

Last updated 10/10/16

CITY OF SEATTLE
OFFICE OF LABOR STANDARDS

**SEATTLE LABOR
STANDARDS**

The logo for Seattle Labor Standards, featuring a stylized blue 'S' shape with a black and white profile of a person's head inside the curve.

Business Support

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OFFICE OF LABOR STANDARDS

❖ 13 Core Staff

- Dylan Orr, Director
- Senior Policy Analyst
- 2 Business Liaisons
- Community Liaison
- Enforcement Supervisor
- 5 investigators
- Paralegal
- IT Systems Analyst



❖ 5 Shared Staff with Office of Civil Rights

❖ Proposed expansion in 2017 City budget

SEATTLE LABOR STANDARDS

What is the rate of pay?

MINIMUM WAGE

Is there payment for all hours worked?

WAGE THEFT

Is there accrual or payment of PSST?

PAID SICK AND SAFE TIME

Was there denial of a job or pay due to conviction or arrest records?

FAIR CHANCE EMPLOYMENT

SEATTLE LABOR STANDARDS

Is there a predictable schedule & compensation for employer-initiated changes?

SECURE SCHEDULING

Effective July 1, 2017

Food and Retail establishments with 500+ employees worldwide

NEW UPDATES

In December, 2015, the City of Seattle extensively revised Seattle's labor standards ordinances. These revisions went into effect on

January 16, 2016.

NEW WORKPLACE POSTER

- ❖ All Labor Standards
- ❖ No retaliation
- ❖ Right to file complaint with OLS & file lawsuit

Employers must display the poster in English and in the primary language(s) of the employee(s) at the particular workplace.

WHAT IS THE RATE OF PAY?

MINIMUM WAGE



January 1, 2016

LARGE EMPLOYER

\$13.00 per hour

—*or*—

\$12.50 per hour

if employer payment toward employee's medical benefits

LARGE EMPLOYERS (501+ EMPLOYEES)		
Year	Minimum Wage	Minimum Wage plus payment towards medical benefits
2015	\$11.00	\$11.00
2016	\$13.00	\$12.50
2017	15.00	\$13.50
2018	TBD	\$15.00

January 1, 2016

SMALL EMPLOYER

\$12.00 per hour

—or—

\$10.50 per hour

plus \$1.50 tips and/or
employer payment toward employee's medical benefits

SMALL EMPLOYERS (500 OR FEWER EMPLOYEES)

Year	Minimum Compensation	Minimum Wage plus tips and/or payments toward medical benefits
2015	\$11.00	\$10.00
2016	\$12.00	\$10.50
2017	\$13.00	\$11.00
2018	\$14.00	\$11.50
2019	\$15.00	\$12.00
2020	TBD	\$13.50
2021	TBD	\$15.00

IS THERE PAYMENT FOR ALL HOURS WORKED?

WAGE THEFT



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WAGE THEFT ORDINANCE - BASICS

1. **Compensation** due to employees on regular pay day
2. **“Notice of employment information”** to
 - New employees
 - Change of employment
 - Effective April 1st, 2016, all existing employees
3. **Itemized paycheck information** every pay day

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PAY COMPENSATION

1. Minimum Wage & promised wage
 2. Tips
 3. Overtime
 4. Hours Off the Clock
 5. Meals & Breaks
 7. Paid Sick and Safe Time
 8. Agreements re: Vacation
 9. Last Paycheck
 10. Bonuses
 11. Employer Reimbursements
 12. Some Uniforms & Equipment
- *Employee vs. independent contractor

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NOTICE OF EMPLOYMENT INFORMATION

1. Employer name
2. Employer address
3. Employer Telephone number
4. Employee's rate or rates of pay
5. Tip policy
6. Pay basis = Hour, shift, day, week, commission
7. Established pay day

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ITEMIZED PAYCHECK EVERY PAY DAY

1. Rate or rates of pay
2. Tip payment
3. Pay basis = Hour, shift, day, week, commission
4. Gross wages
5. All deductions for that pay period

IS THERE ACCRUAL
OR PAYMENT OF PSST?

PAID SICK
& SAFE TIME



**Business has
more than 4
full-time equivalent
employees**

PAID SICK TIME

- Employee or family member
- Child, grandparent, parent, parent-in-law
- Spouse or domestic partner
- Physical or mental condition
- Doctor, Dental & Eye Appointments

PAID SAFE TIME

- Employee, family & household members, roommate
- Domestic violence, sexual assault, or stalking
- Employee's workplace or child's school/place of care closed for critical safety issue (e.g. flu pandemic)
- *Not Snow Day*

PSST ACCRUAL, USE & CARRY OVER

TIER	EMPLOYER SIZE	ACCRUAL	USE	CARRY OVER
Not Covered	4 or fewer FTEs	No accrual, use or carry over requirement. Notice and anti-retaliation provisions apply		
1	More than 4 to 49 FTEs	1 hour/40 hours worked	40 hours	40 hours
2	More than 49 to 249 FTEs	1 hour/40 hours worked	56 hours	56 hours
3	250+ FTEs	1 hour/30 hours worked	72 hours	72 hours
	250+ FTEs (PTO benefit systems)	1 hour/30 hours worked	108 hours	108 hours

KEY PROVISIONS

- ❖ Joint Employer
- ❖ Benefit Year
- ❖ Accrual
- ❖ Use and Carry Over
- ❖ Vacation and PTO
- ❖ Notification of Available PSST Hours
- ❖ Record Keeping
- ❖ No Retaliation

KEY PROVISIONS

❖ **(update) Joint Employers**

- Both staffing agency & client can be joint employers of a temp employee

❖ **(update) Benefit Year**

- Employers must use a consistent 12 month consecutive period (e.g. calendar year, fiscal year, anniversary date, but not rolling year) for accrual, use and carry over

❖ **Accrual**

- Accrual depends on employer tier size; there is no cap on accrual

❖ **Use and Carry over**

- Use and carry over depend on employer tier size

KEY PROVISIONS

❖ **Vacation and PTO**

- Employers can use vacation and PTO to meet ordinance requirements, as long as the paid leave can be used in same manner as PSST
- Tier 3 employers with PTO have increased use and carry over requirements

❖ **Notification of available PSST hours**

- Employers must provide notice of available PSST hours every pay period, usually on a paystub

❖ **(update) Record Keeping – 3 years**

❖ **No Retaliation**

OTHER REQUIREMENTS

- ❖ **Written PSST Policy**
- ❖ **Waiting Period**
- ❖ **Requesting PSST**
- ❖ **15 increments of Use**
- ❖ **Rate of Pay**
- ❖ **Documentation**
- ❖ **Suspicious of PSST Abuse**
- ❖ **Seasonal Employee**
- ❖ **Occasional Basis Employee**
- ❖ **Waiver**
- ❖ **Cash out**

OTHER REQUIREMENTS

- ❖ **(update) Written PSST Policy**
 - Employers must provide employees with written PSST policy starting April 1, 2016
- ❖ **Waiting Period**
 - Employer can impose a waiting period of 180 calendar days from hire date
- ❖ **Requesting PSST**
 - Employee must provide enough information to signal need for covered absence
 - "I need to use PSST" or "My child is sick"
- ❖ **(update) 15 minute increments of use**
 - If feasible by employer's payroll system, employers must permit hourly employees to use PSST in 15 minute increments

OTHER REQUIREMENTS

- ❖ **Rate of Pay**
 - Employers must pay same rate of pay as employee would have earned while working the shift (exclude tips & commissions, but meet Seattle minimum wage requirements)
- ❖ **Documentation for PSST**
 - Employer can ask for documentation after employee has used PSST for more than three consecutive work days
- ❖ **Suspensions of PSST abuse**
 - Employer can ask for early documentation or deny PSST if clear instance or pattern of abuse
- ❖ **Seasonal employee**
 - Employer must reinstate unused PSST hours if employee separates from work and returns within seven months

OTHER REQUIREMENTS

- ❖ **(update) Occasional Basis Employees**
 - Employees who are typically based outside of Seattle and work in Seattle on an irregular basis, must work 240 hours in a calendar year to qualify for PSST
 - After meeting this threshold requirement, employee is covered by ordinance for duration of employment for employer and all previous hours worked in Seattle accrue PSST
- ❖ **Waiver**
 - Waiver is prohibited for individual employees
 - Waiver is permitted for employees represented by union; waiver must be CBA
- ❖ **Cash out**
 - ❖ Cash out is not required; it is discretionary

NEW
LABOR STANDARD

SECURE SCHEDULING
effective July 1, 2017



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COVERED EMPLOYERS

- ❖ **Retail and food services** establishments with 500+ employees worldwide.
 - **Retail** = 2012 NAICS code 441-453998
 - **Food Service** = 2012 NAICS code 722
- ❖ **Full Service Restaurants** must also have 40+ locations worldwide.
- ❖ **NAICS Code** = The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies to classify businesses for U.S. economic statistical and data analysis.

