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

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

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

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

18 **8.37.165 Complaint procedure**

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

21 B. The Agency may initiate a complaint procedure as an alternative enforcement method  
22 to an investigation for responding to a report or complaint by any person of a violation of this  
23 Chapter 8.37. The Director may issue rules for the complaint procedure, including but not

1 limited to rules to establish the timeline for sending the information required by subsection  
2 8.37.165.D, determine the nature and content of information requested from the complainant and  
3 network company, and indicate when the Agency may prioritize use of a complaint procedure  
4 prior to an investigation or in lieu of an investigation. The Director may also establish other  
5 enforcement methods to efficiently resolve violations of this Chapter 8.37.

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

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

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

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

- 16 a. Statement of the alleged violation(s) of this Chapter 8.37; and
- 17 b. Description of the remedies available to an app-based worker for  
18 violation(s) of this Chapter 8.37;

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

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

- 4                   a. The response from the network company, including any enclosures;
- 5                   b. Information on the right to bring a civil action in a court of competent  
6 jurisdiction;
- 7                   c. Any other information about the status of the complaint; and
- 8                   d. Information about the navigation program pursuant to Section 8.37.167.

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

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

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

18 **8.37.167 Navigation program**

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

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

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

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22

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

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

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

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

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

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

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

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

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

**8.37.170 Remedies**

A. The payment of unpaid compensation, liquidated damages of up to twice the amount of unpaid compensation, civil penalties, penalties payable to aggrieved parties, fines, and interest

1 provided under this Chapter 8.37 is cumulative and is not intended to be exclusive of any other  
2 available remedies, penalties, fines, and procedures.

3           1. The amounts of all civil penalties, penalties payable to aggrieved parties, and  
4 fines contained in this Section 8.37.170 shall be increased annually to reflect the rate of inflation  
5 and calculated to the nearest cent on January 1 of each year thereafter. The Agency shall  
6 determine the amounts and file a schedule of such amounts with the City Clerk.

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

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

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

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

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

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

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

- 9 a. The total amount of unpaid compensation, liquidated damages,  
10 penalties, fines, and interest due;
- 11 b. The nature and persistence of the violations;
- 12 c. The extent of the respondent’s culpability;
- 13 d. The substantive or technical nature of the violations;
- 14 e. The size, revenue, and human resources capacity of the respondent;
- 15 f. The circumstances of each situation;
- 16 g. The amount of penalties in similar situations; and
- 17 h. Pursuant to rules that the Director may issue, other factors that are  
18 material and necessary to effectuate the terms of this Chapter 8.37.

19 B. A respondent found to be in violation of this Chapter 8.37 shall be liable for full  
20 payment of unpaid compensation due plus interest in favor of the aggrieved party under the  
21 terms of this Chapter 8.37, and other equitable relief. If the precise amount of unpaid  
22 compensation cannot be determined due to a respondent’s failure to produce records or if a  
23 respondent produces records in a manner or form which makes timely determination of the

1 amount of unpaid compensation impracticable, the Director may designate a daily amount for  
2 unpaid compensation due to aggrieved party. For any violation of this Chapter 8.37, the Director  
3 may assess liquidated damages in an additional amount of up to twice the unpaid compensation.

4 C. A respondent found to be in violation of this Chapter 8.37 for retaliation under Section  
5 8.37.120 shall be subject to any appropriate relief at law or equity including, but not limited to,  
6 reinstatement of the aggrieved party, front pay in lieu of reinstatement with full payment of  
7 unpaid compensation plus interest in favor of the aggrieved party under the terms of this Chapter  
8 8.37, and liquidated damages in an additional amount of up to twice the unpaid compensation.  
9 The Director also shall order the imposition of a penalty payable to the aggrieved party of up to  
10 \$5,755.31.

11 D. The Director is authorized to assess civil penalties for a violation of this Chapter 8.37  
12 and may specify that civil penalties are due to the aggrieved party rather than due to the Agency.

