

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to app-based workers labor standards; establishing minimum labor and compensation standards for app-based workers working in Seattle; establishing flexibility, transparency, and notice requirements for network companies; prescribing remedies and enforcement procedures; amending Sections 3.02.125, 3.15.000, and 6.208.020 of the Seattle Municipal Code; and adding a new Title 8 and Chapter 8.37 to the Seattle Municipal Code.

..body

WHEREAS, an estimated 40,000 app-based workers work in Seattle, including Black, Indigenous, People of Color (BIPOC) workers, immigrants, workers with disabilities, LGBTQ+ workers and single parents; and

WHEREAS, the community depends on app-based workers to provide valuable services but network companies often pay app-based workers subminimum wages despite the promise of good wages, flexibility, and accessibility; and

WHEREAS, the definitions of “employee” and “employer” in local, state, and federal laws are broad, but network companies rely on business models that treat app-based workers as “independent contractors,” thereby creating barriers for app-based workers to access employee protections such as minimum wage, unemployment benefits, workers compensation, paid family and medical leave, and protection against discrimination; and

WHEREAS, Black and Latinx workers are overrepresented among app-based workers, comprising almost 42 percent of app-based workers but less than 29 percent of the overall labor force, and are disproportionately deprived of core employee protections when network companies treat them as independent contractors; and

1 WHEREAS, BIPOC workers face unique barriers to economic insecurity and disproportionately
2 must accept low-wage, unsafe, and insecure working conditions; and

3 WHEREAS, BIPOC workers have long been heavily concentrated in exploitative industries; and

4 WHEREAS, the City is committed to ending racial disparities and achieving racial equity in
5 Seattle; and

6 WHEREAS, the City intends to address the inequities of app-based work by ensuring that such
7 workers are paid at least the City’s minimum wage plus reasonable expenses and all
8 required benefits, with meaningful transparency and the ability to exercise the flexibility
9 promised by app-based companies; and

10 WHEREAS, the City intends to set a clear, transparent, and enforceable minimum compensation
11 standard that is applicable regardless of the specific business model, technical function,
12 or administrative apparatus of any given network company; and

13 WHEREAS, the City intends to retain the current definitions of worker classification under
14 Seattle’s labor standards and does not intend to create a new classification of workers
15 distinct from employees or independent contractors; and

16 WHEREAS, the City intends to ensure that that all workers can benefit from the protections of
17 Seattle’s labor standards; and

18 WHEREAS, the City is a leader on wage, labor, and workforce practices that improve workers’
19 lives, support economic security, and contribute to a fair, healthy, and vibrant economy;
20 and

21 WHEREAS, establishing minimum labor and compensation requirements for app-based workers
22 requires appropriate action by the City Council; NOW, THEREFORE,

23 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

1 Section 1. The City Council (Council) finds and declares that:

2 A. App-based work is a growing source of income for workers in Seattle and across the
3 country.

4 B. In the exercise of The City of Seattle’s police powers, the City is granted authority to
5 pass regulations designed to protect and promote public health, safety, and welfare.

6 C. This ordinance protects and promotes public health, safety, and welfare by
7 establishing minimum labor and compensation standards for app-based workers.

8 D. Numerous studies suggest minimum labor and compensation standards benefit
9 employers and hiring entities by improving worker performance, reducing worker turnover, and
10 thereby improving productivity and the quality of the services provided by workers, including
11 app-based workers.

12 E. Many Seattle workers, including app-based workers, cannot fully participate in the
13 community’s dynamic civic life or pursue its myriad educational, cultural, and recreational
14 opportunities because they struggle to meet their households’ most basic needs.

15 F. Minimum labor and compensation standards promote the general welfare, health, and
16 prosperity of Seattle by ensuring that workers have stable incomes and can better support and
17 care for their families and fully participate in Seattle’s civic, cultural, and economic life.

18 G. Providing a minimum compensation standard for app-based workers would benefit the
19 Seattle economy by increasing app-based worker earnings and thereby boosting consumer
20 spending in Seattle and benefiting the economy overall.

21 Section 2. A new Title 8 is added to the Seattle Municipal Code as follows:

22 **TITLE 8 LABOR STANDARDS**

23 Section 3. A new Chapter 8.37 is added to the Seattle Municipal Code as follows:

1 **Chapter 8.37 APP-BASED WORKER MINIMUM COMPENSATION**

2 **8.37.010 Short title**

3 This Chapter 8.37 shall constitute the “App-based Worker Minimum Compensation Ordinance”
4 and may be cited as such.

5 **8.37.020 Definitions**

6 For purposes of this Chapter 8.37:

7 “Acceptance” means the initial communication from an app-based worker to a network
8 company that the app-based worker intends to complete an offer, including but not limited to
9 indicating acceptance through the worker platform.

10 “Adverse action” means reducing compensation; garnishing tips or gratuities; temporarily
11 or permanently denying or limiting access to work, incentives, or bonuses; offering less desirable
12 work; terminating; deactivating; threatening; penalizing; retaliating; engaging in unfair
13 immigration-related practices; filing a false report with a government agency; or otherwise
14 discriminating against any person for any reason prohibited by Section 8.37.120. “Adverse
15 action” for an app-based worker may involve any aspect of the app-based worker’s work,
16 including compensation, work hours, volume and frequency of offers made available, desirability
17 and compensation rates of offers made available, responsibilities, or other material change in the
18 terms and conditions of work or in the ability of an app-based worker to perform work. “Adverse
19 action” also includes any action by the network company or a person acting on the network
20 company’s behalf that would dissuade a reasonable person from exercising any right afforded by
21 this Chapter 8.37.

22 “Agency” means the Office of Labor Standards and any division therein.

1 “Aggrieved party” means an app-based worker or other person who suffers tangible or
2 intangible harm due to a network company’s or other person's violation of this Chapter 8.37.

3 “App-based worker” means a person who has entered into an agreement with a network
4 company governing the terms and conditions of use of the network company’s worker platform
5 or a person accepting offers to perform services for compensation via a network company’s
6 worker platform.

7 “Application dispatch” means technology that allows customers to directly request
8 dispatch of app-based workers for provision of services and/or allows app-based workers or
9 network companies to accept requests for services and payments for services via the internet
10 using mobile interfaces including but not limited to, smartphone and tablet applications.

11 “Associated cost factor” means the additional percentage of the minimum wage
12 equivalent rate that reasonably accounts for operational costs borne by app-based workers, which
13 include but are not limited to the following:

- 14 1. Employer-side payroll taxes that app-based workers must pay;
- 15 2. Cost of participation in paid family and medical leave insurance;
- 16 3. Savings in lieu of state-provided unemployment insurance;
- 17 4. Worker’s compensation insurance;
- 18 5. Business taxes that app-based workers must pay;
- 19 6. Business licensing fees that app-based workers must pay;
- 20 7. Cost of miscellaneous expenses such as purchase of cellular phones, data plans,
21 and other administrative equipment required for work; and
- 22 8. Any other cost the Director determines is necessary to further the purposes of
23 this Chapter 8.37.

1 “Associated mileage factor” means the additional percentage of the mileage rate that
2 reasonably compensates app-based workers for all miles traveled that are necessary to conduct
3 app-based work, which may include but is not limited to the following:

4 1. Distance traveled after the completion of an offer to relocate to locations where
5 additional offers are likely to be available or to return to the starting location; and/or

6 2. Distance traveled to locations for rest breaks, meal breaks, restroom access, and
7 administrative needs.

8 “Associated time factor” means the additional percentage of the minimum wage
9 equivalent rate that reasonably accounts for the time that app-based workers must spend working
10 or engaged to wait for work without compensation to perform app-based work, including but not
11 limited to the following:

12 1. Reviewing offers;

13 2. Communicating with network companies and customers;

14 3. Relocating in anticipation of future offers;

15 4. Conducting administrative tasks; and

16 5. Taking rest breaks.

17 “Cancellation with cause” means acceptance of an offer that an app-based worker
18 cancelled with cause pursuant to subsection 8.37.080.C.

19 “City” means the City of Seattle.

20 “Compensation” means the total amount of payment owed to an app-based worker by
21 reason of performing work facilitated by the network company, including but not limited to
22 network company payments and tips earned from customers.

1 “Creative services or works” means labor that results in or contributes to the creation of
2 original works, as well as the works resulting from such labor. The term “creative services or
3 works” includes but is not limited to fiction and non-fiction writing, art, photography, graphic
4 design, marketing, and related consulting services.

5 “Customer” means end customer and/or paying customer.

6 “Director” means the Director of the Office of Labor Standards or the Director's
7 designee.

8 “End customer” means the recipient of an online order.

9 “Engaged miles” means miles traveled during engaged time in a vehicle that the network
10 company does not own and maintain, or miles traveled during engaged time in a vehicle leased
11 by the network company to the app-based worker.

12 “Engaged time” means the period of time an app-based worker spends completing a
13 specific offer or any training program required by a network company.

14 1. For on-demand offers, “engaged time” commences upon the app-based
15 worker’s acceptance of the offer and ends upon the app-based worker’s completion of the offer,
16 cancellation of the offer by the network company or customer, or cancellation with cause of the
17 app-based worker’s acceptance of the offer pursuant to subsection 8.37.080.C.

18 2. For pre-scheduled offers, “engaged time” commences when the app-based
19 worker initiates performance of the offer or when the app-based worker is required to report to a
20 location designated in the offer and ends upon the app-based worker’s completion of the offer,
21 cancellation of the offer by the network company or customer, or cancellation with cause of the
22 app-based worker’s acceptance of the offer pursuant to subsection 8.37.080.C.

1 The Director may issue rules on “engaged time” for offers with non-compensable time, such as
2 sleep time or other periods of off-duty time.

3 “Franchise” means an agreement by which:

4 1. A person is granted the right to engage in the business of offering, selling, or
5 distributing goods or services under a marketing plan prescribed or suggested in substantial part
6 by the grantor or its affiliate;

7 2. The operation of the business is substantially associated with a trademark,
8 service mark, trade name, advertising, or other commercial symbol; designated, owned by, or
9 licensed by the grantor or its affiliate; and

10 3. The person pays, agrees to pay, or is required to pay, directly or indirectly, a
11 franchise fee.

12 “Front pay” means the compensation the app-based worker would earn or would have
13 earned if reinstated to their former position.

14 “Hearing Examiner” means the official appointed by the City Council and designated as
15 the Hearing Examiner under Chapter 3.02 or that person's designee (e.g., Deputy Hearing
16 Examiner or Hearing Examiner Pro Tem).

17 “Incentive” means a sum of money paid to an app-based worker upon completion of a
18 task, including but not limited to completing a certain number of offers, completing a certain
19 number of consecutive offers, completing an offer subject to a price multiplier or variable pricing
20 policy, making oneself available to review or accepting offers in a particular geographic location
21 during a specified period of time, or recruiting new app-based workers.

22 “Minimum wage equivalent rate” means the per minute equivalent of the “hourly
23 minimum wage” established for Schedule 1 employers in Chapter 14.19. In 2021 the “hourly

1 minimum wage” established for Schedule 1 employers in Chapter 14.19 is \$16.69 and the
2 resultant minimum wage equivalent rate is \$0.28.

3 “Network company” means an organization whether a corporation, partnership, sole
4 proprietor, or other form, operating in Seattle that uses an online-enabled application or platform,
5 such as an application dispatch system, to facilitate the provision of services for compensation by
6 app-based workers.

7 1. The term “network company” includes any such entity or person acting directly
8 or indirectly in the interest of a network company in relation to the app-based worker.

9 2. The term “network company” does not include:

10 a. An entity offering services that enable individuals to schedule
11 appointments with and/or process payments to users, when the entity in no manner engages in
12 additional intermediation of the relationships between parties to such transactions nor engages in
13 any oversight of service provision; or

14 b. An entity operating digital advertising and/or messaging platforms,
15 when the entity neither engages in intermediation of the payments or relationships between
16 parties to resulting transactions nor engages in any oversight of service provision.

17 “Network company payment” means the amount owed to an app-based worker by reason
18 of completing an offer facilitated by the network company, including but not limited to payment
19 for providing services, bonuses, incentives, and commissions.

20 “Offer” means one or more online orders presented to an app-based worker as one
21 opportunity for work that the app-based worker may accept or reject.

22 1. The term “offer” includes but is not limited to an opportunity to perform one or
23 more tasks or services, as well as an opportunity described via a worker platform as a shift, a

1 period of time to be spent engaged in service provision, or any other characterization of a
2 scheduled period of time in which the app-based worker agrees to work or make themself
3 available for work, and such a period of time shall be considered one offer.

4 2. The term “offer” includes pre-scheduled offers and on-demand offers.

5 “On-demand offer” means all offers that are not pre-scheduled offers.

6 “Online order” means an order for services that is placed through an online-enabled
7 application or platform, such as an application dispatch system, and that is facilitated by a
8 network company or placed by a network company for its own benefit. The term “online order”
9 does not include the following transactions:

10 1. Sale or rental of products or real estate;

11 2. Payment in exchange for a service subject to professional licensure that has
12 been listed by the Director pursuant to this Section 8.37.020;

13 3. Payment in exchange for services wholly provided digitally;

14 4. Payment in exchange for creative services or works; and

15 5. TNC dispatched trips, as defined in Section 14.33.020.

16 “Operating in Seattle” means, with respect to a network company, offering or facilitating
17 the opportunity to provide services for compensation using an online-enabled application or
18 platform, such as an application dispatch system, to any app-based worker, where such services
19 are performed in whole or in part in Seattle.

20 “Paying customer” means a person or entity placing an online order via a network
21 company’s online-enabled application or platform.

1 “Pre-scheduled offer” means an offer that is accepted by an app-based worker at least two
2 hours prior to when the app-based worker initiates performance and that meets the following
3 criteria:

- 4 1. The entire performance of the offer occurs in a single location;
- 5 2. The scheduled time of performance of the offer was directly negotiated
6 between the app-based worker and a customer; or
- 7 3. Performance of the offer begins at a facility operated by the network company and the
8 duration of performance is described as at minimum two hours in length.

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

13 “Respondent” means the network company or any person who is alleged or found to have
14 committed a violation of this Chapter 8.37.

15 “Service subject to professional licensure” means a service that legally requires
16 authorization or certification for a regulatory purpose for an individual to engage in the service
17 as an occupation, trade, or business. The Director shall issue rules that establish a list of
18 professional licenses indicative of occupations or trades in which workers possess significant
19 bargaining power and influence over their compensation and conditions of work. In establishing
20 this list, the Director shall consider, at a minimum, the licensing requirements of the Washington
21 State Department of Licensing, the Washington State Bar Association, and the Washington
22 Medical Commission.

1 “Standard mileage rate” means the current standard mileage rate established by the
2 United States Internal Revenue Service (IRS) for calculation of the costs of operating an
3 automobile. For example, the 2021 mileage rate is \$0.56.

4 “Tips” means a verifiable sum to be presented by a customer as a gift or gratuity in
5 recognition of some service performed for the customer by the app-based worker receiving the
6 tip.

7 “Unsealed” means unpackaged, visible within packaging, and/or in packaging that is not
8 designed to withstand shipment. The term “unsealed” includes but is not limited to bags, boxes,
9 or containers designed to allow customers to transport hot food or groceries to their homes.

10 “Worker platform” means the worker-facing application dispatch system software or any
11 online-enabled application service, website, or system, used by an app-based worker, that
12 enables the arrangement of services for compensation.

13 “Work performed in Seattle” means activities conducted by an app-based worker that
14 occur within the geographic boundaries of the City in furtherance of an offer.

15 1. The term “work performed in Seattle” includes any time spent on a commercial
16 stop in Seattle that is related to the provision of delivery or other services associated with an
17 offer.

18 2. The term “work performed in Seattle” does not include stopping for refueling,
19 stopping for a personal meal or errands, or time spent in Seattle solely for the purpose of
20 travelling through Seattle from a point of origin outside Seattle to a destination outside Seattle
21 with no commercial stops in Seattle.

1 “Written or writing” means a printed or printable communication in physical or electronic
2 format including a communication that is transmitted through email, text message, or a computer
3 system, or is otherwise sent or maintained electronically, including via the worker platform.

4 **8.37.030 App-based worker coverage**

5 A. An app-based worker is covered by this Chapter 8.37 if the app-based worker
6 performs work in whole or in part in Seattle in furtherance of an offer facilitated by a network
7 company covered by this Chapter 8.37.

8 B. An app-based worker who is a covered employee under Chapter 14.19 for a covered
9 network company is not a covered app-based worker under this Chapter 8.37.

10 **8.37.040 Network company coverage**

11 A. For the purposes of this Chapter 8.37, covered network companies are limited to those
12 that facilitate work performed by 250 or more app-based workers worldwide regardless of where
13 those workers perform work, including but not limited to chains, integrated enterprises, or
14 franchises associated with a franchise or network of franchises that facilitate work performed by
15 250 or more app-based workers worldwide in aggregate.

16 B. To determine the number of app-based workers performing work for the current
17 calendar year:

18 1. The calculation is based upon the average number per calendar week of app-
19 based workers who worked for compensation during the preceding calendar year for any and all
20 weeks during which at least one app-based worker worked for compensation. For network
21 companies that did not have any app-based workers during the preceding calendar year, the
22 number of app-based workers hired for the current calendar year is calculated based upon the

1 average number per calendar week of app-based workers who worked for compensation during
2 the first 90 calendar days of the current year in which the network company engaged in business.

3 2. All app-based workers who worked for compensation shall be counted,
4 including but not limited to:

- 5 a. App-based workers who are not covered by this Chapter 8.37;
- 6 b. App-based workers who worked in Seattle; and
- 7 c. App-based workers who worked outside Seattle.

8 C. Separate entities that form an integrated enterprise shall be considered a single
9 network company under this Chapter 8.37. Separate entities will be considered an integrated
10 enterprise and a single network company under this Chapter 8.37 where a separate entity controls
11 the operation of another entity. The factors to consider in making this assessment include, but are
12 not limited to:

- 13 1. Degree of interrelation between the operations of multiple entities;
- 14 2. Degree to which the entities share common management;
- 15 3. Centralized control of labor relations;
- 16 4. Degree of common ownership or financial control over the entities; and
- 17 5. Use of a common brand, trade, business, or operating name.

18 **8.37.050 Minimum compensation**

19 A. For each offer resulting in work performed in Seattle, a network company shall
20 compensate app-based workers by providing at least the equivalent of:

- 21 1. The minimum per minute amount for engaged time under subsection
22 8.37.050.B.1 plus the minimum per mile amount for engaged miles under subsection
23 8.37.050.B.2; or

1 2. The minimum per offer amount under subsection 8.37.050.B.4, whichever
2 amount is greater.

3 B. Minimum payment

4 1. Per minute amount. For each minute of engaged time, a network company
5 shall compensate app-based workers at least the equivalent of the total of the minimum wage
6 equivalent rate multiplied by the associated cost factor multiplied by the associated time factor.
7 Subject to the provisions in subsection 8.37.050.C, the per minute amount is \$0.40.

8 a. Associated cost factor. Subject to the provisions in subsection
9 8.37.050.C, the associated cost factor is 1.13.

10 b. Associated time factor. The associated time factor is 1.21.

11 2. Per mile amount. For each engaged mile traveled, a network company shall
12 compensate app-based workers at least the equivalent of the standard mileage rate multiplied by
13 the associated mileage factor. Subject to the provisions in subsection 8.37.050.C, the per mile
14 amount is \$0.70.

15 a. Associated mileage factor. The associated mileage factor is 1.25.

16 3. The calculations described in this subsection 8.37.050.B are expressed in
17 equation form as:

18 (Engaged minutes x minimum wage equivalent rate x associated cost factor x
19 associated time factor) + (engaged miles x standard mileage rate x associated mileage factor) =
20 minimum payment per offer.

21 The established current rates and factors result in the following calculation for
22 minimum required compensation:

1 (Engaged minutes x \$0.28 x 1.13 x 1.21) + (\$0.56 per engaged mile x 1.25) =
2 \$0.40/minute + \$0.70/mile.

3 4. Per offer amount. For each offer resulting in engaged time or engaged miles, a
4 network company shall compensate app-based workers a minimum per offer amount of at least
5 \$5.

6 a. Effective January 1, 20XX, the minimum per offer amount paid to an
7 app-based worker shall be increased on a percentage basis to reflect the rate of inflation and
8 calculated to the nearest cent on January 1 of each year thereafter. The Agency shall determine
9 the amount and file a schedule of such amount with the City Clerk.

10 5. Application of minimum compensation requirements

11 a. For the purposes of this subsection 8.37.050.B, “each offer” includes an
12 offer completed by the app-based worker, an offer cancelled by a customer or the network
13 company, an offer for which acceptance was cancelled with cause by the app-based worker
14 pursuant to subsection 8.37.080.C, and an offer that proves impossible to complete, including but
15 not limited to when the customer is not available to accept services. “Each offer” does not
16 include an offer cancelled without cause by the app-based worker.

17 b. If an app-based worker accepts a new offer during performance of a
18 previously accepted offer, and both offers are facilitated by the same network company, engaged
19 time and engaged miles accrued during any period of time in which performance of the offers
20 overlaps shall be subject to the minimum compensation requirements for a single offer under this
21 subsection 8.37.050.B.

22 c. If an offer is described via the worker platform as a shift, a specified
23 length of time to be spent engaged in service provision, or any other characterization of a

1 scheduled period of time in which the app-based worker agrees to work or make themselves
2 available for work, an offer is considered complete upon the expiration of the described period of
3 time, and the entire period of time described shall be subject to the minimum compensation
4 requirements under this subsection 8.37.050.B.

5 d. Application of the minimum per mile amount of compensation may be
6 waived for those pre-scheduled offers which do not require delivery, moving, or other activities
7 the nature of which require travel to complete.

8 e. If the network company does not monitor the time during which an app-
9 based worker commences, performs work in furtherance of, and/or completes a pre-scheduled
10 offer, the network company shall allow the app-based worker to self-report the engaged time
11 required to complete the pre-scheduled offer.

12 f. If the network company does not monitor the location of an app-based
13 worker while they are performing work in furtherance of a pre-scheduled offer, the network
14 company shall allow the app-based worker to self-report the engaged miles required to complete
15 the pre-scheduled offer.

16 g. If the network company does not monitor the app-based worker's time
17 and location and a pre-scheduled offer requires non-exclusive engaged time that is not
18 practicable to directly measure, the network company may list a time frame over which the
19 engaged time would occur, so long as: (1) the offer does not list the engaged time as being less
20 than an hour; and (2) performance of the offer allows the app-based worker to work on another
21 offer in the same time frame. Engaged time and miles on such offers must be self-reported by the
22 worker as in subsections 8.37.050.B.5.e and 8.37.050.B.5.f.

1 C. Adjustment of the associated cost factor, associated time factor, and standard mileage
2 rate

3 1. Adjustment of the associated cost factor. Beginning three years after the
4 effective date of this Chapter 8.37, the Director by rule may adjust the associated cost factor
5 annually, provided that this adjustment shall not result in reduction of the associated cost factor
6 below 1.13. If the Director determines adjustment of the associated cost factor is appropriate, the
7 Director shall consult the App-Based Workers Advisory Board and consider its
8 recommendations. In adjusting the associated cost factor, the Director shall consider relevant and
9 available sources of data, which may include, but are not limited to: app-based worker surveys,
10 data provided by network companies, data provided by app-based workers, data provided by
11 customers, data from other jurisdictions, data available through academic, policy, or community
12 based organizations, public testimony provided, and stakeholder interviews. The Director may
13 consider the following non-exhaustive list of factors or costs:

- 14 a. Employer-side payroll taxes that app-based workers must pay;
- 15 b. Participation in paid family and medical leave insurance;
- 16 c. Savings in lieu of state-provided unemployment insurance;
- 17 d. Worker's compensation insurance;
- 18 e. Business taxes that app-based workers must pay;
- 19 f. Business licensing fees that app-based workers must pay;
- 20 g. Miscellaneous expenses such as purchase of cellular phones, data plans,
21 and other administrative equipment required for work; and
- 22 h. Any other cost the Director determines is necessary to further the
23 purposes of this Chapter 8.37.

1 The Agency shall file a schedule of any adjustment(s) to the associated cost factor with the City
2 Clerk.

3 2. Adjustment to the associated time factor. Beginning three years after the
4 effective date of this Chapter 8.37, the Director by rule may adjust the associated time factor
5 annually, provided that this adjustment shall not result in reduction of the associated time factor
6 below 1.21. If the Director determines adjustment of the associated time factor is appropriate, the
7 Director shall consult the App-Based Workers Advisory Board and consider its
8 recommendations. In adjusting the associated time factor, the Director shall consider relevant
9 and available sources of data, which may include, but are not limited to: app-based worker
10 surveys, data provided by network companies, data provided by app-based workers, data
11 provided by customers, data from other jurisdictions, data available through academic, policy, or
12 community based organizations, public testimony provided, and stakeholder interviews. The
13 Director may consider the following non-exhaustive list of factors or actions that reasonably
14 account for the time that app-based workers must spend working or engaged to wait to work
15 without compensation to perform app-based work:

- 16 a. Reviewing offers;
- 17 b. Communicating with network companies and customers;
- 18 c. Relocating in anticipation of future offers;
- 19 d. Conducting administrative tasks; and
- 20 e. Taking rest breaks; and
- 21 f. Any other factor the Director determines is necessary to further the
- 22 purposes of this Chapter 8.37.

1 The Agency shall file a schedule of any adjustment(s) to the associated time factor with the City
2 Clerk.

3 3. Adjustment of the standard mileage rate. Effective January 1, 20XX, and
4 thereafter on January 1 of each year, the standard mileage rate for travel using a motor vehicle
5 shall equal the current standard mileage rate established by the IRS for calculation of the
6 deductible costs of operating an automobile. The Agency shall provide public notice, which may
7 include updates to the Agency’s website and outreach materials, of the applicable standard
8 mileage rate.

9 D. Deductions

10 1. A network company may only deduct compensation when the app-based
11 worker expressly authorizes the deduction in writing and does so in advance for a lawful purpose
12 for the benefit of the app-based worker. Any such authorization by an app-based worker must be
13 voluntary and knowing.

14 2. Neither the network company nor any person acting in the interest of the
15 network company may derive any financial profit or benefit from any of the deductions under
16 this subsection 8.37.050.D. For the purposes of this subsection 8.37.050.D, reasonable interest
17 charged by the network company, or any person acting in the interest of a network company, for
18 a loan or credit extended to the app-based worker is not considered to be of financial benefit to
19 the network company, or any person acting in the interest of a network company.

20 **8.37.060 Tip and incentive compensation**

21 A. Tips

22 1. A network company shall pay to its app-based workers all tips and gratuities.

1 2. Tips paid to an app-based worker are in addition to, and may not count towards,
2 the app-based worker’s minimum compensation under Section 8.37.050.

3 3. Tips paid to an app-based worker are in addition to, and may not count towards,
4 a guaranteed minimum amount of network company payment for an offer. A network company
5 may not alter network company payment to an app-based worker, regardless of whether the
6 amount has been advertised or guaranteed to the app-based worker, based upon the amount of
7 tips paid by customers.

8 4. Tips paid to an app-based worker are in addition to, and may not count towards,
9 an advertised or guaranteed incentive.

10 5. Tips paid to an app-based worker are in addition to, and may not count towards,
11 an advertised or guaranteed amount of compensation, including but not limited to compensation
12 per number of offers accepted or per hour in which an individual makes themselves available to
13 receive offers via the worker platform.

14 B. Incentives paid to an app-based worker are in addition to, and may not count towards,
15 the app-based worker’s minimum compensation under Section 8.37.050.

16 **8.37.070 Network company transparency**

17 A. Right to up-front information regarding offers

18 1. A network company shall provide an app-based worker with the following
19 information regarding an offer before the app-based worker is asked to accept or reject the offer:

20 a. A best estimate of the engaged time required to complete the offer. If it
21 would be impracticable for the network company to provide the best estimate, the app-based
22 worker and customer may mutually agree to a best estimate of engaged time required;

1 b. A best estimate of the engaged mileage required to complete the offer if
2 the offer requires delivery, moving, or other activities the nature of which require travel to
3 complete. If it would be impracticable for the network company to provide the best estimate, the
4 app-based worker and customer may mutually agree to a best estimate of engaged miles
5 required;

6 c. A guaranteed minimum amount of network company payment for the
7 offer that is based on the network company's best estimate of the required time and mileage and
8 that meets the minimum compensation requirements established in Section 8.37.050;

9 d. The amount of any tip that each customer has indicated they will
10 provide, if the network company's online-enabled application or platform enables customers to
11 tip in advance of completion of an online order, as well as a clear statement as to whether the
12 network company permits customers to modify or remove tips after performance;

13 e. The geographic location or locations where work in furtherance of the
14 offer will occur, including pick-up and drop-off locations for offers involving deliveries. A
15 location may be indicated by depicting a circle no greater than one-half mile in diameter in
16 which the location may be found;

17 f. When completion of an offer entails a stop or stops at specific retail,
18 restaurant, or other business establishments for the purpose of purchasing, renting, or otherwise
19 picking up items, the names of such businesses;

20 g. To the extent it is reasonably ascertainable, information regarding
21 physical labor required to complete the offer and accessibility at locations where work will be
22 performed, including but not limited to weights of any goods to be handled, numbers of flights of
23 stairs, and availability of elevators, ramps, and other conditions affecting accessibility. The

1 Director shall issue rules regarding the types of information required to be disclosed, the format
2 of provision of the information, and efforts to ascertain the information that would be considered
3 sufficient. Statements providing that an offer may entail certain physical requirements or may
4 lack certain accessibility options shall not be considered sufficient; and

5 h. To the extent it is reasonably ascertainable, information regarding the
6 contents of unsealed products and materials that the app-based worker is expected to handle,
7 when exposure to or handling of such products and materials may pose health risks or violate
8 personal beliefs. The Director shall issue rules regarding a list of products and materials subject
9 to disclosure requirements, the format of provision of the information, and efforts to ascertain the
10 information that would be considered sufficient. Statements providing that an offer may entail
11 handling certain products or materials shall not be considered sufficient.

12 2. An on-demand offer shall be made available for at least three minutes after the
13 app-based worker has been provided the information described in subsection 8.37.070.A.1.

14 3. If an offer entails fulfillment of multiple individual online orders, and the
15 network company lacks advance notice of each online order to provide the information in
16 subsections 8.37.070.A.1.g and 8.37.070.A.1.h, the network company shall provide the app-
17 based worker with such information prior to assigning them work in furtherance of each online
18 order.

19 4. Substantially and systematically underestimating the guaranteed minimum
20 amount of network company payment shall be considered a violation of this Chapter 8.37.

21 B. Within 24 hours of each offer completion or cancellation with cause, a network
22 company shall transmit an electronic receipt to the app-based worker that contains the following
23 information for each unique offer covered by this Chapter 8.37:

- 1 1. The total amount of engaged time;
- 2 2. The total amount of engaged miles;
- 3 3. The geographic location or locations where work occurred, including pick-up
- 4 and drop-off locations for offers involving deliveries. A location may be indicated by depicting a
- 5 circle no greater than one-half mile in diameter in which the location may be found;
- 6 4. The total amount charged to the paying customer excluding the cost of any
- 7 goods purchased;
- 8 5. Amount of any incentive pay;
- 9 6. Amount of network company payment paid to the app-based worker;
- 10 7. Itemized deductions;
- 11 8. Amount of compensation from tips;
- 12 9. Itemized access fees;
- 13 10. Total compensation after tips and deductions;
- 14 11. A description and amount of each fee collected from a paying customer,
- 15 business, and worker related to the online order and the amount of money retained by the
- 16 network company as a result of the order excluding the cost of any goods purchased; and
- 17 12. Pursuant to rules that the Director may issue, other information that is material
- 18 and necessary to effectuate the terms of this Chapter 8.37.

19 C. On a weekly basis, the network company shall provide written notice to the app-based
20 worker that contains the following information for offers covered by this Chapter 8.37 and which
21 were completed or cancelled with cause, as well as other engagement with the worker platform,
22 during the prior week:

- 23 1. The app-based worker's total amount of engaged time;

- 1 2. The app-based worker's total amount of engaged miles;
- 2 3. Total amount charged to paying customers served excluding the cost of any
- 3 goods purchased;
- 4 4. The app-based worker's total and net compensation, itemized by:
 - 5 a. Amount of compensation that is network company payment, as well as
 - 6 the method used to calculate payment, including but not limited to amount per minute or amount
 - 7 per mile, as well as any incentives and the basis for calculating the incentives;
 - 8 b. Amount of compensation from tips; and
 - 9 c. Amount of any deductions.
- 10 5. The information required in each receipt pursuant to subsection 8.37.070.B for
- 11 each offer the worker completed or cancelled with cause during the prior week; and
- 12 6. Pursuant to rules that the Director may issue, other information that is material
- 13 and necessary to effectuate the terms of this Chapter 8.37.
- 14 D. Within 24 hours of an online order's completion, a network company shall transmit an
- 15 electronic receipt to a paying customer that lists:
 - 16 1. The date and time of completion of the online order;
 - 17 2. The total amount paid to the network company, itemizing all charges and fees;
 - 18 3. Compensation paid to the app-based worker with tips separately itemized;
 - 19 4. A description and amount of each fee collected from a paying customer,
 - 20 business, and worker related to the online order and the amount of money retained by the
 - 21 network company as a result of the order; and
 - 22 5. Pursuant to rules that the Director may issue, other information that is material
 - 23 and necessary to effectuate the terms of this Chapter 8.37.

1 E. A network company shall ensure that its customer-facing websites, applications, and
2 platforms do not describe any fees or non-tip charges in a manner that might be reasonably
3 misconstrued as a tip, gratuity, or other payment to the app-based worker. Any interface for
4 accepting customer orders shall clearly reflect the amount of any tip paid to the app-based
5 worker.

6 F. A network company shall routinely and affirmatively transmit to the Agency such
7 records as required by rules issued by the Director. The Director shall have the authority to
8 require aggregated or disaggregated records regarding the availability of offers facilitated via its
9 worker platform to provide workers with information to make informed choices about platforms
10 on which they may seek work and to provide the public with information to assess the impact of
11 network companies.

12 1. Such records may include but are not limited to:

13 a. The amount of engaged time and engaged miles app-based workers
14 spent in furtherance of offers entailing work performed in Seattle within the past month;

15 b. The amount of time app-based workers spent logged in to the worker
16 platform while able to receive on-demand offers entailing work performed in Seattle;

17 c. The amount of network company pay and total amount of total
18 compensation app-based workers received for performing work in furtherance of offers entailing
19 work performed in Seattle within the past month;

20 d. The number of app-based workers who logged on to the worker
21 platform while able to receive on-demand offers entailing work performed in Seattle or
22 otherwise indicated availability to receive on-demand offers entailing work performed in Seattle;

1 e. The number of app-based workers who, for the first time, logged on to
2 the worker platform while able to receive on-demand offers entailing work performed in Seattle
3 or otherwise indicated availability to receive on-demand offers entailing work performed in
4 Seattle;

5 f. The number of app-based workers who accepted offers entailing work
6 performed in Seattle within the past month;

7 g. The number of offers entailing work performed in Seattle made
8 available to app-based workers within the past month; and

9 h. Any other records that the Director determines are material and
10 necessary to effectuate the purposes of this Chapter 8.37.

11 2. The Director shall issue rules governing the submission format, security, and
12 privacy protocols relating to the submission of network company records, to the extent
13 permitted by law.

14 G. A network company shall notify app-based workers via a message in the worker
15 platform at least 14 days prior to making a significant change to how network company payment
16 will be calculated.

17 **8.37.080 Flexibility**

18 A. A network company shall not implement, nor engage in any practices effectively
19 resulting in, the following actions or policies:

20 1. A requirement that an app-based worker to be logged into the network
21 company's worker platform during any specific dates or times of day or for any minimum
22 amounts of time;

1 2. A limitation of the amount of time an app-based worker may be logged into the
2 network company’s worker platform, except limitations on a maximum amount of consecutive
3 work time in order to protect worker and public safety;

4 3. Adverse action against an app-based worker based upon when the app-based
5 worker makes themselves available to work;

6 B. At their sole discretion, an app-based worker may accept or reject any individual offer,
7 any types of offers, and any number or proportion of offers. An app-based worker may indicate
8 rejection of an offer by declining to respond to the offer. A network company shall ensure that its
9 worker platform enables an app-based worker to communicate a rejection of each offer.

10 C. An app-based worker may cancel their acceptance of an offer with cause. Pursuant to
11 rules that the Director may issue, cancellation of an acceptance of an offer is a cancellation with
12 cause when any of the following conditions occur:

13 1. Information provided pursuant to subsection 8.37.070.A.1 was substantially
14 inaccurate, provided that a customer’s alteration of a tip amount shall not constitute grounds for
15 cancellation with cause;

16 2. The end customer is not present or fails to respond to communications from the
17 app-based worker, the end customer’s presence or response is required for the app-based work to
18 complete the offer, and the app-based worker has made attempts to contact and/or wait for the
19 end customer in accordance with an applicable network company policy, and as a result, the app-
20 based worker cannot complete the offer;

21 3. Timely completion of the offer has become impracticable or unsafe due to an
22 unforeseen obstacle or occurrence, including but not limited to a mechanical failure or accident
23 that has rendered an app-based worker’s automobile inoperable or unsafe to operate; or

1 4. The app-based worker makes a good faith complaint regarding sexual
2 harassment or discrimination under the procedures established pursuant to Section XX.XX.XX
3 that is alleged to have occurred during performance of the offer.

4 **8.37.100 Notice of rights**

5 A. Network companies shall provide each app-based worker with a written notice of
6 rights established by this Chapter 8.37. The Agency may create and distribute a model notice of
7 rights in English and other languages. However, network companies are responsible for
8 providing app-based workers with the notice of rights required by subsection 8.37.100.B, in a
9 form and manner sufficient to inform app-based workers of their rights under this Chapter 8.37,
10 regardless of whether the Agency has created and distributed a model notice of rights.

11 B. The notice of rights shall provide information on:

12 1. The right to the applicable minimum per minute amount, per mile amount, and
13 per offer amount guaranteed by this Chapter 8.37, including a clear statement of the current
14 applicable amounts;

15 2. The right to receive the information required to be disclosed by this Chapter
16 8.37 before accepting and after completing an offer;

17 3. The right to be protected from retaliation for exercising in good faith the rights
18 protected by this Chapter 8.37; and

19 4. The right to file a complaint with the Agency or bring a civil action for
20 violation of the requirements of this Chapter 8.37, including but not limited to a network
21 company or any person's failure to pay the minimum per minute amount, per mile amount, or per
22 offer amount, and a network company or other person's retaliation against an app-based worker
23 or other person for engaging in an activity protected by this Chapter 8.37.

1 C. Network companies shall provide the notice of rights required by subsection
2 8.37.100.B in an electronic format that is readily accessible to the app-based worker. The notice
3 of rights shall be made available to the app-based worker via smartphone application or online
4 web portal, in English and any language that the network company knows or has reason to know
5 is the primary language of the app-based worker. The Director may issue rules governing the
6 form and content of the notice of rights, the manner of its distribution, and required languages for
7 its translation.

8 **8.37.110 Network company records**

9 A. Network companies shall retain records that document compliance with this Chapter
10 8.37 for each app-based worker.

11 B. Network companies shall retain the records required by subsection 8.37.110.A for a
12 period of three years.

13 C. If a network company fails to retain adequate records required under subsection
14 8.37.110.A, there shall be a presumption, rebuttable by clear and convincing evidence, that the
15 network company violated this Chapter 8.37 for the periods and for each app-based worker for
16 whom records were not retained.

17 **8.37.120 Retaliation prohibited**

18 A. No network company or any other person shall interfere with, restrain, or deny the
19 exercise of, or the attempt to exercise, any right protected under this Chapter 8.37.

20 B. No network company or any other person shall take any adverse action against any
21 person because the person has exercised in good faith the rights protected under this Chapter
22 8.37. Such rights include, but are not limited to, the right to make inquiries about the rights
23 protected under this Chapter 8.37; the right to inform others about their rights under this Chapter

1 8.37; the right to inform the person's network company, the person's legal counsel, a union or
2 similar organization, or any other person about an alleged violation of this Chapter 8.37; the right
3 to file an oral or written complaint with the Agency or bring a civil action for an alleged
4 violation of this Chapter 8.37; the right to cooperate with the Agency in its investigations of this
5 Chapter 8.37; the right to testify in a proceeding under or related to this Chapter 8.37; the right to
6 refuse to participate in an activity that would result in a violation of city, state or federal law; and
7 the right to oppose any policy, practice, or act that is unlawful under this Chapter 8.37.

8 C. No network company or any other person shall communicate to a person exercising
9 rights protected in this Section 8.37.120, directly or indirectly, the willingness to inform a
10 government worker that the person is not lawfully in the United States, or to report, or to make
11 an implied or express assertion of a willingness to report, suspected citizenship or immigration
12 status of an app-based worker or family member of an app-based worker to a federal, state, or
13 local agency because the app-based worker has exercised a right under this Chapter 8.37.

14 D. It shall be a rebuttable presumption of retaliation if a network company or any other
15 person takes an adverse action against a person within 90 days of the person's exercise of rights
16 protected in this Section 8.37.120. The network company may rebut the presumption with clear
17 and convincing evidence that the adverse action was taken for a permissible purpose.

18 E. Proof of retaliation under this Section 8.37.120 shall be sufficient upon a showing that
19 a network company or any other person has taken an adverse action against a person and the
20 person's exercise of rights protected in this Section 8.37.120 was a motivating factor in the
21 adverse action, unless the network company can prove that the action would have been taken in
22 the absence of such protected activity.

1 F. The protections afforded under this Section 8.37.120 shall apply to any person who
2 mistakenly but in good faith alleges violations of this Chapter 8.37.

3 G. A complaint or other communication by any person triggers the protections of this
4 Section 8.37.120 regardless of whether the complaint or communication is in writing or makes
5 explicit reference to this Chapter 8.37.

6 **8.37.125 Rulemaking authority**

7 The Director is authorized to administer and enforce this Chapter 8.37. The Director is
8 authorized to promulgate, revise, or rescind rules and regulations deemed necessary,
9 appropriate, or convenient to administer, evaluate and enforce the provisions of this Chapter
10 8.37 pursuant to Chapter 3.02, providing affected entities with due process of law and in
11 conformity with the intent and purpose of this Chapter 8.37. Any guidelines or rules
12 promulgated by the Director shall have the force and effect of law and may be relied on by
13 network companies, app-based workers, and other parties to determine their rights and
14 responsibilities under this Chapter 8.37.

15 **8.37.130 Enforcement power and duties**

16 The Agency shall have the power to administer and enforce this Chapter 8.37 and shall have
17 such powers and duties in the performance of these functions as are defined in this Chapter 8.37
18 and otherwise necessary and proper in the performance of the same and provided for by law.

19 **8.37.140 Violation**

20 The failure of any respondent to comply with any requirement imposed on the respondent under
21 this Chapter 8.37 is a violation.

22 **8.37.150 Investigation**

1 A. The Agency shall have the power to investigate any violations of this Chapter 8.37 by
2 any respondent. The Agency may prioritize investigations of workforces that are vulnerable to
3 violations of this Chapter 8.37. The Agency may initiate an investigation pursuant to Director
4 rules, including but not limited to situations when the Director has reason to believe that a
5 violation has occurred or will occur, or when circumstances show that violations are likely to
6 occur within a class of network companies or businesses because the workforce contains
7 significant numbers of app-based workers who are vulnerable to violations of this Chapter 8.37
8 or the workforce is unlikely to volunteer information regarding such violations. An investigation
9 may also be initiated through the receipt by the Agency of a report or complaint filed by an app-
10 based worker or other person.

11 B. An app-based worker or other person may report to the Agency any suspected
12 violation of this Chapter 8.37. The Agency shall encourage reporting pursuant to this Section
13 8.37.150 by taking the following measures:

14 1. The Agency shall keep confidential, to the maximum extent permitted by
15 applicable laws, the name and other identifying information of the app-based worker or person
16 reporting the violation. However, with the authorization of such person, the Agency may disclose
17 the app-based worker's or person's name and identifying information as necessary to enforce this
18 Chapter 8.37 or for other appropriate purposes.

19 2. The Agency may require the network company to post or otherwise notify other
20 app-based workers working for the network company that the Agency is conducting an
21 investigation. The network company shall provide the notice of investigation in a form, place,
22 and manner designated by the Agency. The Agency shall create the notice of investigation in
23 English and other languages.

1 3. The Agency may certify the eligibility of eligible persons for “U” Visas under
2 the provisions of 8 U.S.C. § 1184,p and 8 U.S.C. § 1101.a.15.U. This certification is subject to
3 applicable federal law and regulations, and Director rules.

4 C. The Agency's investigation shall commence within three years of the alleged violation.
5 To the extent permitted by law, the applicable statute of limitations for civil actions is tolled
6 during any investigation under this Chapter 8.37 and any administrative enforcement proceeding
7 under this Chapter 8.37 based upon the same facts. For purposes of this Chapter 8.37:

8 1. The Agency's investigation begins on the earlier date of when the Agency
9 receives a complaint from a person under this Chapter 8.37, or when the Agency provides notice
10 to the respondent that an investigation has commenced under this Chapter 8.37.

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

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

16 E. The Director may apply by affidavit or declaration in the form allowed under RCW
17 9A.72.085 to the Hearing Examiner for the issuance of subpoenas requiring a network company
18 to produce the records required by Section 8.37.110, or for the attendance and testimony of
19 witnesses, or for the production of documents required to be retained under Section 8.37.110, or
20 any other document relevant to the issue of whether any app-based worker or group of app-based
21 workers received the information or other benefits required by this Chapter 8.37, and/or to
22 whether a network company has violated any provision of this Chapter 8.37. The Hearing
23 Examiner shall conduct the review without hearing as soon as practicable and shall issue

1 subpoena upon a showing that there is reason to believe that: a violation has occurred, a
2 complaint has been filed with the Agency, that circumstances show that violations are likely to
3 occur within a class of businesses because the workforce contains significant numbers of app-
4 based workers who are vulnerable to violations of this Chapter 8.37, the workforce is unlikely to
5 volunteer information regarding such violations, or the Agency has gathered preliminary
6 information indicating that a violation may have occurred.

7 F. A network company that fails to comply with the terms of any subpoena issued under
8 subsection 8.37.150.E in an investigation by the Agency under this Chapter 8.37 before the
9 issuance of a Director's Order issued pursuant to subsection 8.37.160.C may not use such records
10 in any appeal to challenge the correctness of any determination by the Agency of liability,
11 damages owed, or penalties assessed.

12 G. In addition to other remedies, the Director may refer any subpoena issued under
13 subsection 8.37.150.E to the City Attorney to seek a court order to enforce any subpoena.

14 H. Where the Director has reason to believe that a violation has occurred, the Director
15 may order any appropriate temporary or interim relief to mitigate the violation or maintain the
16 status quo pending completion of a full investigation or hearing, including but not limited to a
17 deposit of funds or bond sufficient to satisfy a good-faith estimate of compensation, interest,
18 damages, and penalties due. A respondent may appeal any such order in accordance with Section
19 8.37.180.

20 **8.37.160 Findings of fact and determination**

21 A. Except when there is an agreed upon settlement, the Director shall issue a written
22 determination with findings of fact resulting from the investigation and statement of whether a

1 violation of this Chapter 8.37 has or has not occurred based on a preponderance of the evidence
2 before the Director.

3 B. If the Director determines that there is no violation of this Chapter 8.37, the Director
4 shall issue a “Determination of No Violation” with notice of an app-based worker’s or other
5 person’s right to appeal the decision, pursuant to Director rules.

6 C. If the Director determines that a violation of this Chapter 8.37 has occurred, the
7 Director shall issue a “Director's Order” that shall include a notice of violation identifying the
8 violation or violations.

9 1. The Director’s Order shall state with specificity the amounts due under this
10 Chapter 8.37 for each violation, including payment of unpaid compensation, liquidated damages,
11 civil penalties, penalties payable to aggrieved parties, fines, and interest pursuant to Section
12 8.37.170.

13 2. The Director's Order may specify that civil penalties and fines due to the
14 Agency can be mitigated for respondent's timely payment of remedy due to an aggrieved party
15 pursuant to subsection 8.37.170.A.4.

16 3. The Director’s Order may specify that civil penalties and fines are due to the
17 aggrieved party rather than due to the Agency.

18 4. The Director's Order may direct the respondent to take such corrective action as
19 is necessary to comply with the requirements of this Chapter 8.37, including but not limited to
20 monitored compliance for a reasonable time period.

21 5. The Director's Order shall include notice of the respondent's right to appeal the
22 decision pursuant to Section 8.37.180.

23 **8.37.165 Complaint procedure**

1 A. The Agency shall have the power to respond to any violations of this Chapter 8.37
2 with a complaint procedure.

3 B. The Agency may initiate a complaint procedure as an alternative enforcement method
4 to an investigation for responding to a report or complaint by any person of a violation of this
5 Chapter 8.37. The Director may issue rules for the complaint procedure, including but not
6 limited to rules to establish the timeline for sending the information required by subsection
7 8.37.165.D, determine the nature and content of information requested from the complainant and
8 network company, and indicate when the Agency may prioritize use of a complaint procedure
9 prior to an investigation or in lieu of an investigation. The Director may also establish other
10 enforcement methods to efficiently resolve violations of this Chapter 8.37.

11 C. The Agency may request the complainant to provide information pursuant to the
12 complaint procedure, including but not limited to:

- 13 1. Contact information for the app-based worker and network company; and
- 14 2. A statement describing the alleged violations of this Chapter 8.37.

15 D. The Agency may send notices to the network company and complainant, including but
16 not limited to:

17 1. Notice of the alleged violation(s). The Agency may send notice to the network
18 company of the alleged violation(s) of this Chapter 8.37. The Agency shall bear any cost of
19 sending such notice by certified mail or by other means incurring a cost to the Agency. This
20 notice may include but not be limited to:

- 21 a. Statement of the alleged violation(s) of this Chapter 8.37; and
- 22 b. Description of the remedies available to an app-based worker for
23 violation(s) of this Chapter 8.37;

1 2. Response from the network company. The Agency may request the network
2 company to send the Agency relevant information to respond to the alleged violation(s).

3 3. Notice to the complainant of the response from the network company. The
4 Agency may send a notice to the complainant of the response from the network company. This
5 notice to the complainant may include but not be limited to:

- 6 a. The response from network company, including any enclosures;
- 7 b. Information on the right to bring a civil action in a court of competent
8 jurisdiction;
- 9 c. Any other information about the status of the complaint; and
- 10 d. Information about the navigation program pursuant to Section 8.37.167.

11 4. Notice of no response. If the Agency receives no response from the network
12 company within the timeframe established by Director rule for subsection 8.37.165.D.3, the
13 Agency may send a notice of no response to the complainant and the network company, and may
14 include proof that the Agency previously sent notice of the alleged violation(s) to the network
15 company.

16 5. Notice of closure. The Agency may send the complainant and network
17 company notice of the Agency's completion of the complaint procedure and/or closure of the
18 case.

19 E. Upon satisfying the requirements of subsections 8.37.165.C and 8.37.165.D, the
20 Agency may close the case.

21 **8.37.167 Navigation program**

22 A. The Agency may establish a navigation program that provides intake and information
23 relating to the provisions of this Chapter 8.37.

1 1. The navigation program may provide a range of information, including but not
2 limited to:

3 a. Information on the provisions and procedures of this Chapter 8.37;

4 b. General court information, including but not limited to:

5 i. Information on court procedures for filing civil actions in small
6 claims, district court, and superior court; and

7 ii. Information on obtaining translation and interpretation services,
8 and other courtroom services;

9 c. A list of organizations that can be used to identify attorneys;

10 d. Organizations providing outreach and education, and/or legal assistance
11 to app-based workers;

12 e. Information about classifying workers as employees or independent
13 contractors; and

14 f. As determined by the Director, additional information related to the
15 provisions of this Chapter 8.37, other workplace protections for independent contractors, or other
16 resources for resolving workplace issues.

17 2. The navigation program may include outreach and education to the public on
18 the provisions and procedures of this Chapter 8.37.

19 3. The navigation program shall not include legal advice from the Agency.

20 However, if the Agency refers an app-based worker to a community organization through the
21 navigation program, the community organization is not precluded from providing legal advice.

22 **8.37.170 Remedies**

1 A. The payment of unpaid compensation, liquidated damages of up to twice the amount
2 of unpaid compensation, civil penalties, penalties payable to aggrieved parties, fines, and interest
3 provided under this Chapter 8.37 is cumulative and is not intended to be exclusive of any other
4 available remedies, penalties, fines, and procedures.

5 1. The amounts of all civil penalties, penalties payable to aggrieved parties, and
6 fines contained in this Section 8.37.170 shall be increased annually to reflect the rate of inflation
7 and calculated to the nearest cent on January 1 of each year thereafter. The Agency shall
8 determine the amounts and file a schedule of such amounts with the City Clerk.

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

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

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

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

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

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

4 5. When determining the amount of liquidated damages, civil penalties, penalties
5 payable to aggrieved parties, and fines due under this Section 8.37.170 for a settlement
6 agreement or Director's Order, including but not limited to the mitigation of civil penalties and
7 fines due to the Agency for timely payment of remedy due to an aggrieved party under
8 subsection 8.37.170.A.4, the Director may consider:

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

11 b. The nature and persistence of the violations;

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

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

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

15 f. The circumstances of each situation;

16 g. The amount of penalties in similar situations; and

17 h. Pursuant to rules that the Director may issue, other factors that are
18 material and necessary to effectuate the terms of this Chapter 8.37.

19 B. A respondent found to be in violation of this Chapter 8.37 shall be liable for full
20 payment of unpaid compensation due plus interest in favor of the aggrieved party under the
21 terms of this Chapter 8.37, and other equitable relief. If the precise amount of unpaid
22 compensation cannot be determined due to a respondent's failure to produce records or if a
23 respondent produces records in a manner or form which makes timely determination of the

1 amount of unpaid compensation impracticable, the Director may designate a daily amount for
2 unpaid compensation due to aggrieved party. For any violation of this Chapter 8.37, the Director
3 may assess liquidated damages in an additional amount of up to twice the unpaid compensation.

4 C. A respondent found to be in violation of this Chapter 8.37 for retaliation under Section
5 8.37.120 shall be subject to any appropriate relief at law or equity including, but not limited to
6 reinstatement of the aggrieved party, front pay in lieu of reinstatement with full payment of
7 unpaid compensation plus interest in favor of the aggrieved party under the terms of this Chapter
8 8.37, and liquidated damages in an additional amount of up to twice the unpaid compensation.
9 The Director also shall order the imposition of a penalty payable to the aggrieved party of up to
10 \$5,565.10.

11 D. The Director is authorized to assess civil penalties for a violation of this Chapter 8.37
12 and may specify that civil penalties are due to the aggrieved party rather than due to the Agency.

13 1. For a first violation of this Chapter 8.37, the Director may assess a civil penalty
14 of up to \$556.30 per aggrieved party.

15 2. For a second violation of this Chapter 8.37, the Director shall assess a civil
16 penalty of up to \$1,112.60 per aggrieved party, or an amount equal to ten percent of the total
17 amount of unpaid compensation, whichever is greater.

18 3. For a third or any subsequent violation of this 8.37, the Director shall assess a
19 civil penalty of up to \$5,565.10 per aggrieved party, or an amount equal to ten percent of the
20 total amount of unpaid compensation, whichever is greater.

21 4. For purposes of this subsection 8.37.170.D, a violation is a second, third, or
22 subsequent violation if the respondent has been a party to one, two, or more than two settlement
23 agreements, respectively, stipulating that a violation has occurred; and/or one, two, or more than

1 two Director's Orders, respectively, have issued against the respondent in the ten years preceding
2 the date of the violation; otherwise, it is a first violation.

3 E. The Director is authorized to assess fines for a violation of this Chapter 8.37 and may
4 specify that fines are due to the aggrieved party rather than due to the Agency. The Director is
5 authorized to assess fines as follows:

Violation	Fine
Failure to provide app-based worker with up-front information regarding offers under subsection 8.37.070.A	Up to \$556.30 per aggrieved party
Failure to provide app-based worker with electronic receipts within 24 hours of each offer completion or cancellation with cause under subsection 8.37.070.B	Up to \$556.30 per aggrieved party
Failure to provide app-based worker with weekly statements under subsection 8.37.070.C	Up to \$556.30 per aggrieved party
Failure to provide the Agency with records required under subsection 8.37.070.F	Up to \$556.30 per missing record
Failure to provide written notice of rights under Section 8.37.100	Up to \$556.30 per aggrieved party
Failure to retain network company records for three years under subsections 8.37.110.A and 8.37.110.B	Up to \$556.30 per missing record
Failure to comply with prohibitions against retaliation for exercising rights protected under Section 8.37.120	Up to \$1,112.60 per aggrieved party
Failure to provide notice of investigation to app-based workers under subsection 8.37.150.B.2	Up to \$556.30 per aggrieved party
Failure to post or distribute public notice of failure to comply with final order under subsection 8.37.210.A.1	Up to \$556.30

6
7 For each app-based worker hired by the network company and each missing record, the
8 maximum amount that may be imposed in fines in a one-year period for each type of violation
9 listed above is \$5,565.10. For each app-based worker hired by the network company, if a fine for
10 retaliation is issued, the maximum amount that may be imposed in a one-year period is
11 \$22,259.36.

1 F. A respondent that willfully hinders, prevents, impedes, or interferes with the Director
2 or Hearing Examiner in the performance of their duties under this Chapter 8.37 shall be subject
3 to a civil penalty of not less than \$1,112.60 and not more than \$5,565.10.

4 G. In addition to the unpaid compensation, penalties, fines, liquidated damages, and
5 interest, the Agency may assess against the respondent in favor of the City the reasonable costs
6 incurred in enforcing this Chapter 8.37, including but not limited to reasonable attorneys' fees.

7 H. A respondent that is the subject of a settlement agreement stipulating that a violation
8 has occurred shall count for debarment, or a final order for which all appeal rights have been
9 exhausted, shall not be permitted to bid, or have a bid considered, on any City contract until such
10 amounts due under the final order have been paid in full to the Director. If the respondent is the
11 subject of a final order two times or more within a five-year period, the network company shall
12 not be allowed to bid on any City contract for two years. This subsection 8.37.170.H shall be
13 construed to provide grounds for debarment separate from, and in addition to, those contained in
14 Chapter 20.70 and shall not be governed by that chapter provided that nothing in this subsection
15 8.37.170.H shall be construed to limit the application of Chapter 20.70. The Director shall notify
16 the Director of Finance and Administrative Services of all respondents subject to debarment
17 under this subsection 8.37.170.H.

18 **8.37.180 Appeal period and failure to respond**

19 A. An app-based worker or other person who claims an injury as a result of an alleged
20 violation of this Chapter 8.37 may appeal the Determination of No Violation, pursuant to
21 Director rules.

22 B. A respondent may appeal the Director's Order, including all remedies issued pursuant
23 to Section 8.37.170, by requesting a contested hearing before the Hearing Examiner in writing

1 within 15 days of service of the Director's Order. If a respondent fails to appeal the Director's
2 Order within 15 days of service, the Director's Order shall be final. If the last day of the appeal
3 period so computed is a Saturday, Sunday, or federal or City holiday, the appeal period shall run
4 until 5 p.m. on the next business day.

5 **8.37.190 Appeal procedure and failure to appear**

6 A. Contested hearings shall be conducted pursuant to the procedures for hearing
7 contested cases contained in Section 3.02.090 and the rules adopted by the Hearing Examiner for
8 hearing contested cases. The hearing shall be conducted de novo and the Director shall have the
9 burden of proving by a preponderance of the evidence that the violation or violations occurred.
10 Upon establishing such proof, the remedies and penalties imposed by the Director shall be
11 upheld unless it is shown that the Director abused discretion. Failure to appear for a contested
12 hearing shall result in an order being entered finding that the respondent committed the violation
13 stated in the Director's Order. For good cause shown and upon terms the Hearing Examiner
14 deems just, the Hearing Examiner may set aside an order entered upon a failure to appear.

15 B. In all contested cases, the Hearing Examiner shall enter an order affirming, modifying,
16 or reversing the Director's Order, consistent with Ordinance 126068.

17 **8.37.200 Appeal from Hearing Examiner order**

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

22 B. The decision of the Hearing Examiner shall be final and conclusive unless review is
23 sought in compliance with this Section 8.37.200.

1 **8.37.210 Failure to comply with final order**

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

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

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

11 3. The Director may refer the matter to the City Attorney for the filing of a civil
12 action in King County Superior Court, the Seattle Municipal Court, or any other court of
13 competent jurisdiction to enforce such order or to collect amounts due. In the alternative, the
14 Director may seek to enforce a Director's Order or a final order of the Hearing Examiner under
15 Section 8.37.190.

16 4. The Director may request that the City's Department of Finance and
17 Administrative Services deny, suspend, refuse to renew, or revoke any business license held or
18 requested by the network company or person until such time as the network company complies
19 with the remedy as defined in the settlement agreement or final order. The City's Department of
20 Finance and Administrative Services shall have the authority to deny, refuse to renew, or revoke
21 any business license in accordance with this subsection 8.37.210.A.4.

22 B. No respondent that is the subject of a final order issued under this Chapter 8.37 shall
23 quit business, sell out, exchange, convey, or otherwise dispose of the respondent's business or

1 stock of goods without first notifying the Agency and without first notifying the respondent's
2 successor of the amounts owed under the final order at least three business days before such
3 transaction. At the time the respondent quits business, or sells out, exchanges, or otherwise
4 disposes of the respondent's business or stock of goods, the full amount of the remedy, as defined
5 in a final order issued by the Director or the Hearing Examiner, shall become immediately due
6 and payable. If the amount due under the final order is not paid by respondent within ten days
7 from the date of such sale, exchange, conveyance, or disposal, the successor shall become liable
8 for the payment of the amount due, provided that the successor has actual knowledge of the order
9 and the amounts due or has prompt, reasonable, and effective means of accessing and verifying
10 the fact and amount of the order and the amounts due. The successor shall withhold from the
11 purchase price a sum sufficient to pay the amount of the full remedy. When the successor makes
12 such payment, that payment shall be deemed a payment upon the purchase price in the amount
13 paid, and if such payment is greater in amount than the purchase price the amount of the
14 difference shall become a debt due such successor from the network company.

15 **8.37.220 Debt owed The City of Seattle**

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

22 B. If a respondent fails to appeal a Director's Order to the Hearing Examiner within the
23 time period set forth in subsection 8.37.180.B, the Director's Order shall be final, and the

1 Director may petition the Seattle Municipal Court, or any court of competent jurisdiction, to
2 enforce the Director's Order by entering judgment in favor of the City finding that the respondent
3 has failed to exhaust its administrative remedies and that all amounts and relief contained in the
4 order are due. The Director's Order shall constitute prima facie evidence that a violation occurred
5 and shall be admissible without further evidentiary foundation. Any certifications or declarations
6 authorized under RCW 9A.72.085 containing evidence that the respondent has failed to comply
7 with the order or any parts thereof, and is therefore in default, or that the respondent has failed to
8 appeal the Director's Order to the Hearing Examiner within the time period set forth in
9 subsection 8.37.180.B, and therefore has failed to exhaust the respondent's administrative
10 remedies, shall also be admissible without further evidentiary foundation.

11 C. If a respondent fails to obtain judicial review of an order of the Hearing Examiner
12 within the time period set forth in subsection 8.37.200.A, the order of the Hearing Examiner
13 shall be final, and the Director may petition the Seattle Municipal Court to enforce the Director's
14 Order by entering judgment in favor of the City for all amounts and relief due under the order of
15 the Hearing Examiner. The order of the Hearing Examiner shall constitute conclusive evidence
16 that the violations contained therein occurred and shall be admissible without further evidentiary
17 foundation. Any certifications or declarations authorized under RCW 9A.72.085 containing
18 evidence that the respondent has failed to comply with the order or any parts thereof, and is
19 therefore in default, or that the respondent has failed to avail itself of judicial review in
20 accordance with subsection 8.37.200.A, shall also be admissible without further evidentiary
21 foundation.

22 D. In considering matters brought under subsections 8.37.220.B and 8.37.220.C, the
23 Seattle Municipal Court may include within its judgment all terms, conditions, and remedies

1 contained in the Director's Order or the order of the Hearing Examiner, whichever is applicable,
2 that are consistent with the provisions of this Chapter 8.37.

3 **8.37.230 Private right of action**

4 A. Any person or class of persons that suffers an injury as a result of a violation of this
5 Chapter 8.37, or is the subject of prohibited retaliation under Section 8.37.120, may bring a civil
6 action in a court of competent jurisdiction against the network company or other person violating
7 this Chapter 8.37 and, upon prevailing, may be awarded reasonable attorney fees and costs and
8 such legal or equitable relief as may be appropriate to remedy the violation including, without
9 limitation: the payment of any unpaid compensation plus interest due to the person and
10 liquidated damages in an additional amount of up to twice the unpaid compensation; and a
11 penalty payable to any aggrieved party of up to \$5,565.10 if the aggrieved party was subject to
12 prohibited retaliation. Interest shall accrue from the date the unpaid compensation was first due
13 at 12 percent per annum, or the maximum rate permitted under RCW 19.52.020.

14 B. For purposes of this Section 8.37.230, "person" includes any entity a member of which
15 has suffered an injury or retaliation, or any other individual or entity acting on behalf of an
16 aggrieved party that has suffered an injury or retaliation.

17 C. For purposes of determining membership within a class of persons entitled to bring an
18 action under this Section 8.37.230, two or more app-based workers are similarly situated if they:

19 1. Are or were hired for the same network company or network companies,
20 whether concurrently or otherwise, at some point during the applicable statute of limitations
21 period,

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

23 3. Seek similar forms of relief.

1 D. For purposes of subsection 8.37.230.C, app-based workers shall not be considered
2 dissimilar solely because the app-based workers’:

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

4 2. Job titles or other means of classifying app-based workers differ in ways that
5 are unrelated to their claims.

6 E. An order issued by the court may include a requirement for a network company to
7 submit a compliance report to the court and to the Agency.

8 **8.37.233 Waiver**

9 Any waiver by an individual of any provisions of this Chapter 8.37 shall be deemed contrary to
10 public policy and shall be void and unenforceable.

11 **8.37.235 Encouragement of more generous policies**

12 A. Nothing in this Chapter 8.37 shall be construed to discourage or prohibit a network
13 company from the adoption or retention of minimum labor and compensation standards more
14 generous than the one required by this Chapter 8.37.

15 B. Nothing in this Chapter 8.37 shall be construed as diminishing the obligation of the
16 network company to comply with any contract, or other agreement providing more generous
17 minimum labor and compensation standards to an app-based worker than required by this
18 Chapter 8.37.

19 **8.37.240 Other legal requirements; effect on other laws**

20 A. The provisions of this Chapter 8.37:

21 1. Supplement and do not diminish or replace any other basis of liability or
22 requirement established by statute or common law;

1 2. Shall not be construed to preempt, limit, or otherwise affect the applicability of
2 any other law, regulation, requirement, policy, or standard for minimum labor and compensation
3 requirements, or that extends other protections to app-based workers; and

4 3. Shall not be interpreted or applied so as to create any power or duty in conflict
5 with federal or state law.

6 B. Nor shall this Chapter 8.37 be construed to preclude any person aggrieved from
7 seeking judicial review of any final administrative decision or order made under this Chapter
8 8.37 affecting such person. Nothing in this Section 8.37.240 shall be construed as restricting an
9 app-based worker’s right to pursue any other remedies at law or equity for violation of the
10 contractor’s rights.

11 C. A network company’s failure to comply with the provisions of this Chapter 8.37 shall
12 not render any contract between the network company and an app-based worker void or
13 voidable.

14 D. No provision of this Chapter 8.37 shall be construed as providing a determination
15 about the legal classification of any individual as an employee or independent contractor.

16 **8.37.250 Severability**

17 The provisions of this Chapter 8.37 are declared to be separate and severable. If any clause,
18 sentence, paragraph, subdivision, section, subsection, or portion of this Chapter 8.37, or the
19 application thereof to any network company, app-based worker, person, or circumstance, is held
20 to be invalid, it shall not affect the validity of the remainder of this Chapter 8.37, or the validity
21 of its application to other persons or circumstances.

22 Section 4. Section 3.02.125 of the Seattle Municipal Code, last amended by Ordinance
23 126283, is amended as follows:

1 **3.02.125 Hearing Examiner filing fees**

2 A. The filing fee for a case before the City Hearing Examiner is \$85, with the following
3 exceptions:

Basis for Case	Fee in dollars
* * *	
All Gender Restroom Notice of Violation (Section 14.07.040)	No fee
<u>App-based Worker Minimum Compensation Ordinance (Chapter 8.37)</u>	<u>No fee</u>
Cable Communications (Chapter 21.60)	No fee
* * *	

4 * * *

5 Section 5. Section 3.15.000 of the Seattle Municipal Code, last amended by Ordinance
6 126189, is amended as follows:

7 **3.15.000 Office of Labor Standards created – Functions**

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

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

17 A. Promoting labor standards through outreach, education, technical assistance, and
18 training;

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

1 C. Partnering with community, businesses, and workers for stakeholder input and
2 collaboration;

3 D. Developing innovative labor standards policy;

4 E. Administering and enforcing Title 8, City of Seattle ordinances relating to paid sick
5 and safe time (Chapter 14.16), use of criminal history in employment decisions (Chapter 14.17),
6 minimum wage and minimum compensation (Chapter 14.19), wage and tip compensation
7 requirements (Chapter 14.20), secure scheduling (Chapter 14.22), domestic workers (Chapter
8 14.23), hotel employees safety protections (Chapter 14.26), protecting hotel employees from
9 injury (Chapter 14.27), improving access to medical care for hotel employees (Chapter 14.28),
10 hotel employees job retention (Chapter 14.29), commuter benefits (Chapter 14.30),
11 transportation network company driver deactivation protections (Chapter 14.32), transportation
12 network company driver minimum compensation (Chapter 14.33), independent contractor
13 protections (Chapter 14.34), and other labor standards ordinances that may be enacted in the
14 future.

15 Section 6. Subsection 6.208.020.A of the Seattle Municipal Code, which section was last
16 amended by Ordinance 126274, is amended as follows:

17 **6.208.020 Denial, revocation of, or refusal to renew business license**

18 A. In addition to any other powers and authority provided under this Title 6, the Director,
19 or the Director's designee, has the power and authority to deny, revoke, or refuse to renew any
20 business license issued under the provisions of this Chapter 6.208. The Director, or the Director's
21 designee, shall notify such applicant or licensee in writing by mail of the denial, revocation of, or
22 refusal to renew the license and on what grounds such a decision was based. The Director may

1 deny, revoke, or refuse to renew any license issued under this Chapter 6.208 on one or more of
2 the following grounds:

- 3 1. The license was procured by fraud or false representation of fact.
- 4 2. The licensee has failed to comply with any provisions of this Chapter 6.208.
- 5 3. The licensee has failed to comply with any provisions of Chapters 5.32, 5.35,
6 5.38, 5.39, 5.40, 5.45, 5.46, 5.48, 5.50, or 5.52.
- 7 4. The licensee is in default in any payment of any license fee or tax under Title 5
8 or Title 6.
- 9 5. The property at which the business is located has been determined by a court to
10 be a chronic nuisance property as provided in Chapter 10.09.
- 11 6. The applicant or licensee has been convicted of theft under subsection
12 12A.08.060.A.4 within the last ten years.
- 13 7. The applicant or licensee is a person subject within the last ten years to a court
14 order entering final judgment for violations of chapters 49.46, 49.48, or 49.52 RCW, or 29
15 U.S.C. 206 or 29 U.S.C. 207, and the judgment was not satisfied within 30 days of the later of
16 either:
 - 17 a. The expiration of the time for filing an appeal from the final judgment
18 order under the court rules in effect at the time of the final judgment order; or
 - 19 b. If a timely appeal is made, the date of the final resolution of that appeal
20 and any subsequent appeals resulting in final judicial affirmation of the findings of violations of
21 chapters 49.46, 49.48, or 49.52 RCW, or 29 U.S.C. 206 or 29 U.S.C. 207.
- 22 8. The applicant or licensee is a person subject within the last ten years to a final
23 and binding citation and notice of assessment from the Washington Department of Labor and

1 Industries for violations of chapters 49.46, 49.48, or 49.52 RCW, and the citation amount and
2 penalties assessed therewith were not satisfied within 30 days of the date the citation became
3 final and binding.

4 9. Pursuant to relevant provisions in Title 8, subsections 14.16.100.A.4,
5 14.17.075.A, 14.19.100.A.4, 14.20.080.A.4, 14.22.115.A.4, 14.23.115.A.4, 14.26.210.A.4,
6 14.27.210.A.4, 14.28.210.A.4, 14.30.180.A.4, 14.33.210.A.4, and 14.34.210.A.4, subsection
7 100.240.A.4 of Ordinance 126091, subsection 100.240.A.4 of Ordinance 126094, and subsection
8 100.240.A.4 of Ordinance 126274, the applicant or licensee has failed to comply, within 30 days
9 of service of any settlement agreement, with any final order issued by the Director of the Office
10 of Labor Standards, or any final order issued by the Hearing Examiner under Title 8, Chapters
11 14.16, 14.17, 14.19, 14.20, 14.22, 14.23, 14.26, 14.27, 14.28, 14.29, 14.30, 14.33, and 14.34,
12 Ordinance 126091, Ordinance 126094, and Ordinance 126274 for which all appeal rights have
13 been exhausted, and the Director of the Office of Labor Standards has requested that the Director
14 deny, refuse to renew, or revoke any business license held or requested by the applicant or
15 licensee. The denial, refusal to renew, or revocation shall remain in effect until such time as the
16 violation(s) under Title 8, Chapters 14.16, 14.17, 14.19, 14.20, 14.22, 14.23, 14.26, 14.27, 14.28,
17 14.29, 14.30, 14.33, and 14.34, Ordinance 126091, Ordinance 126094, and Ordinance 126274
18 are remedied.

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

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

23 * * *

1 Section 7. Section 3 of this ordinance shall take effect on XX, 1, 2023.

2 Section 8. This ordinance shall take effect and be in force 30 days after its approval by
3 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
4 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

5 Passed by the City Council the _____ day of _____, 2021,
6 and signed by me in open session in authentication of its passage this ____ day of
7 _____, 2021.

8 _____
9 President _____ of the City Council

10 Approved / returned unsigned / vetoed this _____ day of _____, 2021.

11 _____
12 Jenny A. Durkan, Mayor

13 Filed by me this _____ day of _____, 2021.

14 _____
15 Monica Martinez Simmons, City Clerk

16 (Seal)