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CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to employment in Seattle; requiring certain employers to make required healthcare expenditures to or on behalf of certain employees for the purpose of improving access to medical care; adding a new Chapter 14.28 to the Seattle Municipal Code (SMC); and amending Sections 3.15.000 and 6.208.020 of the SMC.

..body

WHEREAS, the City has identified a need to provide immediate protection to low-wage hotel employees by passing a package of new labor standards ordinances; and

WHEREAS, ensuring that low-wage hotel employees have access through additional compensation to high-quality, affordable health coverage can help create greater workplace satisfaction, healthier employees, and healthier customers, and improve population health; NOW, THEREFORE;

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A new Chapter 14.28 is added to the Seattle Municipal Code as follows:

Chapter 14.28 IMPROVING ACCESS TO MEDICAL CARE FOR HOTEL

EMPLOYEES

14.28.010 Short title

This Chapter 14.28 shall constitute the “Improving Access to Medical Care for Hotel Employees Ordinance” and may be cited as such.

14.28.020 Definitions

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1 For the purposes of this Chapter 14.28:

2 “Adverse action” means denying a job or promotion, demoting, terminating, failing to
3 rehire after a seasonal interruption of work, threatening, penalizing, engaging in unfair
4 immigration-related practices, filing a false report with a government agency, changing an
5 employee’s status to a nonemployee, or otherwise discriminating against any person for any
6 reason prohibited by Section 14.28.120. “Adverse action” for an employee may involve any
7 aspect of employment, including pay, work hours, responsibilities or other material change in the
8 terms and conditions of employment;

9 “Agency” means the Office of Labor Standards and any division therein;

10 “Aggrieved party” means an employee or other person who suffers tangible or intangible
11 harm due to an employer or other person’s violation of this Chapter 14.28;

12 ~~“Ancillary hotel business” means **HOLD PENDING 9/5 COMMITTEE MEETING;**~~

13 “Ancillary hotel business” means any business that (1) routinely contracts with the hotel
14 for services in conjunction with the hotel’s purpose; (2) leases or sublets space at the site of the
15 hotel for services in conjunction with the hotel’s purpose; or (3) provides food and beverages, to
16 hotel guests and to the public, with an entrance within the hotel premises;

17 “Annual open enrollment period” means a period, as defined in the Code of Federal
18 Regulation (C.F.R.) at 45 CFR § 155.20 governing the Affordable Care Act (or as established by
19 Director’s rule), during which a qualified individual may enroll or change health coverage;

20 “City” means the City of Seattle;

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1 "Compensation" means payment owed to an employee by reason of employment
2 including, but not limited to, salaries, wages, tips, overtime, commissions, piece rate, bonuses,
3 rest breaks, promised or legislatively required pay or paid leave, and reimbursement for
4 employer expenses. For reimbursement for employer expenses, an employer shall indemnify
5 the employee for all necessary expenditures or losses incurred by the employee in direct
6 consequence of the discharge of the employee's duties, or of the employee's obedience to the
7 directions of the employer, even though unlawful, unless the employee, at the time of obeying
8 the directions, believed them to be unlawful;

9 "Covered employee" means an employee who meets the criteria established by Section
10 14.28.030-;

11 "Covered employer" means an employer who meets the criteria established by Section
12 14.28.040;

13 "Dependents" means the same as the definition provided in the Code of Federal
14 Regulations (C.F.R.) at 26 C.F.R. 54.9801-2 (or as established by Director's rule);

15 "Director" means the Director of the Office of Labor Standards or the Director's
16 designee;

17 "Employ" means to suffer or permit to work;

18 "Employee" means "employee" as defined under Section 12A.28.200, including but not
19 limited to full-time employees, part-time employees, and temporary workers. An alleged
20 employer bears the burden of proof that the individual is, as a matter of economic reality, in

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1 business for oneself (i.e. independent contractor) rather than dependent upon the alleged
2 employer;

3 “Employer” means any individual, partnership, association, corporation, business trust, or
4 any entity, person or group of persons, or a successor thereof, that employs another person and
5 includes any such entity or person acting directly or indirectly in the interest of the employer in
6 relation to the employee. More than one entity may be the “employer” if employment by one
7 employer is not completely disassociated from employment by any other employer;

8 ~~“Gold level equivalent” means a health plan or coverage that is equal to or better than the
9 actuarial value of a gold level plan offered on the Washington Health Benefit Exchange, includes
10 the ten essential health benefits, no lifetime or annual benefit maximums, and adheres to the
11 consumer protections built into the Affordable Care Act as of passage of this ordinance;~~

12 -“Healthcare services” means medical care, services, or goods that may qualify as tax
13 deductible medical care expenses under Section 213 of the Internal Revenue Code, or medical
14 care, services, or goods having substantially the same purpose or effect as such deductible
15 expenses. “Healthcare services” does not include vision or dental services;

16 “Health coverage” means payment or reimbursement of costs for healthcare services;

17 “Hotel’s purpose” means services in conjunction with the hotel’s provision of short term
18 lodging including food or beverage services, recreational services, conference rooms, convention
19 services, laundry services, and parking;

20 “Hours” means (1) each hour for which an employee is paid, or is entitled to payment, for
21 the performance of duties for the employer; and (2) each hour for which the employee is paid, or

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1 is entitled to payment, by the employer for a period during which no duties are performed due to
2 vacation, holiday, illness, legally required paid leave, incapacity (including disability), layoff,
3 jury duty, military duty, or leave of absence;

4 “Large hotel” means a hotel or motel, as defined in Section 23.84A.024, containing 100
5 or more guest rooms or suites of rooms suitable for providing lodging to members of the public
6 for a fee, regardless of how many of those rooms or suites are occupied or in commercial use at a
7 given time;

8 “Medical inflation” means the average annual rate of growth of spending in the private
9 health insurance market, as determined annually by the Center for Medicare & Medicaid
10 Services National Health Expenditures;

11 “Qualifying life event” means the events, as may be set forth in a covered employer’s
12 health plan document (or as established by Director’s rule), which permit eligibility for a
13 “special enrollment period,” if offered, allowing enrollment in health coverage outside the annual
14 open enrollment period for enrollment in employer-sponsored plan.

15 “Rate of inflation” means 100% of the annual average growth rate of the bi-monthly
16 Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and Clerical
17 Workers, termed CPI-W, for the 12 month period ending in August, provided that the percentage
18 increase shall not be less than zero;

19 “Respondent” means an employer or any person who is alleged to have committed a
20 violation of this Chapter 14.28;

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1 “Special enrollment period” means a period, as defined in the Code of Federal
2 Regulations (C.F.R.) at § 155.20 governing the Affordable Care Act (or as established by
3 Director’s rule), during which a qualified individual or enrollee who experiences certain
4 “qualifying life events” may enroll in, or change enrollment in health coverage outside of the
5 initial and annual open enrollment periods;

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

14 ~~“Qualifying life event” means a change in situation as defined as a triggering event in the~~
15 ~~Code of Federal Regulations (C.F.R.) at 45 C.F.R. §155.420(d) (or as established by Director’s~~
16 ~~rule) governing the Affordable Care Act that define categories such as the loss of health~~
17 ~~coverage, changes in household, changes in residence, or other qualifying events that determine~~
18 ~~eligibility for a Special Enrollment Period, allowing enrollment in health coverage outside the~~
19 ~~annual Open Enrollment Period for enrollment in employer sponsored plan, if offered.~~

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1 **14.28.025 Intent**

2 The intent of this Chapter 14.28 is to improve low-wage hotel ~~employees~~employees' access,
3 through additional compensation, to high-quality, affordable ~~medical care~~health coverage for the
4 ~~employee~~employees and their ~~spouses~~spouses or domestic ~~partner~~partners, children, and other
5 dependents.

6 **14.28.030 Employee coverage**

7 A. For the purposes of this Chapter 14.28, covered employees are limited to employees
8 who work for a covered employer at a large hotel in the City and for an average of 80 hours or
9 more per month, the calculation of which shall be determined by Director's rule.

10 B. For the purposes of this Chapter 14.28, a covered employee does not include:

11 1. An employee who is a manager, supervisor, or a confidential employee;

12 2. An employee who receives health coverage from another source, including but
13 not limited to employer-sponsored health insurance through an employer other than the covered
14 employer, either as an employee or by virtue of being the spouse, domestic partner, child, or
15 other dependent of another person. If an employee receives health coverage from another source,
16 the following conditions must be met in order for the employee to be excluded from being
17 treated as a "covered employee":

18 a. ~~If the employee receives health coverage from an employer-sponsored~~
19 ~~plan, through an employer other than the covered employer, the actuarial value of such coverage~~
20 ~~must be equal to or better than a gold-level plan offered on the Washington Health Benefit~~
21 ~~Exchange. The employer must offer the employee a written waiver, free from coercion as~~

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1 described in Section 14.28.050 and under penalty of perjury, that the employee has access to
2 high-quality and affordable health coverage from another source for themselves and, if
3 applicable, their spouse, domestic partner, or dependents. If an employee submits the waiver, the
4 employer is not required to verify the accuracy of the attestation in the employee's waiver;

5 b. The ~~covered~~ employer must ~~obtain from the employee a voluntary and~~
6 ~~knowing offer the~~ waiver ~~of the requirements of this Chapter 14.28 in writing~~ on a form issued
7 by the Director as described in Section 14.28.050 ~~and 14.28.060.D~~;

8 c. Prior to ~~signing~~ offering the ~~written~~ waiver, the employer must provide
9 the employee is provided with a written disclosure of the rights being waived, the form and
10 contents of which shall be prescribed by the Director.

11 C. A waiver of the requirements of this Chapter 14.28, as described in subsection
12 14.28.030.B., is revocable by the employee during any period of annual open enrollment in the
13 covered employer's employer-sponsored plan or due to a qualifying life event.

14 **14.28.040 Employer coverage**

15 A. For the purposes of this Chapter 14.28, covered employers are limited to those who
16 either: (a) own, control, or operate a large hotel in the City; or (b) own, control, or operate an
17 ancillary hotel business in the City with 50 or more employees worldwide regardless of where
18 those employees are employed, including but not limited to chains, integrated enterprises, or
19 franchises associated with a franchisor or network of franchises that employee ~~2050~~ or more
20 employees in aggregate.

21 B. To determine the number of employees for the current calendar year:

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1 1. The calculation shall be based upon the average number per calendar week of
2 employees who worked for compensation during the preceding calendar year for any and all
3 weeks during which at least one employee worked for compensation. For employers that did not
4 have employees during the previous calendar year, the number of employees will be calculated
5 based upon the average number per calendar week of employees who worked for compensation
6 during the first 90 calendar days of the current year in which the employer engaged in business;
7 and

8 2. All employees who worked for compensation shall be counted, including but
9 not limited to:

- 10 a. Employees who are not covered by this Chapter 14.28;
11 b. Employees who worked inside the City;
12 c. Employees who worked outside the City; and
13 d. Employees who worked in full-time employment, part-time
14 employment, joint employment, temporary employment, or through the services of a temporary
15 services or staffing agency or similar entity.

16 C. Separate entities that form an integrated enterprise shall be considered a single
17 employer under this Chapter 14.29. Separate entities will be considered an integrated enterprise
18 and a single employer under this Chapter 14.29 where a separate entity controls the operation of
19 another entity. The factors to consider include, but are not limited to:

- 20 1. Degree of interrelation between the operations of multiple entities;
21 2. Degree to which the entities share common management;

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3. Centralized control of labor relations; and

4. Degree of common ownership or financial control over the entities.

14.28.050 Prohibition on coercing or unduly inducing a waiver

~~A~~ covered employer is prohibited from coercing or unduly inducing an employee to waive coverage of this Chapter 14.28.

14.28.060 Required healthcare expenditures for covered employees

~~A.~~ For each covered employee, an employer Covered employers must ~~satisfy the~~ make a monthly required healthcare ~~expenditure~~ expenditures to or on behalf of each covered employee in the amount ~~described in 14.28.060.C~~ of the following 2019 rates and subject to annual adjustments based on the medical inflation rate:

1. \$ 420 per month for an employee with no spouse, domestic partner, or dependents;

2. \$ 714 per month for an employee with only dependents;

3. \$ 840 per month for an employee with only a spouse or domestic partner;

4. \$ 1,260 per month for an employee with a spouse or domestic partner and one or more dependents.

~~A.B.~~ Covered employers have discretion as to the form of the monthly required healthcare expenditures they choose to make for their covered employees. Employers may satisfy their monthly obligations through any one or more of the following forms:

1. Additional compensation paid directly to the covered employee; and/or

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1 2. Payments to a third party, such as to an insurance carrier or trust, or into a
2 ~~healthcare savings account, tax favored health programs, (including health savings accounts,~~
3 ~~medical savings accounts, health flexible spending arrangements, and health reimbursement~~
4 ~~arrangements),~~ for the purpose of providing healthcare services to the employee or the spouse,
5 domestic partner, or dependents of the covered employee (if applicable); and/or

6 3. Average per-capita monthly expenditures for healthcare services made to
7 or on behalf of covered employees or the spouse, domestic partner, or dependents of the
8 employees (if applicable) by the employer's self-insured and/or self-funded insurance
9 program(s).

10 ~~i. An employer has discretion as to the form of the required healthcare~~
11 ~~expenditure it chooses to make for its covered employees, and an~~
12 ~~employer may satisfy its duty to its covered employees through any~~
13 ~~one or more of the forms set forth in subsection 14.28.060.A.~~

14 ~~B-C. If a covered employer provides an employer sponsored plan to covered~~
15 ~~employees with an actuarial value equal to or better than a gold level plan offered on the~~
16 ~~Washington Health Benefit Exchange, that employer has satisfied the monthly healthcare~~
17 ~~expenditure, as calculated in 14.28.060.C. If an employer automatically enrolls covered~~
18 ~~employees in that plan, then employees must be offered a waiver of the requirements of this~~
19 ~~Chapter 14.28, as described in 14.28.060.D. If the covered employer does not automatically~~
20 ~~enroll covered employees in its employer sponsored plan, the employer must demonstrate that it~~
21 ~~has offered enrollment in its employer sponsored plan to the covered employee and maintain~~

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1 ~~employer records as described in 14.28.100. Without regard to the preceding requirements in this~~
2 ~~subpart B, If a covered employer makes its monthly required health expenditures through an~~
3 ~~employer-sponsored plan, whether in partial or full satisfaction of the monthly required health~~
4 ~~expenditure rate (if in partial satisfaction of the monthly required health expenditure rate, the~~
5 ~~employer is required to satisfy the remaining portion of the monthly health expenditure rate~~
6 ~~through one of the forms outlined in 14.28.060 B), and if the employer imposes a waiting period~~
7 ~~before new hires can be enrolled in its employer-sponsored plan (or the plan or insurer carrier~~
8 ~~mandates such a period), the employer will not be required to satisfy the health expenditures as~~
9 ~~described in subsection 14.28.060. CA until the sooner of sixty days from the date of hire or the~~
10 ~~expiration of the employer-mandated waiting period. This temporary exemption from the~~
11 ~~obligation to satisfy the health expenditure requirement under requirements described in~~
12 ~~subsection 14.28.060. CA shall only apply to a newly-hired employee who is subject to the~~
13 ~~waiting period and shall have no effect on the employer's obligations to its other covered~~
14 ~~employees.~~

15 ~~C. Employers must make If an employee voluntarily declines an employer's offer of a~~
16 ~~monthly required healthcare expenditure to or on behalf of each covered employee in~~
17 ~~the amount of the following 2019 rates and subject to annual adjustments based on~~
18 ~~the medical inflation rate:~~

- 19 ~~1. \$ 448 per month for an employee with no spouse, domestic partner, or~~
20 ~~dependents;~~
- 21 ~~2. \$ 762 per month for an employee with only dependents;~~

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1 3. ~~\$ 896 per month for an employee with only a spouse or domestic partner;~~

2 4. ~~\$ 1,344 per month for an employee with a spouse or domestic partner and~~
3 ~~dependents.~~

4 D. ~~A covered employee may decline their employer's offer of employer sponsored~~
5 ~~health coverage, whether in full or part satisfaction of the employer's monthly health expenditure~~
6 ~~requirement for that covered employee, as calculated in requirements described in subsections~~

7 14.28.060.C. ~~An~~A, the employer will be deemed to have satisfied its required healthcare
8 expenditure ~~requirement~~rate for that employee; provided that the following conditions are met:

9 1. _____ The employer's ~~offer must meet the offered form of such monthly~~
10 required healthcare expenditure ~~rate for that~~under subsection 14.28.060.B would not require the
11 employee ~~asto pay more than a dollar amount equivalent to 20 percent of the monthly required~~
12 ~~healthcare amount~~ described in subsection 14.28.060.C ~~through one of the following: (A.1) an~~
13 ~~offer of; and~~

14 1. ~~The employer sponsored health care coverage that is satisfies~~ offers the health
15 ~~expenditure rate in full, or (2) the combination of an offer of employer-~~
16 ~~sponsored health coverage and one or more other forms of payment as~~
17 ~~described in 14.28.060.A(i) and (ii) which satisfies the health expenditure rate~~
18 ~~in full;~~

19 2. ~~The employee attests by voluntarily signing aa written~~ waiver, free from
20 coercion as described in Section 14.28.050 and under penalty of perjury, that the employee is
21 ~~declining the employer's offer of employer sponsored health insurance because the employee~~

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1 ~~has access to health coverage from another source for themselves or for their spouse, domestic~~
2 ~~partner, or dependents (if applicable) that is equal to or better than a gold level plan offered on~~
3 ~~the Washington State Health Benefit Exchange. An employer is not required to verify the~~
4 ~~accuracy~~waiving the employer's offer of the monthly required healthcare expenditure in full
5 satisfaction of the requirements described in subsections 14.28.090.A and B. The employer
6 offers the waiver on a form issued by the Director as described in Section 14.28.050. Prior to
7 offering the waiver, the employer provides the employee with a written disclosure of the
8 ~~attestation in~~rights being waived, the employee's waiver form and content of which shall be
9 prescribed by the Director.