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

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

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

21 4. For purposes of this subsection 8.37.170.D, a violation is a second, third, or  
22 subsequent violation if the respondent has been a party to one, two, or more than two settlement  
23 agreements, respectively, stipulating that a violation has occurred; and/or one, two, or more than

1 two Director’s Orders, respectively, have issued against the respondent in the ten years preceding  
2 the date of the violation; otherwise, it is a first violation.

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

<b>Violation</b>	<b>Fine</b>
Failure to provide app-based worker with up-front information regarding offers under subsection 8.37.070.A	Up to \$575.31 per aggrieved party
Failure to provide app-based worker with electronic receipts within 24 hours of each offer’s completion or cancellation with cause under subsection 8.37.070.B	Up to \$575.31 per aggrieved party
Failure to provide app-based worker with weekly statements under subsection 8.37.070.C	Up to \$575.31 per aggrieved party
Failure to provide the Agency with records required under subsection 8.37.070.F	Up to \$575.31 per missing record
Failure to provide written notice of rights under Section 8.37.100	Up to \$575.31 per aggrieved party
Failure to retain network company records for three years under subsections 8.37.110.A and 8.37.110.B	Up to \$575.31 per missing record
Failure to comply with prohibitions against retaliation for exercising rights protected under Section 8.37.120	Up to \$1,150.63 per aggrieved party
Failure to provide notice of investigation to app-based workers under subsection 8.37.150.B.2	Up to \$575.31 per aggrieved party
Failure to post or distribute public notice of failure to comply with final order under subsection 8.37.210.A.1	Up to \$575.31 per aggrieved party

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

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

4 G. In addition to the unpaid compensation, penalties, fines, liquidated damages, and  
5 interest, the Agency may assess against the respondent in favor of the City the reasonable costs  
6 incurred in enforcing this Chapter 8.37, including but not limited to reasonable attorneys' fees.

7 H. A respondent that is the subject of a settlement agreement stipulating that a violation  
8 has occurred shall count for debarment, or a final order for which all appeal rights have been  
9 exhausted, shall not be permitted to bid, or have a bid considered, on any City contract until such  
10 amounts due under the final order have been paid in full to the Director. If the respondent is the  
11 subject of a final order two times or more within a five-year period, the network company shall  
12 not be allowed to bid on any City contract for two years. This subsection 8.37.170.H shall be  
13 construed to provide grounds for debarment separate from, and in addition to, those contained in  
14 Chapter 20.70 and shall not be governed by that chapter; provided, that nothing in this subsection  
15 8.37.170.H shall be construed to limit the application of Chapter 20.70. The Director shall notify  
16 the Director of Finance and Administrative Services of all respondents subject to debarment  
17 under this subsection 8.37.170.H.

18 **8.37.180 Appeal period and failure to respond**

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

22 B. A respondent may appeal the Director's Order, including all remedies issued pursuant  
23 to Section 8.37.170, by requesting a contested hearing before the Hearing Examiner in writing

1 within 15 days of service of the Director’s Order. If a respondent fails to appeal the Director’s  
2 Order within 15 days of service, the Director’s Order shall be final. If the last day of the appeal  
3 period so computed is a Saturday, Sunday, or federal or City holiday, the appeal period shall run  
4 until 5 p.m. on the next business day.

5 **8.37.190 Appeal procedure and failure to appear**

6 A. Contested hearings shall be conducted pursuant to the procedures for hearing  
7 contested cases contained in Section 3.02.090 and the rules adopted by the Hearing Examiner for  
8 hearing contested cases. The hearing shall be conducted de novo and the Director shall have the  
9 burden of proving by a preponderance of the evidence that the violation or violations occurred.  
10 Upon establishing such proof, the remedies and penalties imposed by the Director shall be  
11 upheld unless it is shown that the Director abused discretion. Failure to appear for a contested  
12 hearing shall result in an order being entered finding that the respondent committed the violation  
13 stated in the Director’s Order. For good cause shown and upon terms the Hearing Examiner  
14 deems just, the Hearing Examiner may set aside an order entered upon a failure to appear.

