

SUMMARY and FISCAL NOTE*

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

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to employment in Seattle; adding a new Chapter 14.22 to the Seattle Municipal Code; establishing secure scheduling requirements for covered food services and retail establishments; prescribing remedies and enforcement procedures; amending Section 14.20.025 of the Seattle Municipal Code to add good faith estimates of work schedules to notice of employment information; amending Section 6.208.020 of the Seattle Municipal Code to condition business license registration on compliance with secure scheduling requirements; and amending Section 3.14.945 of the Seattle Municipal Code to add Chapter 14.22 to the list of ordinances administered and enforced by the Office of Labor Standards.

Summary and background of the Legislation:

This legislation establishes secure scheduling requirements for large food services and retail establishments in the City of Seattle beginning July 1, 2017. Large food service and retail establishments are defined as those that employ 500 or more employees, either in Seattle or nationally. Full service restaurants have an additional requirement of 40 or more locations worldwide. The Secure Scheduling Ordinance contains the following requirements:

- Good faith estimate of work schedule;
- Right to request input into the work schedule;
- Right to rest between work shifts;
- Advance notice of work schedule (at least 14 days);
- Notice of work schedule changes;
- Compensation of Work Schedule Changes;
- Access to hours for existing employees; and
- Protection from a pattern or practice of underscheduling.
- Waiver for alternative scheduling structure in collective bargaining agreement that meets policy goals of ordinance

The legislation outlines various exceptions to the above policies, allowing employees flexibility in creating their schedule and recognizing bona fide business reasons for irregular scheduling.

The legislation also provides for a study of the application of secure scheduling requirements to evaluate impacts of the ordinance for the baseline, one-year and two-year periods following implementation.

To develop this ordinance, the Mayor and Council staff convened stakeholder meetings with both business owners and worker advocates, and met individually with numerous businesses and

workers. In addition, the Seattle City Council's Civil Rights, Utilities, Economic Development, and Arts committee heard reports from stakeholders, researchers in the field, and the San Francisco Office of Labor Standards Enforcement (who has implemented similar legislation).

2. CAPITAL IMPROVEMENT PROGRAM

This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

This legislation does not have direct financial implications.

Resources for this work will be included in the Mayor's Proposed Budget for 2017-2018, as a part of overall Office of Labor Standards staffing. The Proposed Budget will also include \$200,000 for the City Auditor to contract with academic researchers to conduct a study of the application of secure scheduling requirements.

4. OTHER IMPLICATIONS

a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**

No.

b) **Is there financial cost or other impacts of not implementing the legislation?**

The public welfare, health, and prosperity of Seattle require consistent work hours and stability in work schedule to ensure a decent and healthy life for all Seattle workers and their families. Not implementing this legislation will delay progress in improving public welfare, health and prosperity.

c) **Does this legislation affect any departments besides the originating department?**

A nominal amount of additional casework for appeals will go through the Hearing Examiner, as well as a small number of legal referrals to the City Attorney. The City Auditor will manage the evaluation study with input on the scope and design of the study from the Office of Labor Standards.

d) **Is a public hearing required for this legislation?**

No.

e) **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**

No.

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

No.

g) Does this legislation affect a piece of property?

No.

h) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

Yes:

- Professor Lonnie Golden of Pennsylvania State University found that, by income level, nationally the lowest income workers face the most irregular schedules.
- Part-time work has a correlation with national poverty levels. Poverty rates are higher for households with children, Hispanics and African-Americans when one worker in the household is employed part-time.
- Vigdor Measurement and Evaluation provided data on scheduling practices in Seattle and found that African-American and Latino respondents reported significantly higher rates of scheduling-related hardship and were more likely to receive shorter notice of their schedules, to work on-call shifts, and to have their hours reduced.

This legislation will advance the principles of the Race and Social Justice Initiative by improving the welfare, health, and prosperity for historically disadvantaged communities who have been disproportionately impacted by irregular scheduling.

i) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.

This legislation expands the City's labor standards and, as a consequence, the mission of the Office of Labor standards. Its goals are to improve the public welfare, health, and prosperity for all Seattle workers and their families, as well as advance the principles of the City Race and Social Justice Initiative. The study provided for within the legislation will measure the efficacy of the ordinance following its implementation.

j) Other Issues: N/A.

List attachments/exhibits below: