

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
Mayor's Office	David Mendoza/386-1256	

** 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 the organization of City government; moving the Office of Labor Standards from a subsidiary unit in the Office for Civil Rights to its own unit in the Executive Department; amending the powers and duties of the Office of Labor Standards; adding Sections 3.15.000, 3.15.002, 3.15.004, 3.15.006, 3.15.008, and 3.15.009 to the Seattle Municipal Code (SMC); amending Sections 6.208.020, 14.16.010, 14.17.010, 14.19.010, 14.20.010, and 14.22.010 of the SMC; renumbering Section 3.14.934 of the SMC as Section 3.15.010; and repealing Section 3.14.945 of the SMC and Sections 3 and 4 of **Ordinance** .

Summary and background of the Legislation: The Mayor and City Council created the Office of Labor Standards (OLS) as a component office of the Office for Civil Rights (OCR) as part of the 2015 Adopted Budget. In the time since, the Office has taken on more and more responsibilities; experienced a continually growing workload of investigations; added four staff members; and moved into a temporary new office space to accommodate this growth. For the 2017 Budget, the Mayor has proposed doubling funding. OLS is preparing to implement a fifth labor standards ordinance (i.e. secure scheduling) and expects other labor standards to soon follow (e.g. hotel worker initiative and paid family leave). It is now clear that it should be a free-standing office whose Director is subject to Council authorization.

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.

The transfer of Budget Control Levels and employees from OCR to an independent OLS will occur with the passage of the 2017 Budget Adoption Ordinance.

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?

No.

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

This legislation will impact the organization and reporting structure for OCR and OLS.

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?

This legislation will advance RSJI principles and positively impact vulnerable or historically disadvantaged communities by increasing the capacity of the Office of Labor Standards to develop and direct innovative and collaborative programs to achieve compliance with labor standards ordinances. While all Seattle workers will benefit from implementation of labor standards that protect wages and promote workplace equity, people of color, women, LGBTQ workers, people with disabilities and immigrants and refugees represent a substantial portion of the low income working community that would otherwise not have access to the minimum requirements and protections of these ordinances.

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.

The long-term and measurable goals of the work of the Office of Labor Standards promote workplace equity for all Seattle workers, with a particular focus on vulnerable or historically disadvantaged workers.

OLS works toward these goals by educating workers and business about critical labor standards requirements; identifying and resolving labor violations in a timely manner that recovers money owed to workers, penalizes bad actor businesses, and equipping all businesses with the necessary tools to achieve compliance in the future.

OLS measures progress toward these goals by creating internal data collection systems

and tracking enforcement and outreach outcomes. OLS publicly shares this information through monthly reports to the Mayor on the amount of technical assistance provided to employers and the percentage of money collected for violations. OLS's goal is to collect 90% of money assessed for violations; this is an important measure of success since research shows that other labor standards agencies encounter significant obstacles with collections, sometimes collecting less than 50% of the amount assessed for workers. OLS also closely monitors the contracts with community and business organizations, maintaining a close relationship that strengthens our relationships, deepens the impact of these funds, and builds trust in the community.

For the large scale impacts of work, OLS consults federal, state and local data sources (e.g. American Community Survey, Bureau of Labor Statistics, Puget Sound Regional Council).

This legislation will help reach the desired goals by granting more independence to the Office to employ innovative practices and to create a distinct, recognizable and consistent presence in local, state and national communities.

j) Other Issues:

List attachments/exhibits below: