

WHEREAS, the City's Office of Labor Standards (OLS) provides education and information to Seattle businesses and workers on the requirements and provisions for compliance with Seattle's labor laws; and

WHEREAS, the City recognizes that many businesses and workers receive information through their local business or community organizations and has funded local community based organizations and will be funding business organizations to help ensure they receive accurate and complete information; and

WHEREAS, the City recognizes that, even with significant outreach about its labor laws, non-compliance still occurs in every sector of Seattle's economy and is prevalent in particular sectors. Such sectors where noncompliance is more likely to occur often include particular high-risk industries, businesses with a history of noncompliance with other regulations, and vulnerable workers who may be afraid, unable, or unlikely to come forward with information about potential violations; and

WHEREAS, the Seattle Office for Civil Rights (SOCR) implemented Paid Sick and Safe Time (PSST) and Fair Chance Employment (FCE), the first local labor laws, before the establishment of OLS; and

WHEREAS, the 2014 Enforcement Audit of the PSST ordinance recommended that "SOCR should augment its individual complaint based approach to addressing non-compliance with a proactive random testing program" ([http://www.seattle.gov/Documents/](http://www.seattle.gov/Documents/Departments/CityAuditor/auditreports/141017-PSST-Enforcement-Audit-Final.pdf)

[Departments/CityAuditor/auditreports/141017-PSST-Enforcement-Audit-Final.pdf](http://www.seattle.gov/Documents/Departments/CityAuditor/auditreports/141017-PSST-Enforcement-Audit-Final.pdf)); and

WHEREAS, Ordinance 124960 specifies that the Director of OLS has the authority to initiate an investigation of potential violations of Seattle's labor laws without an individual complaint; and

WHEREAS, to maximize its resources, the City needs to be strategic about its enforcement efforts and direct some of its efforts where there is a high probability of non-compliance and an opportunity to change the culture of entire organizations and not only specific workplaces; and

WHEREAS, Ordinance 124960 provides that OLS 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 business sector because the workforce contains significant numbers of workers who are vulnerable to violations of labor laws or the workforce is unlikely to file a complaint regarding such violations; and WHEREAS, the City recognizes that there is not a Directed Investigation program that is being implemented by any other local jurisdiction that would provide a potential model for OLS; and

WHEREAS, the City recognizes that OLS will begin conducting Directed Investigations in 2017 and will develop the program to implement Directed Investigations and Director's Rules in 2016; and

WHEREAS, in 2014, Ordinance 124643 that established the OLS also established a 15-member Labor Standards Advisory Commission composed of employers, employees, and community members with a demonstrated concern and background in labor standards to advise the OLS Director on labor standards generally and specifically on the implementation of the City's labor laws and to provide an annual report to the Mayor and Council; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. The City Council requests that the Office of Labor Standards (OLS) provide quarterly updates/presentations, with the first report due by the end of the second quarter of 2016, identifying the work OLS is conducting to begin Directed Investigations in 2017. The updates should include progress on one or more of the following items:

- a. How OLS is involving the Labor Standards Advisory Commission and other stakeholders in the development of a Directed Investigations program;
- b. The data resources OLS will use to inform their decisions on where to focus their investigations, which may include information from the University of Washington's PSST and Minimum Wage Ordinance Studies, OLS's own case information including complainant and respondent demographics, data from the Department of Labor and the Washington State

Department of Labor and Industries, and existing research and additional data sources that may indicate employment sectors with large numbers of vulnerable workers;

- c. The percentage of investigations they anticipate they can conduct using directed investigations over the next five years, with a goal of at least ten percent of investigations being conducted through directed investigations in 2017;
- d. How OLS plans to allocate staff resources to implement directed investigations;
- e. How OLS will develop the capacity and expertise to conduct Directed Investigations;
- f. The outreach efforts OLS will implement to inform businesses of the Directed Investigation Program; and
- g. The timeline and process for development and implementation of Director's Rules.

Adopted by the City Council the ____ day of _____, 2016, and signed by me in open session in authentication of its adoption this _____ day of _____, 2016.

President _____ of the City Council

The Mayor concurred the ____ day of _____, 2016.

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2016.

Monica Martinez Simmons, City Clerk

(Seal)