

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; requiring employers to provide parking or compensation for parking expenses to construction employees working in Seattle; amending Sections 3.02.125, 3.15.000, and 6.208.020 of the Seattle Municipal Code; and adding a new Chapter 14.35 to the Seattle Municipal Code.

Summary and background of the Legislation: Construction has long been a major economic driver in the Seattle region, employing tens of thousands of workers. Many of these workers spend a disproportionate share of their income to reach their job sites in Seattle. Unlike workers in many other industries, construction workers must drive to work to meet the specific needs of their jobs, such as bringing heavy tools and other equipment to perform their work or arriving early in the morning before the start of public transportation services. Construction workers must also park near their jobs to limit the distance that they carry equipment to the job site and must find parking for the duration of the workday to avoid moving their vehicles every few hours. It can be exceptionally expensive for construction workers to park near their job sites in Seattle, and this expense is particularly damaging for workers who are facing inequities in pay and other aspects of work.

This legislation would require construction employers to pay for the parking costs of employees working at construction sites in Seattle to improve the financial resources of employees who bear significant expense to perform work that supports their economic livelihood and contributes to a thriving construction industry in Seattle.

Labor Standards Requirements

This legislation would require construction employers to provide employees working at construction sites in Seattle with reimbursement for parking expenses.

Employers providing additional pay to cover parking expenses (e.g., an additional fixed rate of pay for each hour worked at a construction site), could use the amount of this pay to offset the amount due for reimbursement. In such instances, employers would bear the burden of proof to show that the additional pay was for the purposes of providing reimbursement for parking expenses.

Employers providing free parking would not be subject to the reimbursement requirement. However, if the employer-provided parking is more than three blocks from the construction site, employers would pay employees for the travel time between the free parking site and the construction site as hours worked at the employee's regular rate of pay.

Enforcement

The Office of Labor Standards (OLS) would implement the legislation through rulemaking, outreach, and enforcement. For enforcement, OLS would have authority to conduct complaint-based or directed investigations and/or engage in a “complaint procedure” that would serve as an information exchange between parties.

In addition to filing claims with OLS, employees could file a civil action for violations and could be awarded attorney fees plus costs.

Remedies for violations would include payment of up to three times the unpaid compensation plus interest. OLS could also require hiring entities to pay penalties and/or fines of \$556.30 per aggrieved party and per type of violation.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes x No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes x No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

Yes. There would be financial implications for OLS (e.g., cost of creating model notices in English and other languages, providing outreach, and conducting investigations) and the Hearing Examiner (e.g., cost of conducting hearings on appeals from respondents and aggrieved parties). More information is needed to determine the impacts of this legislation on City public works construction projects and public/private partnership projects with significant City investment.

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

There are no financial costs to the City of not implementing the legislation.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Yes. OLS would implement and enforce this legislation. The Hearing Examiner would conduct hearings on appeals from respondents and aggrieved parties. There also could be an undetermined number of legal referrals to the City Attorney. More information is needed to determine the impacts of this legislation on City public works construction projects and public/private partnership projects with significant City investment.

b. Is a public hearing required for this legislation?

No.

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

No

d. Does this legislation affect a piece of property?

No.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

The Race and Social Justice Initiative is the City's commitment to eliminating racial disparities and achieving racial equity in Seattle. The implementation of this legislation could support the financial well-being of workers of color in the construction industry, especially Latinx and immigrant workers who are overrepresented in construction jobs.¹

Locally and nationally, the construction sector is predominantly white and male. However, construction jobs are among among the top ten occupations that will add the most workers of color in the Seattle area in the next decade.² This legislation has the capacity to improve the quality of construction jobs for current and future workers of color by preventing them from shouldering the burden of unavoidable, high parking costs to work at construction sites in Seattle.

Employers would be required to provide a notice of rights in English and in the primary language(s) of the employee. OLS could create and distribute a model notice of rights in English and other languages.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

More research is needed to determine whether implementing this legislation would increase carbon emissions by incentivizing more construction workers to drive to work.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so,

¹ Policy Link. (2021). [Advancing Workforce Equity in Seattle: A Blueprint for Action](#). Black, Indigenous, and People of Color (BIPOC) workers comprise 24 percent of the construction workforce in King County, compared to 34 percent of the workforce overall. Latinx workers are overrepresented in the construction workforce, accounting for nine percent of Seattle workers and holding 24 percent of construction jobs. The vast majority (75 percent) of Latinx workers in construction jobs are immigrants. Black workers account for six percent of the Seattle workforce and are the most deeply underrepresented in construction, holding just two percent of construction jobs.

² *Id.*

explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

More research is needed to determine whether implementing this legislation would increase or decrease Seattle's resiliency to climate change in a material way.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

OLS could publicly share information on outreach and enforcement efforts on their [on-line, interactive dashboard](#). The same metrics posted for other labor standards could apply for this legislation (e.g., number of inquiries, number of investigations, amount of remedies). OLS also could contract with community and business organizations to conduct measurable outreach and education efforts on employee rights and employer responsibilities.

List attachments/exhibits below: