

Office of Labor Standards

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www.seattle.gov/laborstandards

Department Overview

The mission of the Office of Labor Standards (OLS) is to advance labor standards through thoughtful community and business engagement, strategic enforcement, and innovative policy development, with a commitment to race and social justice. The Office of Labor Standards focuses on the implementation of labor standards for employees working within Seattle city limits. Effective January 2020, these standards, established through City ordinances and a City initiative, include the following:

- **Paid Sick and Safe Time Ordinance**, requiring employers with more than four full-time equivalent employees to provide paid sick and safe time;
- **Fair Chance Employment Ordinance**, restricting how employers can use conviction and arrest records during the hiring process and course of employment;
- **Minimum Wage Ordinance**, establishing a minimum hourly wage that will rise to \$15/hour for all employees in the city by 2021;
- **Wage Theft Ordinance**, requiring employers to provide written notice of employment information and pay all compensation due by reason of employment (including wages and tips) on a regular pay day;
- **Secure Scheduling Ordinance**, establishing scheduling requirements for covered retail and food service establishments to provide schedule predictability and increased access to hours;
- **Hotel Employees Health and Safety Initiative**, establishing workplace protections for hotel workers in four separate ordinances likely enacted soon to replace the Hotel Employee Health & Safety Initiative (invalidated by the Washington Court of Appeals on December 24, 2018);
- **Domestic Workers Ordinance**, which provides protections for domestic workers and establishes a Domestic Workers Standards Board; and
- **Commuter Benefits Ordinance**, requiring employers to provide commuter benefits on a pre-tax basis (OLS enforcement begins in January 2021).

OLS provides education and technical assistance to the business and worker communities. As a part of these efforts, OLS manages the **Community Outreach and Education Fund** to foster collaboration between OLS and the community with funds to develop awareness and understanding of the worker rights provided by Seattle's labor standards. The office also manages the **Business Outreach and Education Fund** which provides technical assistance to small businesses to increase compliance with Seattle's labor standards. The fund emphasizes outreach to businesses owned by low-income and historically disenfranchised communities who typically are not served by traditional outreach methods.

OLS also provides technical, policy, and administrative support for the Labor Standards Advisory Commission, consisting of 15 members who advise on matters related to labor standards, as well as to the recently created Domestic Workers Standards Board, a nine member body that advises on issues related to workplace protections for domestic workers.

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Budget Snapshot

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
Department Support				
Other Funding - Operating	5,423,863	6,599,133	6,657,303	6,864,873
Total Operations	5,423,863	6,599,133	6,657,303	6,864,873
Total Appropriations	5,423,863	6,599,133	6,657,303	6,864,873
 Full-Time Equivalents Total*	 23.00	 28.00	 28.00	 28.00

** FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here*

Budget Overview

The 2020 Proposed Budget maintains resources and staff to support the significant ongoing work of the Office of Labor Standards. This includes sustained funding for 5 FTE that were added in the 2019 budget to support the increased capacity needs of the office and to support the Domestic Workers Ordinance that the City Council and Mayor enacted in July 2018. In addition to the six City ordinances that OLS currently enforces: Paid Sick and Safe Time, Fair Chance Employment, Minimum Wage, Wage Theft, Secure Scheduling, and Domestic Workers; OLS will begin to monitor and prepare to provide support and services to cover the Commuter Benefits Ordinance. The Commuter Benefits Ordinance goes into effect on Jan. 1, 2020 and OLS enforcement begins Jan. 1, 2021. To date, over 54,000 employers are required to comply with, and over 580,000 workers are protected by, at least some of the laws enforced by OLS. It is also likely that OLS will be tasked with enforcing laws that protect hotel workers, currently being considered by the City Council.

The 2020 Proposed Budget provides OLS with a number of technical adjustments, the biggest of which will cover tentative agreements with the Coalition of Unions.

