

July 22, 2022

MEMORANDUM

То:	Seattle City Council
From:	Karina Bull, Analyst
Subject:	CB 120372: End of Grocery Worker Hazard Pay

On July 26, 2022, the City Council (Council) will discuss and possibly vote on <u>Council Bill (CB)</u> <u>120372</u>, legislation transmitted by the Executive that would end grocery worker hazard pay before the termination of the Mayor's civil emergency. This memo provides a high-level summary of the legislation and identifies next steps.

Background

On February 3, 2021, the City of Seattle enacted <u>Ordinance 126274</u> (Hazard Pay for Grocery Employees Ordinance), requiring large grocery businesses to provide grocery workers with hazard pay of \$4.00 per hour for work performed in Seattle during the COVID-19 emergency. The Office of Labor Standards (OLS) was authorized to enforce the ordinance and grocery workers could also file an individual or class action for violations.

Council intended the hazard pay to compensate grocery workers for the risks of working on the frontlines of a global pandemic, improve their financial ability to access resources to stay safe and healthy, encourage them to continue their vital work, and support the welfare of the greater community that depends on grocery employees for safe and reliable access to food.

Ordinance 126274 also stated Council's intention to consider modifying hazard pay requirements after four months of implementation and upon review of the current health, safety, and economic risks of frontline work during the pandemic. Accordingly, in recognition of high rates of vaccinations and other positive trends in key indicators of COVID-19 activity in King County, Council considered <u>CB 120119</u> that would have ended hazard pay before the termination of the Mayor's civil emergency.

After voting to hold passage of the bill three times due to high rates of COVID-19 transmission, Council passed the bill in December 2021. Later that month, the Mayor vetoed the bill due to concerns of a new, highly contagious COVID-19 variant.¹ On January 25, 2022, the Council reconsidered the bill and voted to sustain the Mayor's veto, continuing hazard pay for grocery workers during the COVID-19 emergency. Table 1 summarizes the legislative timeline of CB 120119.

¹ <u>Notice of Jenny A. Durkan's written veto and disapproval of CB 120119 relating to hazard pay for frontline</u> <u>grocery workers</u>. December 27, 2021

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Table 1.	Legislative	timeline (of CB	120119

Date	Action
July 27, 2021	City Council voted to hold passage of the bill
August 9, 2021	City Council voted to hold passage of the bill
September 13, 2021	City Council voted to hold passage of the bill
December 13, 2021	City Council passed the bill
December 27, 2021	Mayor vetoed and returned the bill
January 25, 2022	City Council reconsidered the bill and voted to sustain the Mayor's veto

CB 120372

CB 120372 would end grocery worker hazard pay upon the effective date of the legislation. The employer's requirement to display a workplace "notice of rights" poster would continue for one year to inform employees of their right to file a complaint or civil action for violations. Other requirements, such as recordkeeping, prohibitions against retaliation, and enforcement, would continue for three years until the automatic repeal of the ordinance without need for subsequent action by the Council.

For reference, the Centers for Disease Control and Prevention has determined that COVID transmission in King County is at a "high" level.² Public Health – Seattle & King County has determined that COVID transmission in King County is at a "medium" level.³ The discrepancy between these determinations could be due to Public Health – Seattle & King County calculating transmissions levels on a more refined set of data than the Center for Disease Control (CDC) (e.g., the public health department removes cases among people who are hospitalized for other reasons, but who have COVID).⁴

Racial Equity Impacts

Ending hazard pay requirements for grocery store employees could have a disproportionate impact on grocery workers who identify as Black, Indigenous, and People of Color (BIPOC). The risks of working during the pandemic are especially significant for BIPOC workers because they are overrepresented among the retail frontline workforce, more likely to earn lower incomes, and disproportionately impacted by COVID-19. Despite positive trends in vaccinations and key indicators of COVID-19 activity in King County, there are disproportionately higher rates of COVID cases, hospitalizations, and deaths among most communities of color, with the highest rates in all three categories for Native Hawaiian/Pacific Islander residents and the second highest rates for hospitalizations and deaths for American Indian/Alaska Native residents.⁵

² <u>COVID-19 Integrated County View, King County</u>. *Centers for Disease Control and Prevention*, July 20, 2022.

³ <u>COVID-19 Community Level in King County, Washington</u>. *Public Health – Seattle & King County*, July 20, 2022.

⁴ Gutman, David. <u>CDC says COVID level 'high' in King County, recommends masks</u>. *The Seattle Times*, July 16, 2022.

⁵ <u>COVID-19 Data Dashboard: Race and Ethnicity Data</u>. *Public Health – Seattle & King County*, July 17, 2022.

Notably, grocery workers covered by a recently negotiated collective bargaining agreement will be eligible for additional hourly wages beginning on August 28, 2022, including additional hourly pay increases of \$4.00 (the same amount as the hazard pay) to \$9.00 over the course of the three-year agreement.⁶

Next Steps

If Council passes CB 120372, hazard pay requirements would end 30 days after the Mayor signs the legislation (or when the legislation would otherwise take effect under <u>SMC 1.04.020</u>) – likely between August 25 and September 4, 2022.

Alternatively, if Council does not pass CB 120372, hazard pay requirements would end upon the termination of the Mayor's civil emergency. All other requirements would continue for three years until the automatic repeal of the ordinance.

Please let me know if you have any questions about the proposed legislation.

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

⁶ Contracts were ratified for Safeway, Albertson, Fred Meyer, QFC, Metropolitan Market, Town & Country, and other independent grocery stores. <u>Grocery Workers Vote Overwhelmingly to Ratify New Contract!</u> *UFCW 3000 News & Updates*, April 29, 2022.