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

17 **8.37.200 Appeal from Hearing Examiner order**

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

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

1 **8.37.210 Failure to comply with final order**

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

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

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

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

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

22 B. No respondent that is the subject of a final order issued under this Chapter 8.37 shall  
23 quit business, sell out, exchange, convey, or otherwise dispose of the respondent's business or

1 stock of goods without first notifying the Agency and without first notifying the respondent's  
2 successor of the amounts owed under the final order at least three business days before such  
3 transaction. At the time the respondent quits business, or sells out, exchanges, or otherwise  
4 disposes of the respondent's business or stock of goods, the full amount of the remedy, as  
5 defined in a final order issued by the Director or the Hearing Examiner, shall become  
6 immediately due and payable. If the amount due under the final order is not paid by respondent  
7 within ten days from the date of such sale, exchange, conveyance, or disposal, the successor shall  
8 become liable for the payment of the amount due; provided, that the successor has actual  
9 knowledge of the order and the amounts due or has prompt, reasonable, and effective means of  
10 accessing and verifying the fact and amount of the order and the amounts due. The successor  
11 shall withhold from the purchase price a sum sufficient to pay the amount of the full remedy.  
12 When the successor makes such payment, that payment shall be deemed a payment upon the  
13 purchase price in the amount paid, and if such payment is greater in amount than the purchase  
14 price the amount of the difference shall become a debt due such successor from the network  
15 company.

16 **8.37.220 Debt owed The City of Seattle**

17 A. All monetary amounts due under the Director's Order shall be a debt owed to the City  
18 and may be collected in the same manner as any other debt in like amount, which remedy shall  
19 be in addition to all other existing remedies; provided, that amounts collected by the City for  
20 unpaid compensation, liquidated damages, penalties payable to aggrieved parties, or front pay  
21 shall be held in trust by the City for the aggrieved party and, once collected by the City, shall be  
22 paid by the City to the aggrieved party.

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

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

1 accordance with subsection 8.37.200.A, shall also be admissible without further evidentiary  
2 foundation.

3 D. In considering matters brought under subsections 8.37.220.B and 8.37.220.C, the  
4 Seattle Municipal Court may include within its judgment all terms, conditions, and remedies  
5 contained in the Director’s Order or the order of the Hearing Examiner, whichever is applicable,  
6 that are consistent with the provisions of this Chapter 8.37.

7 **8.37.230 Private right of action**

8 A. Any person or class of persons that suffers an injury as a result of a violation of this  
9 Chapter 8.37, or is the subject of prohibited retaliation under Section 8.37.120, may bring a civil  
10 action in a court of competent jurisdiction against the network company or other person violating  
11 this Chapter 8.37 and, upon prevailing, may be awarded reasonable attorney fees and costs and  
12 such legal or equitable relief as may be appropriate to remedy the violation including, without  
13 limitation: the payment of any unpaid compensation plus interest due to the person and  
14 liquidated damages in an additional amount of up to twice the unpaid compensation; and a  
15 penalty payable to any aggrieved party of up to \$5,565.10 if the aggrieved party was subject to  
16 prohibited retaliation. Interest shall accrue from the date the unpaid compensation was first due  
17 at 12 percent per annum, or the maximum rate permitted under RCW 19.52.020.

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

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

1                   1. Are or were hired for the same network company or network companies,  
2 whether concurrently or otherwise, at some point during the applicable statute of limitations  
3 period,

4                   2. Allege one or more violations that raise similar questions as to liability, and

5                   3. Seek similar forms of relief.

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

8                   1. The app-based workers' claims seek damages that differ in amount, or

9                   2. The job titles of or other means of classifying the app-based workers differ in  
10 ways that are unrelated to their claims.

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

13 **8.37.233 Waiver**

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

16 **8.37.235 Encouragement of more generous policies**

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

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

1 **8.37.240 Other legal requirements—Effect on other laws**

2 A. The provisions of this Chapter 8.37:

3 1. Supplement and do not diminish or replace any other basis of liability or  
4 requirement established by statute or common law;

5 2. Shall not be construed to preempt, limit, or otherwise affect the applicability of  
6 any other law, regulation, requirement, policy, or standard for minimum labor and compensation  
7 requirements, or which extends other protections to app-based workers; and

8 3. Shall not be interpreted or applied so as to create any power or duty in conflict  
9 with federal or state law.

10 B. This Chapter 8.37 shall not be construed to preclude any person aggrieved from  
11 seeking judicial review of any final administrative decision or order made under this Chapter  
12 8.37 affecting such person. Nothing in this Section 8.37.240 shall be construed as restricting an  
13 app-based worker’s right to pursue any other remedies at law or equity for violation of the  
14 contractor’s rights.

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

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

20 **8.37.250 Severability**

21 The provisions of this Chapter 8.37 are declared to be separate and severable. If any clause,  
22 sentence, paragraph, subdivision, section, subsection, or portion of this Chapter 8.37, or the  
23 application thereof to any network company, app-based worker, person, or circumstance, is held

1 to be invalid, it shall not affect the validity of the remainder of this Chapter 8.37, or the validity  
2 of its application to other persons or circumstances.

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

5 **3.02.125 Hearing Examiner filing fees**

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

<b>Basis for Case</b>	<b>Fee in dollars</b>
* * *	
All-Gender Restroom Notice of Violation (Section 14.07.040) .....	No fee
<u>App-Based Worker Minimum Payment Ordinance (Chapter 8.37) .....</u>	<u>No fee</u>
Cable Communications (Chapter 21.60) .....	No fee
* * *	

8 \* \* \*

9 Section 5. Section 3.15.000 of the Seattle Municipal Code, last amended by Ordinance  
10 126189, is amended as follows:

11 **3.15.000 Office of Labor Standards created—Functions**

12 There is created within the Executive Department an Office of Labor Standards, under the  
13 direction of the Mayor. The mission of the Office of Labor Standards is to advance labor  
14 standards through thoughtful community and business engagement, strategic enforcement and  
15 innovative policy development, with a commitment to race and social justice. The Office of  
16 Labor Standards seeks to promote greater economic opportunity and further the health, safety,  
17 and welfare of employees; support employers in their implementation of labor standards  
18 requirements; and end barriers to workplace equity for women, communities of color,  
19 immigrants and refugees, and other vulnerable workers.

1 The functions of the Office of Labor Standards are as follows:

2 A. Promoting labor standards through outreach, education, technical assistance, and  
3 training for employees and employers;

4 B. Collecting and analyzing data on labor standards enforcement;

5 C. Partnering with community, businesses, and workers for stakeholder input and  
6 collaboration;

7 D. Developing innovative labor standards policy;

8 E. Administering and enforcing labor standards (Title 8), City of Seattle ordinances  
9 relating to paid sick and safe time (Chapter 14.16), use of criminal history in employment  
10 decisions (Chapter 14.17), minimum wage and minimum compensation (Chapter 14.19), wage  
11 and tip compensation requirements (Chapter 14.20), secure scheduling (Chapter 14.22), domestic  
12 workers (Chapter 14.23), hotel employees safety protections (Chapter 14.26), protecting hotel  
13 employees from injury (Chapter 14.27), improving access to medical care for hotel employees  
14 (Chapter 14.28), hotel employees job retention (Chapter 14.29), commuter benefits (Chapter  
15 14.30), transportation network company driver deactivation protections (Chapter 14.32),  
16 transportation network company driver minimum compensation (Chapter 14.33), and other labor  
17 standards ordinances that may be enacted in the future.