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Incremental Budget Changes

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	2020 Budget	FTE
Total 2020 Endorsed Budget	6,657,303	28.00
Baseline		
2020 Coalition and Non-Rep Annual Wage Increase Base Budget	345,045	-
2020 State Paid Family Medical Leave Increase Base Budget	2,962	-
Citywide Adjustments for Standard Cost Changes	79,212	-
Proposed Technical		
Technical Adjustment for OLS Space Rent	(219,649)	-
Total Incremental Changes	\$207,570	-
Total 2020 Proposed Budget	\$6,864,873	28.00

Description of Incremental Budget Changes

Baseline

2020 Coalition and Non-Rep Annual Wage Increase Base Budget

Expenditures	\$345,045
Revenues	\$345,045

This centrally administered change adjusts appropriations to reflect the Annual Wage Increase, as outlined in the tentative agreement between the City and the Coalition of Unions, for personnel costs included in this department's baseline budget. This includes increases to salary, FICA, Medicare, retirement, overtime and temporary labor.

2020 State Paid Family Medical Leave Increase Base Budget

Expenditures	\$2,962
Revenues	\$2,962

Starting in January 2020, Washington State will offer paid family and medical leave benefits to all workers in the State of Washington, including City of Seattle employees. In 2020, the tentative agreement with the Coalition of Unions moves a portion of the cost responsibility to the employee in 2020, with the City paying the remainder. This item increases appropriations to account for the City's obligation for all employees.

Citywide Adjustments for Standard Cost Changes

Expenditures	\$79,212
Revenues	\$79,212

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, including the Department of Finance & Administrative Services rates, Information Technology rates and Human Resources rates, health care, retirement and industrial insurance charges for the department. This adjustment also includes a transfer

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of resources from the department to the Human Resources Investigations Unit (HRIU) as part of the City's efforts to improve investigative processes and practices across the City departments. While the internal service rates are final for 2020, some of the other adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Technical

Technical Adjustment for OLS Space Rent

Expenditures	\$ (219,649)
Revenues	\$ (219,649)

This is a technical adjustment to the baseline budget of the Office of Labor Standards in the amount of \$219,649. This adjustment corrects previous estimates for lease increase.

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Expenditure Overview

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
Appropriations				
OLS - BO-LS-1000 - Office of Labor Standards				
00190 - Office of Labor Standards Fund	5,423,863	6,599,133	6,657,303	6,864,873
Total for BSL: BO-LS-1000	5,423,863	6,599,133	6,657,303	6,864,873
Department Total	5,423,863	6,599,133	6,657,303	6,864,873
Department Full-Time Equivalents Total*	23.00	28.00	28.00	28.00

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Budget Summary by Fund Office of Labor Standards

	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
00190 - Office of Labor Standards Fund	5,423,863	6,599,133	6,657,303	6,864,873
Budget Totals for OLS	5,423,863	6,599,133	6,657,303	6,864,873

Revenue Overview

2020 Estimated Revenues

Account Code	Account Name	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
360420	Other Judgments & Settlements	9,775	-	-	-
Total Revenues for: 00100 - General Fund		9,775	-	-	-
360420	Other Judgments & Settlements	8,820	-	-	-
397010	Operating Transfers In	5,681,364	6,599,133	6,657,303	6,864,873
Total Revenues for: 00190 - Office of Labor Standards Fund		5,690,184	6,599,133	6,657,303	6,864,873
Total OLS Resources		5,699,959	6,599,133	6,657,303	6,864,873

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Appropriations by Budget Summary Level and Program

OLS - BO-LS-1000 - Office of Labor Standards

The purpose of the Office of Labor Standards Budget Summary Level is to implement labor standards for employees working inside Seattle's city limits. This includes investigation, remediation, outreach and education, and policy work related to the paid sick and safe time, fair chance employment, minimum wage, and wage theft, and secure scheduling ordinances, the hotel employees health and safety initiative, and other labor standards the City may enact in the future.

Program Expenditures	2018 Actuals	2019 Adopted	2020 Endorsed	2020 Proposed
Office of Labor Standards	5,423,863	6,599,133	6,657,303	6,864,873
Total	5,423,863	6,599,133	6,657,303	6,864,873
Full-time Equivalent Total*	23.00	28.00	28.00	28.00

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