10 E. The required healthcare expenditure is in addition to, and shall not be deemed
11 satisfied by, any amount otherwise required to be paid by federal, state, or local law; and the
12 required healthcare expenditure will not be considered as wages paid for purposes of determining
13 compliance with hourly wage and hourly compensation- laws and regulations. Any additional
14 compensation paid to the covered employee to meet the monthly required healthcare expenditure
15 shall be paid as ordinary income no later than the employee's last regular pay date of each
16 calendar month and, with respect to new hires, must commence the earlier of when the waiting
17 period to enroll in the employer-sponsored plan, if applicable, expires (if the employer
18 ~~provides~~makes its monthly required health expenditures through an employer-sponsored ~~health~~
19 ~~insurance~~plan in partial satisfaction of the health expenditure requirement) or sixty days from the
20 date of hire.

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1 F. The healthcare expenditure rates required by subsection 14.28.060.~~CA~~ shall be
2 adjusted annually based upon the average medical inflation rate as defined in Section 14.28.020.
3 The adjustment shall not be calculated by the Agency. The Agency shall post the calculated
4 annual rate and file such amount with the City Clerk before the third quarter of each year to
5 determine the monthly required healthcare expenditure rate for the next calendar year.

6 **14.28.100 Notice and posting**

7 A. The Agency shall create and make available a poster that gives notice of the rights
8 afforded by this Chapter 14.28. The Agency shall create the poster in English, Spanish, and other
9 languages. The poster shall give notice of:

10 1. The right to improved access to medical care through employer required
11 healthcare expenditures, as provided by Section 14.28.060;

12 2. The right to be protected from retaliation for exercising in good faith the rights
13 protected by this Chapter 14.28; and

14 3. The right to file a complaint with the Agency or bring a civil action for
15 violation of the requirements of this Chapter 14.28.

16 B. Employers shall display the poster in a conspicuous and accessible place at any
17 workplace or job site where any of their employees work. Employers shall display the poster in
18 English and Spanish and in the primary languages of the employee(s) at the particular workplace.
19 Employers shall make a good faith effort to determine the primary languages spoken by the
20 employees at that particular workplace. If display of the poster is not feasible, including
21 situations when the employee works remotely or does not have a regular workplace or job site,

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1 employers may provide the poster on an individual basis in an employee's primary language in
2 physical or electronic format that is reasonably conspicuous and accessible.

3 **14.28.110 Employer records**

4 A. Each employer shall retain records that document compliance with this Chapter 14.28,
5 including:

6 1. Proof of each required healthcare expenditure made each month to or on behalf
7 of each current and former employee pursuant to Section 14.28.060; ~~and~~

8 2. Copies of ~~voluntary~~-waiver forms executed pursuant to ~~Section~~Sections
9 14.28.030- ~~and 14.28.060; and~~

10 3. Pursuant to rules issued by the Director, other records that are material and
11 necessary to effectuate the terms of this Chapter 14.28.

12 B. Records required by subsection 14.28.110.A shall be retained for a period of three
13 years.

14 C. If the employer fails to retain adequate records required under subsection 14.28.110.A,
15 there shall be a presumption, rebuttable by clear and convincing evidence, that the employer
16 violated this Chapter 14.28 for the periods for which records were not retained for each
17 employee for whom records were not retained.

18 **14.28.120 Retaliation prohibited**

19 A. No employer or any other person shall interfere with, restrain, deny, or attempt to
20 deny the exercise of any right protected under this Chapter 14.28.

1 B. No employer or any other person shall take any adverse action against any person
2 because the person has exercised in good faith the rights protected under this Chapter 14.28.
3 Such rights include but are not limited to the right to make inquiries about the rights protected
4 under this Chapter 14.28; the right to inform others about their rights under this Chapter 14.28;
5 the right to inform the person's employer, union or similar organization, and/or the person's legal
6 counsel or any other person about an alleged violation of this Chapter 14.28; the right to file an
7 oral or written complaint with the Agency or bring a civil action for an alleged violation of this
8 Chapter 14.28; the right to cooperate with the Agency in its investigations of this Chapter 14.28;
9 the right to testify in a proceeding under or related to this Chapter 14.28; the right to refuse to
10 participate in an activity that would result in a violation of city, state, or federal law; and the right
11 to oppose any policy, practice or act that is unlawful under this Chapter 14.28.

12 C. No employer or any other person shall communicate to a person exercising rights
13 protected under this Section 14.28.120, directly or indirectly, the willingness to inform a
14 government employee or contracted organization that the person is not lawfully in the United
15 States, or to report, or to make an implied or express assertion of a willingness to report,
16 suspected citizenship or immigration status of an employee or a family member of the employee
17 to a federal, state, or local agency because the employee has exercised a right under this Chapter
18 14.28.

19 D. It shall be considered a rebuttable presumption of retaliation if the employer or any
20 other person takes an adverse action against a person within 90 calendar days of the person's
21 exercise of rights protected in this Section 14.28.120. However, in the case of seasonal

1 employment that ended before the close of the 90 calendar day period, the presumption also
2 applies if the employer fails to rehire a former employee at the next opportunity for work in the
3 same position. The employer may rebut the presumption with clear and convincing evidence that
4 the adverse action was taken for a permissible purpose.

5 E. Proof of retaliation under this Section 14.28.120 shall be sufficient upon a showing
6 that the employer or any other person has taken an adverse action against a person and the
7 person's exercise of rights protected in this Section 14.28.120 was a motivating factor in the
8 adverse action, unless the employer can prove that the action would have been taken in the
9 absence of such protected activity.

10 F. The protections afforded under this Section 14.28.120 shall apply to any person who
11 mistakenly but in good faith alleges violations of this Chapter 14.28.

12 G. A complaint or other communication by any person triggers the protections of this
13 Section 14.28.120 regardless of whether the complaint or communication is in writing or makes
14 explicit reference to this Chapter 14.28.

15 **14.28.130 Enforcement power and duties**

16 A. The Agency shall investigate violations of this Chapter 14.28, as defined herein, and
17 shall have such powers and duties in the performance of these functions as are defined in this
18 Chapter 14.28 and otherwise necessary and proper in the performance of the same and provided
19 for by law.

20 B. The Agency shall be authorized to coordinate implementation and enforcement of this
21 Chapter 14.28 and shall promulgate appropriate guidelines or rules for such purposes. ~~The~~

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~~Agency is entitled to rely on the assessment or recommendations conducted by an independent competent consultant and/or actuary, and is for verifying if the health coverage fully comports with the coverage described in subsection 14.28.060.B.~~

C. The Director of the Agency is authorized and directed to promulgate rules consistent with this Chapter 14.28 and Chapter 3.02. Any guidelines or rules promulgated by the Director shall have the force and effect of law and may be relied on by employers, employees, and other parties to determine their rights and responsibilities under this Chapter 14.28.

14.28.140 Violation

The failure of any respondent to comply with any requirement imposed on the respondent under this Chapter 14.28 is a violation.

14.28.150 Investigation

A. The Agency shall have the power to investigate any violations of this Chapter 14.28 by any respondent. The Agency may initiate an investigation pursuant to rules issued by the Director including, but not limited to, situations when the Director has reason to believe that a violation has occurred or will occur, or when circumstances show that violations are likely to occur within a class of businesses because either the workforce contains significant numbers of workers who are vulnerable to violations of this Chapter 14.28 or the workforce is unlikely to volunteer information regarding such violations. An investigation may also be initiated through the receipt by the Agency of a report or complaint filed by an employee or any other person.

1 B. An employee or other person may report to the Agency any suspected violation of this
2 Chapter 14.28. The Agency shall encourage reporting pursuant to this Section 14.28.150 by
3 taking the following measures:

4 1. The Agency shall keep confidential, to the maximum extent permitted by
5 applicable laws, the name and other identifying information of the employee or person reporting
6 the violation. However, with the authorization of such person, the Agency may disclose the
7 employee's or person's name and identifying information as necessary to enforce this Chapter
8 14.28 or for other appropriate purposes.

9 2. The Agency may require the employer to post or otherwise notify employees
10 that the Agency is conducting an investigation, using a form provided by the Agency and
11 displaying it on-site, in a conspicuous and accessible location, and in English and the primary
12 language(s) of the employee(s) at the particular workplace. If display of the form is not feasible,
13 including situations when the employee works remotely or does not have a regular workplace,
14 the employer may provide the form on an individual basis in physical or electronic format that is
15 reasonably conspicuous and accessible.

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). The certification is subject
18 to applicable federal law and regulations, and rules issued by the Director.

19 C. The Agency's investigation must 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 14.28 and any administrative enforcement

1 proceeding under this Chapter 14.28 based upon the same facts. For purposes of this Chapter
2 14.28:

3 1. The Agency's investigation begins on the earlier date of when the Agency
4 receives a complaint from a person under this Chapter 14.28, or the Agency provides notice to
5 the respondent that an investigation has commenced under this Chapter 14.28.

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

10 D. The Agency's investigation shall be conducted in an objective and impartial manner.

11 E. The Director may apply by affidavit or declaration in the form allowed under RCW
12 9A.72.085 to the Hearing Examiner for the issuance of subpoenas requiring the attendance and
13 testimony of witnesses, or any document relevant to the issue of whether any employee or group
14 of employees has been or is afforded proper amounts of compensation under this Chapter 14.28
15 and/or to whether the employer has violated any provision of this Chapter 14.28. 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 if a
18 complaint has been filed with the Agency, or that circumstances show that violations are likely to
19 occur within a class of businesses because the workforce contains significant numbers of
20 workers who are vulnerable to violations of this Chapter 14.28 or the workforce is unlikely to
21 volunteer information regarding such violations.

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1 F. An employer that fails to comply with the terms of any subpoena issued under
2 subsection 14.28.150.E in an investigation by the Agency under this Chapter 14.28 prior to the
3 issuance of a Director's Order issued pursuant to subsection 14.28.160.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 14.28.150.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 14.28.180.

14 **14.28.160 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 14.28 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 14.28, the Director
20 shall issue a "Determination of No Violation" with notice of an employee or other person's right
21 to appeal the decision, subject to the rules of the Director.

1 C. If the Director determines that a violation of this Chapter 14.28 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 14.28 for each violation, including payment of civil penalties, fines, and penalties
6 payable to the aggrieved party pursuant to subsection 14.28.170.B and 14.28.170.D; and unpaid
7 compensation, liquidated damages, civil penalties, penalties payable to aggrieved parties, fines,
8 and interest pursuant to subsection 14.28.170.C for retaliation.

9 2. The Director's Order may specify that civil penalties due to the Agency can be
10 mitigated for respondent's timely payment of remedy due to an aggrieved party under subsection
11 14.28.170.A.4.

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

14 4. The Director's Order may direct the respondent to take such corrective action as
15 is necessary to comply with the requirements of this Chapter 14.28, including, but not limited to,
16 monitored compliance for a reasonable time period.

17 5. The Director's Order shall include notice of the respondent's right to appeal the
18 decision, pursuant to Section 14.28.180.

19 **14.28.170 Remedies**

20 A. The payment of unpaid compensation, liquidated damages, civil penalties, penalties
21 payable to aggrieved parties, fines, and interest provided under this Chapter 14.28 are cumulative

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1 and are not intended to be exclusive of any other available remedies, penalties, fines and
2 procedures. Pursuant to subsection 14.28.160.C.3, the Director may specify that ~~all~~ civil
3 penalties and fines are due to the aggrieved party rather than due to the Agency.

4 1. The amounts of all civil penalties, penalties payable to aggrieved parties, and
5 fines contained in this Section 14.28.170 shall be increased annually to reflect the rate of
6 inflation and calculated to the nearest cent on January 1 of each year. The Agency shall
7 determine the amounts and file a schedule of such amounts with the City Clerk.

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

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

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

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

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

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

7 5. When determining the amount of liquidated damages, civil penalties, penalties
8 payable to aggrieved parties, and fines due under this Section 14.28.170, for a settlement
9 agreement or Director's Order, including but not limited to the mitigation of civil penalties and
10 fines due to the Agency for timely payment of remedy due to an aggrieved party under
11 subsection 14.28.170.A.4, the Director shall consider:

12 a. The total amount of unpaid compensation, liquidated damages,
13 penalties, fines, and interest due;

14 b. The nature and persistence of the violations;

15 c. The extent of the respondent's culpability;

16 d. The substantive or technical nature of the violations;

17 e. The size, revenue, and human resources capacity of the respondent;

18 f. The circumstances of each situation;

19 g. The amounts of penalties in similar situations; and

20 h. Other factors pursuant to rules issued by the Director.

1 B. A respondent found to be in violation of this Chapter 14.28 shall be liable for full
2 payment of unpaid compensation plus interest in favor of the aggrieved party under the terms of
3 this Chapter 14.28, and other equitable relief.

4 1. For a first violation of this Chapter 14.28, the Director may assess liquidated
5 damages in an additional amount of up to twice the unpaid compensation.

6 2. For subsequent violations of this Chapter 14.28, the Director shall assess an
7 amount of liquidated damages in an additional amount of twice the unpaid compensation.

8 3. For purposes of establishing a first and subsequent violation for this Section
9 14.28.170, the violation must have occurred within ten years of the settlement agreement or
10 Director's Order.

11 C. A respondent found to be in violation of this Chapter 14.28 for retaliation under
12 Section 14.28.120 shall be subject to any appropriate relief at law or equity including, but not
13 limited to, reinstatement of the aggrieved party, front pay in lieu of reinstatement with full
14 payment of unpaid compensation plus interest in favor of the aggrieved party under the terms of
15 this Chapter 14.28, and liquidated damages in an additional amount of up to twice the unpaid
16 compensation. The Director also shall order the imposition of a penalty payable to the aggrieved
17 party of up to \$5,000.

18 D. A respondent found to be in violation of this Chapter 14.28 shall be subject to civil
19 penalties. Pursuant to subsection 14.28.160.C.3, the Director may specify that civil penalties are
20 due to the aggrieved party rather than due to the Agency.

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1 1. For a first violation of this Chapter 14.28, the Director may assess a civil
2 penalty of up to \$500 per aggrieved party.

3 2. For a second violation of this Chapter 14.28, the Director shall assess a civil
4 penalty of up to \$1,000 per aggrieved party, or an amount equal to ten percent of the total
5 amount of unpaid compensation, whichever is greater.

6 3. For a third or any subsequent violation of this Chapter 14.28, the Director shall
7 assess a civil penalty of up to \$5,000 per aggrieved party, or an amount equal to ten percent of
8 the total amount of unpaid compensation, whichever is greater. The maximum civil penalty for a
9 violation of this Chapter 14.28 shall be \$20,000 per aggrieved party, or an amount equal to ten
10 percent of the total amount of unpaid compensation, whichever is greater.

11 4. For purposes of this Section 14.28.170, a violation is a second, third, or
12 subsequent violation if the respondent has been a party to one, two, or more than two settlement
13 agreements, respectively, stipulating that a violation has occurred; and/or one, two, or more than
14 two Director's Orders, respectively, have issued against the respondent in the ten years preceding
15 the date of the violation; otherwise, it is a first violation.

16 E. For the following violations, the Director may assess a fine up to the amounts set forth
17 below:

Violation	Fine
Failure to comply with prohibitions against coercing or unduly inducing an employee into waiving coverage under Section 14.28.050	\$1,000 per aggrieved party
Failure to provide the required healthcare expenditure as required by Section 14.28.060	\$500 per aggrieved party

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Failure to provide employees with written notice of rights under Section 14.28.100	\$500
Failure to maintain records for three years under Section 14.28.110	\$500 per missing record
Failure to comply with prohibitions against retaliation for exercising rights protected under Section 14.28.120	\$1,000 per aggrieved party
Failure to provide notice of investigation to employees under subsection 14.28.150.B.2	\$500
Failure to provide notice of failure to comply with final order to the public under subsection 14.28.210.A.1	\$500

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The fine amounts shall be increased cumulatively by 50 percent of the fine for each preceding violation for each subsequent violation of the same provision by the same employer or person within a ten year period. The maximum amount that may be imposed in fines in any one year period for each type of violation listed above is \$5,000 unless a fine for retaliation is issued, in which case the maximum amount is \$20,000.

F. A respondent who willfully hinders, prevents, impedes, or interferes with the Director or Hearing Examiner in the performance of their duties under this Chapter 14.28 shall be subject to a civil penalty of not less than \$1,000 and not more than \$5,000.

G. In addition to the unpaid compensation, penalties, fines, liquidated damages, and interest, the Agency may assess against the respondent in favor of the City reasonable costs incurred in enforcing this Chapter 14.28, including but not limited to reasonable attorney's fees.

H. An employer that is the subject of a settlement agreement stipulating that a violation shall count for debarment, or final order for which all appeal rights have been exhausted, shall not be permitted to bid, or have a bid considered, on any City contract until such amounts due under the final order have been paid in full to the Director. If the employer is the subject of a

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1 final order two times or more within a five-year period, the employer shall not be allowed to bid
2 on any City contract for two years. This subsection 14.28.170.H shall be construed to provide
3 grounds for debarment separate from, and in addition to, those contained in Chapter 20.70 and
4 shall not be governed by that chapter, provided that nothing in this subsection 14.28.170.H shall
5 be construed to limit the application of Chapter 20.70. The Director shall notify the Director of
6 Finance and Administrative Services of all employers subject to debarment under this subsection
7 14.28.170.H.

8 **14.28.180 Appeal period and failure to respond**

9 A. An employee or other person who claims an injury as a result of an alleged violation
10 of this Chapter 14.28 may appeal the Determination of No Violation Shown, pursuant to the
11 rules of the Director.

12 B. A respondent may appeal the Director's Order, including all remedies issued pursuant
13 to Section 14.28.170, by requesting a contested hearing before the Hearing Examiner in writing
14 within 15 days of service of the Director's Order. If a respondent fails to appeal the Director's
15 Order within 15 days of service, the Director's Order shall be final. If the last day of the appeal
16 period so computed is a Saturday, Sunday, or federal or City holiday, the appeal period shall run
17 until 5 p.m. on the next business day.

18 **14.28.190 Appeal procedure and failure to appear**

19 A. Contested hearings shall be conducted pursuant to the procedures for hearing
20 contested cases contained in Section 3.02.090 and the rules adopted by the Hearing Examiner for
21 hearing contested cases. The review shall be conducted de novo and the Director shall have the

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1 burden of proof by a preponderance of the evidence before the Hearing Examiner. Upon
2 establishing such proof, the remedies and penalties imposed by the Director shall be upheld
3 unless it is shown that the Director abused discretion. Failure to appear for a contested hearing
4 will result in an order being entered finding that the employer committed the violation stated in
5 the Director's Order. For good cause shown and upon terms the Hearing Examiner deems just,
6 the Hearing Examiner may set aside an order entered upon a failure to appear.