NAICS CODE—HOW TO FIND

□ <http://www.seattle.gov/licenses/find-a-business>

FIND A BUSINESS

Need to look up a business? Search the database for licensed Seattle businesses. You can search by business name, industry type or zip code.

The Seattle business license tax certificate database shows you the following information about a business:

- legal name
- trade name ("doing business as")
- main location address
- phone number
- license tax certificate expiration date
- industry type and Standard Industrial Code (SIC)

City of Seattle Business License Database

Search by Company Name
If you are entering a partial name, please provide as many characters as possible.

Legal Name or Trade Name contains:

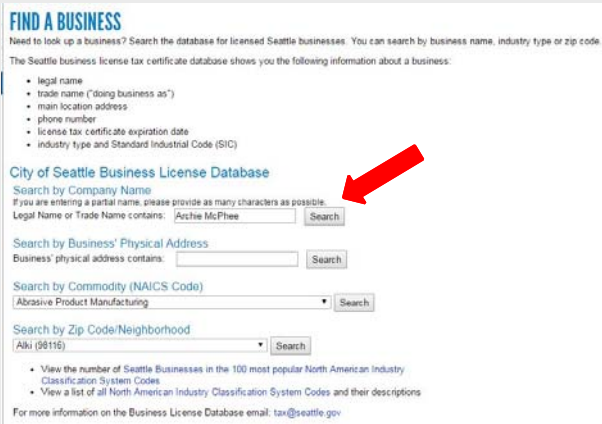
Search by Business' Physical Address
Business' physical address contains:

Search by Commodity (NAICS Code)

Search by Zip Code/Neighborhood

- View the number of Seattle Businesses in the 100 most popular North American Industry Classification System Codes
- View a list of all North American Industry Classification System Codes and their descriptions

For more information on the Business License Database email: tax@seattle.gov



NAICS CODE—HOW TO FIND

FIND A BUSINESS

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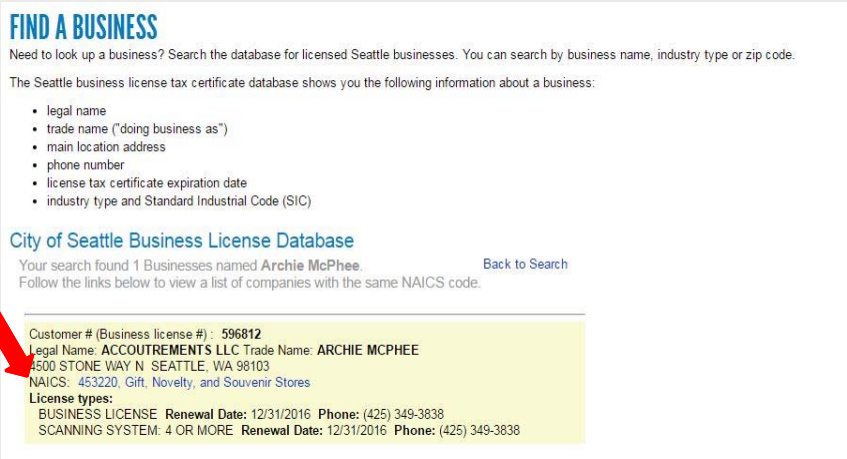
- legal name
- trade name ("doing business as")
- main location address
- phone number
- license tax certificate expiration date
- industry type and Standard Industrial Code (SIC)

City of Seattle Business License Database

Your search found 1 Businesses named Archie McPhee. [Back to Search](#)

Follow the links below to view a list of companies with the same NAICS code.

Customer # (Business license #): 596812
 Legal Name: ACCOUTREMENTS LLC Trade Name: ARCHIE MCPHEE
 #500 STONE WAY N SEATTLE, WA 98103
 NAICS: 453220, Gift, Novelty, and Souvenir Stores
License types:
 BUSINESS LICENSE Renewal Date: 12/31/2016 Phone: (425) 349-3838
 SCANNING SYSTEM: 4 OR MORE Renewal Date: 12/31/2016 Phone: (425) 349-3838



SECURE SCHEDULING

Requirements for hourly employees at large retail and food services establishments.