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

20 **6.208.020 Denial, revocation of, or refusal to renew business license**

21 A. In addition to any other powers and authority provided under this Title 6, the Director,  
22 or the Director's designee, has the power and authority to deny, revoke, or refuse to renew any  
23 business license issued under the provisions of this Chapter 6.208. The Director, or the

1 Director's designee, shall notify such applicant or licensee in writing by mail of the denial,  
2 revocation of, or refusal to renew the license and on what grounds such a decision was based.

3 The Director may deny, revoke, or refuse to renew any license issued under this Chapter 6.208  
4 on one or more of the following grounds:

5 1. The license was procured by fraud or false representation of fact.

6 2. The licensee has failed to comply with any provisions of this Chapter 6.208.

7 3. The licensee has failed to comply with any provisions of Chapters 5.32, 5.35,  
8 5.38, 5.39, 5.40, 5.45, 5.46, 5.47, 5.48, 5.50, or 5.52.

9 4. The licensee is in default in any payment of any license fee or tax under Title 5  
10 or Title 6.

11 5. The property at which the business is located has been determined by a court to  
12 be a chronic nuisance property as provided in Chapter 10.09.

13 6. The applicant or licensee has been convicted of theft under subsection  
14 12A.08.060.A.4 within the last ten years.

15 7. The applicant or licensee is a person subject within the last ten years to a court  
16 order entering final judgment for violations of chapters 49.46, 49.48, or 49.52 RCW, or 29  
17 U.S.C. 206 or 29 U.S.C. 207, and the judgment was not satisfied within 30 days of the later of  
18 either:

19 a. The expiration of the time for filing an appeal from the final judgment  
20 order under the court rules in effect at the time of the final judgment order; or

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

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

6                   9. Pursuant to relevant provisions in Title 8, subsections 14.16.100.A.4,  
7 14.17.075.A, 14.19.100.A.4, 14.20.080.A.4, 14.22.115.A.4, 14.23.115.A.4, 14.26.210.A.4,  
8 14.27.210.A.4, 14.28.210.A.4, 14.30.180.A.4, and 14.33.210.A.4, subsection 100.240.A.4 of  
9 Ordinance 126091, subsection 100.240.A.4 of Ordinance 126094, and subsection 100.240.A.4 of  
10 Ordinance 126274, the applicant or licensee has failed to comply, within 30 days of service of  
11 any settlement agreement, with any final order issued by the Director of the Office of Labor  
12 Standards, or any final order issued by the Hearing Examiner under Title 8, Chapters 14.16,  
13 14.17, 14.19, 14.20, 14.22, 14.23, 14.26, 14.27, 14.28, 14.29, 14.30, and 14.33, Ordinance  
14 126091, Ordinance 126094, and Ordinance 126274 for which all appeal rights have been  
15 exhausted, and the Director of the Office of Labor Standards has requested that the Director  
16 deny, refuse to renew, or revoke any business license held or requested by the applicant or  
17 licensee. The denial, refusal to renew, or revocation shall remain in effect until such time as the  
18 violation(s) under Title 8, Chapters 14.16, 14.17, 14.19, 14.20, 14.22, 14.23, 14.26, 14.27, 14.28,  
19 14.29, 14.30, and 14.33, Ordinance 126091, Ordinance 126094, and Ordinance 126274 are  
20 remedied.

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



1 Section 7. Section 3 of this ordinance shall take effect on XX, 1, 2023.

2 Section 8. This ordinance shall take effect and be in force 30 days after its approval by  
3 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
4 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

5 Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2022,  
6 and signed by me in open session in authentication of its passage this \_\_\_\_ day of  
7 \_\_\_\_\_, 2022.

8 \_\_\_\_\_  
9 President \_\_\_\_\_ of the City Council

10 Approved / returned unsigned / vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

11 \_\_\_\_\_  
12 Bruce A. Harrell, Mayor

13 Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

14 \_\_\_\_\_  
15 Monica Martinez Simmons, City Clerk

16 (Seal)