7 B. In all contested cases, the Hearing Examiner shall enter an order affirming, modifying,
8 or reversing the Director's Order.

9 **14.28.200 Appeal from Hearing Examiner order**

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

14 B. The decision of the Hearing Examiner shall be final and conclusive unless review is
15 sought in compliance with this Section 14.28.200.

16 **14.28.210 Failure to comply with final order**

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

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

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

6 3. The Director may refer the matter to the City Attorney for the filing of a civil
7 action in any court of competent jurisdiction to enforce such order or to collect amounts due. In
8 the alternative, the Director may seek to enforce a settlement agreement, a Director's Order or a
9 final order of the Hearing Examiner under Section 14.28.220.

10 4. The Director may request that the City's Department of Finance and
11 Administrative Services deny, suspend, refuse to renew, or revoke any business license held or
12 requested by the employer or person until such time as the employer complies with the remedy
13 as defined in the settlement agreement or final order. The City's Department of Finance and
14 Administrative Services shall have the authority to deny, refuse to renew, or revoke any business
15 license in accordance with this subsection 14.28.210.A.4.

16 B. No respondent that is the subject of a settlement agreement or final order issued under
17 this Chapter 14.28 shall quit business, sell out, exchange, convey, or otherwise dispose of the
18 respondent's business or stock of goods without first notifying the Agency and without first
19 notifying the respondent's successor of the amounts owed under the settlement agreement or final
20 order at least three business days prior to such transaction. At the time the respondent quits
21 business, or sells out, exchanges, or otherwise disposes of the respondent's business or stock of

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1 goods, the full amount of the remedy, as defined in the settlement agreement or the final order
2 issued by the Director or the Hearing Examiner, shall become immediately due and payable. If
3 the amount due under the settlement agreement or final order is not paid by respondent within
4 ten days from the date of such sale, exchange, conveyance, or disposal, the successor shall
5 become liable for the payment of the amount due, provided that the successor has actual
6 knowledge of the order and the amounts due or has prompt, reasonable, and effective means of
7 accessing and verifying the fact and amount of the order and the amounts due. The successor
8 shall withhold from the purchase price a sum sufficient to pay the amount of the full remedy.
9 When the successor makes such payment, that payment shall be deemed a payment upon the
10 purchase price in the amount paid, and if such payment is greater in amount than the purchase
11 price the amount of the difference shall become a debt due such successor from the employer.

12 **14.28.220 Debt owed The City of Seattle**

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

19 B. If a respondent fails to appeal a Director's Order to the Hearing Examiner within the
20 time period set forth in subsection 14.28.180.B the Director's Order shall be final, and the
21 Director may petition the Seattle Municipal Court to enforce the Director's Order by entering

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1 judgment in favor of the City finding that the respondent has failed to exhaust its administrative
2 remedies and that all amounts and relief contained in the order are due. The Director's Order
3 shall constitute prima facie evidence that a violation occurred and shall be admissible without
4 further evidentiary foundation. Any certifications or declarations authorized under RCW
5 9A.72.085 containing evidence that the respondent has failed to comply with the order or any
6 parts thereof, and is therefore in default, or that the respondent has failed to appeal the Director's
7 Order to the Hearing Examiner within the time period set forth in subsection 14.28.180.B and
8 therefore has failed to exhaust the respondent's administrative remedies, shall also be admissible
9 without further evidentiary foundation.

10 C. If a respondent fails to obtain judicial review of an order of the Hearing Examiner
11 within the time period set forth in subsection 14.28.200.A, the order of the Hearing Examiner
12 shall be final, and the Director may petition the Seattle Municipal Court to enforce the Director's
13 Order by entering judgment in favor of the City for all amounts and relief due under the order of
14 the Hearing Examiner. The order of the Hearing Examiner shall constitute conclusive evidence
15 that the violations contained therein occurred and shall be admissible without further evidentiary
16 foundation. Any certifications or declarations authorized under RCW 9A.72.085 containing
17 evidence that the respondent has failed to comply with the order or any parts thereof, and is
18 therefore in default, or that the respondent has failed to avail itself of judicial review in
19 accordance with subsection 14.28.200.A, shall also be admissible without further evidentiary
20 foundation.

1 D. In considering matters brought under subsections 14.28.220.B and 14.28.220.C, the
2 Municipal Court may include within its judgment all terms, conditions, and remedies contained
3 in the Director's Order or the order of the Hearing Examiner, whichever is applicable, that are
4 consistent with the provisions of this Chapter 14.28.

5 **14.28.230 Private right of action**

6 A. Any person or class of persons that suffers injury as a result of a violation of this
7 Chapter 14.28 or is the subject of prohibited retaliation under Section 14.28.120 may bring an
8 action in a court of competent jurisdiction against the employer or other person violating this
9 Chapter 14.28 and, upon prevailing, may be awarded reasonable attorney's fees and costs and
10 such legal or equitable relief as may be appropriate to remedy the violation including, without
11 limitation, the payment of any unpaid compensation plus interest due to the person and
12 liquidated damages in an amount up to twice the unpaid compensation; a penalty payable to any
13 aggrieved party of no less than \$100 and not more than \$1000 for each day the employer was in
14 violation. Interest shall accrue from the date the unpaid compensation was first due at 12
15 percent per annum, or the maximum rate permitted under RCW 19.52.020.

16 B. For purposes of this Section 14.28.230, "person" includes any entity a member of
17 which has suffered injury or retaliation, or any other individual or entity acting on behalf of an
18 aggrieved party that has suffered injury or retaliation.

19 C. For purposes of determining membership within a class of persons entitled to bring an
20 action under this Section 14.28.230, two or more employees are similarly situated if they:

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1 1. Are or were employed by the same employer or employers, whether
2 concurrently or otherwise, at some point during the applicable statute of limitations period,

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

4 3. Seek similar forms of relief.

5 D. For purposes of subsection 14.28.230.C, employees shall not be considered dissimilar
6 solely because their:

7 1. Claims seek damages that differ in amount, or

8 2. Job titles or other means of classifying employees differ in ways that are
9 unrelated to their claims.

10 E. An order issued by the court may include a requirement for an employer to submit a
11 compliance report to the court and to the City.

12 **14.28.235 Collective bargaining agreement**

13 A. The requirements of this Chapter 14.28 shall not apply to any employees covered by a
14 bona fide collective bargaining agreement to the extent that such requirements are expressly
15 waived in the collective bargaining agreement, or in an addendum to an existing agreement
16 including an agreement that is open for negotiation, in clear and unambiguous terms; provided,
17 however, that in either case, the agreement must be ratified by the employees and must contain
18 alternative safeguards that meet the public policy goals of this Chapter 14.28.

19 B. With the exception of any waiver permitted by Section 14.28.030, any waiver by an
20 individual employee of any provisions of this Chapter 14.28 shall be deemed contrary to public
21 policy and shall be void and unenforceable.

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1 **14.28.240 Other legal requirements**

2 This Chapter 14.28 provides hotel employee protection requirements and shall not be construed
3 to preempt, limit, or otherwise affect the applicability of any other law, regulation, requirement,
4 policy, or standard that provides for greater protections; and nothing in this Chapter 14.28 shall
5 be interpreted or applied so as to create any power or duty in conflict with federal or state law.
6 Nor shall this Chapter 14.28 be construed to preclude any person aggrieved from seeking judicial
7 review of any final administrative decision or order made under this Chapter 14.28 affecting
8 such person.

9 **14.28.250 Severability**

10 The provisions of this Chapter 14.28 are declared to be separate and severable. If any clause,
11 sentence, paragraph, subdivision, section, subsection, or portion of this Chapter 14.28, or the
12 application thereof to any employer, employee, or circumstance, is held to be invalid, it shall not
13 affect the validity of the remainder of this Chapter 14.28 or the validity of its application to other
14 persons or circumstances.

15 **14.28.260 Effective date**

16 ~~The~~A. For ancillary hotel businesses with between 50 and 250 employees that contract,
17 lease, or sublease with a hotel as of the date of passage of this Chapter 14.28, the provisions of
18 this Chapter 14.28 shall take effect -upon the later of July 1, 2025 or the earliest ~~regular~~ annual
19 open enrollment period for health coverage, if offered, after AprilJuly 1, 2025.

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1 B. For all other covered employers, the provisions of this Chapter 14.28 shall take effect
2 upon the later of July 1, 2020 or the earliest annual open enrollment period for health coverage,
3 if offered, after July 1, 2020.

4 Section 2. Section 3.15.000 of the Seattle Municipal Code, last amended by Ordinance
5 125684, is amended as follows:

6 **3.15.000 Office of Labor Standards created – Functions**

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

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

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

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

19 C. Partnering with community, businesses, and workers for stakeholder input and
20 collaboration;

21 D. Developing innovative labor standards policy;

1 E. Administering and enforcing City of Seattle ordinances relating to minimum wage,
2 and minimum compensation (Chapter 14.19), paid sick and safe time (Chapter 14.16), use of
3 criminal history in employment decisions (Chapter 14.17), wage and tip compensation
4 requirements (Chapter 14.20), secure scheduling (Chapter 14.22), improving access to medical
5 care for hotel employees (Chapter 14.28), commuter benefits (Chapter 14.30), and other labor
6 standards ordinances the City may enact in the future.

7 Section 3. Subsection 6.208.020.A of the Seattle Municipal Code, which section was last
8 amended by Ordinance 125684, is amended as follows:

9 **6.208.020 Denial, revocation of, or refusal to renew business license**

10 A. In addition to any other powers and authority provided under this Title 6, the Director,
11 or the Director's designee, has the power and authority to deny, revoke, or refuse to renew any
12 business license issued under the provisions of this Chapter 6.208. The Director, or the Director's
13 designee, shall notify such applicant or licensee in writing by mail of the denial, revocation of, or
14 refusal to renew the license and on what grounds such a decision was based. The Director may
15 deny, revoke, or refuse to renew any license issued under this Chapter 6.208 on one or more of
16 the following grounds:

- 17 1. The license was procured by fraud or false representation of fact.
- 18 2. The licensee has failed to comply with any provisions of this Chapter 6.208.
- 19 3. The licensee has failed to comply with any provisions of Chapters 5.32, 5.35,
20 5.40, 5.45, 5.46, 5.48, 5.50, or 5.52.

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

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

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

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

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

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

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

1 9. Pursuant to subsections 14.16.100.A.4, 14.17.075.A, 14.19.100.A.4,
2 14.20.080.A.4, 14.22.115.A.4, 14.28.210.A.4, and 14.30.180.A.4, the applicant or licensee has
3 failed to comply, within 30 days of service of any settlement agreement, with any final order
4 issued by the Director of the Office of Labor Standards, or any final order issued by the Hearing
5 Examiner under Chapters 14.16, 14.17, 14.19, 14.20, 14.22, 14.28, and 14.30, for which all
6 appeal rights have been exhausted, and the Director of the Office of Labor Standards has
7 requested that the Director deny, refuse to renew, or revoke any business license held or
8 requested by the applicant or licensee. The denial, refusal to renew, or revocation shall remain in
9 effect until such time as the violation(s) under Chapters 14.16, 14.17, 14.19, 14.20, 14.22, 14.28,
10 and 14.30 are remedied.

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

13 11. The business has been determined under a separate enforcement process to be
14 operating in violation of law.

15 * * *

16 Section 4. If any section or subsection of the Seattle Municipal Code affected by this
17 ordinance is amended by ordinance without reference to amendments made by this ordinance,
18 each ordinance shall be given effect to the extent that the amendments do not conflict in purpose,
19 and the code reviser may publish the section or subsection in the official code with all
20 amendments incorporated therein.

21 * * *

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1 Section 5. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the _____ day of _____, 2019,
5 and signed by me in open session in authentication of its passage this ____ day of
6 _____, 2019.

7 _____
8 President _____ of the City Council

9 Approved by me this _____ day of _____, 2019.

10 _____
11 Jenny A. Durkan, Mayor

12 Filed by me this _____ day of _____, 2019.

13 _____
14 Monica Martinez Simmons, City Clerk

15 (Seal)
16 ~~4835-9279-88804844-3093-3925~~, v. 1