- ❖ **Good faith estimate of work schedule**
- ❖ **Right to request input into work schedule**
- ❖ **Right to rest between work shifts**
- ❖ **Advance notice of work schedules**
- ❖ **Notice of work schedule changes**
- ❖ **Compensation for work schedule changes**
- ❖ **Access to hours**

KEY PROVISIONS

- ❖ **Good Faith Estimate**
 - Median number hours and whether there will be on-call shifts
 - Provide to (1) New employees; (2) Existing employees once a year or upon change in employment information.
 - Include in Notice of Employment Information
- ❖ **Right to request input into work schedule**
 - Employees have a right to request modifications and consistency in work schedules
- ❖ **Right to rest between work shifts**
 - Employees earn 1.5x scheduled rate of pay for hours worked that are less than 10 hours between a closing and opening work shift
- ❖ **Advance notice of work schedules**
 - 14 days advance notice of schedules
- ❖ **Notice of work schedule changes**
 - Employee can decline a work shift that is not on original schedule

KEY PROVISIONS

❖ Compensation for work schedule changes

- Additions = Additional hour of pay at scheduled rate + wages earned
- Subtractions = .5x the length of work shift that was cancelled or the remaining hours of a work shift that was shortened
 - Includes on-call shifts
- **Exceptions**
 - Shift Swaps (mutually agreed upon between employees)
 - Additional hours that employee volunteers to work in response to an employer's written **mass communication**
 - Hours added to current shift, upon in person group communication and employee consent
 - "Access to hours" offer of work
 - Employee-requested changes documented in writing
 - Discipline
 - Order of Public Official; Failure in utilities; natural disaster.

KEY PROVISIONS

❖ Access to hours

- Employer must offer additional hours to existing employees before hiring new employees, subcontractors, or temps
- Post job notice for 3 days (notice can be posted internally and externally)
- Provide employee with 2 days to accept offer
- Offer additional hours to existing, qualified candidates
- Exceptions
 - Employer can proceed with external hiring after providing notice of additional hours to **all employees** and receiving **written declination**.
 - Employer can proceed with external hiring after providing notice to employees on an "access to hours list."

KEY PROVISIONS

- ❖ **Waiver in collective bargaining agreement**
 - Permissible waiver if represented workers ratify an alternative structure for secure scheduling that meets policy goals of the ordinance
- ❖ **Record keeping**
 - Three years

Reporting a violation

ENFORCEMENT



PRIVATE RIGHT OF ACTION

- ◆ PSST, MWO, WT (not FCE)
- ◆ April 1, 2016 (50+ employees)
- ◆ April 1, 2017 (less than 50 employees)
- ◆ Remedy
 - Up to 3x unpaid wages
 - Up to \$5,000 to aggrieved party for retaliation
 - Attorney Fees and Costs

INVESTIGATION

- ◆ Protection of Identifying Information
- ◆ Charge or Compliance Letter
- ◆ Company-wide Investigation (standard)
- ◆ Individual Investigation (retaliation)
- ◆ Complaint-based
- ◆ Directed (future)

PSST, MWO, WT VIOLATION(S)	REMEDY OR PENALTY
First Violation	Up to 3x unpaid wages + interest
Subsequent Violations	Mandatory 3x unpaid wages + interest
First Violation	Up to \$500 per aggrieved party
Second Violation	Up to \$1000 per aggrieved party or 10% of unpaid wages, whichever is greater
Third Violation	Up to \$5,000 per aggrieved party or 10% of unpaid wages, whichever is greater
Subsequent Violation	Up to \$20,000 per aggrieved party
Chart of Fines	\$500 to \$1,000 fine
Retaliation	Reinstatement or up to 3x front pay; up to \$5,000 to aggrieved party
Settlement & Mitigation of Penalties	Director Discretion

FCE VIOLATION(S)	REMEDY OR PENALTY
First Violation	Up to \$500 per aggrieved party
Second Violation	Up to \$1,000 per aggrieved party
Third Violation	Up to \$5,000 per aggrieved party
Chart of Fines	\$500 flat fine to \$1,000 per aggrieved party
Retaliation	Reinstatement or up to 3x front pay; up to \$5,000 to aggrieved party
Settlement & Mitigation of Penalties	Director Discretion

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