

# Office of Labor Standards

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<http://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. OLS's main work program focuses on the implementation of labor standards for employees working within Seattle city limits. These standards (established through City ordinances and a City initiative) include the:

- **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 over several years;
- **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; and
- **Hotel Employee Health and Safety Initiative**, establishing protections for the health and safety of hotel employees working in Seattle.

OLS also provides free education and technical assistance to the business and worker communities. As a part of these efforts, OLS manages the **Labor Standards 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 **Labor Standards Business Outreach and Education Fund** which provides technical assistance to small businesses in order 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 and administrative support for the Labor Standards Advisory Commission, a 15-member commission who advises on matters related to labor standards laws, as well as wages, working conditions, safety, and the health of Seattle workers.

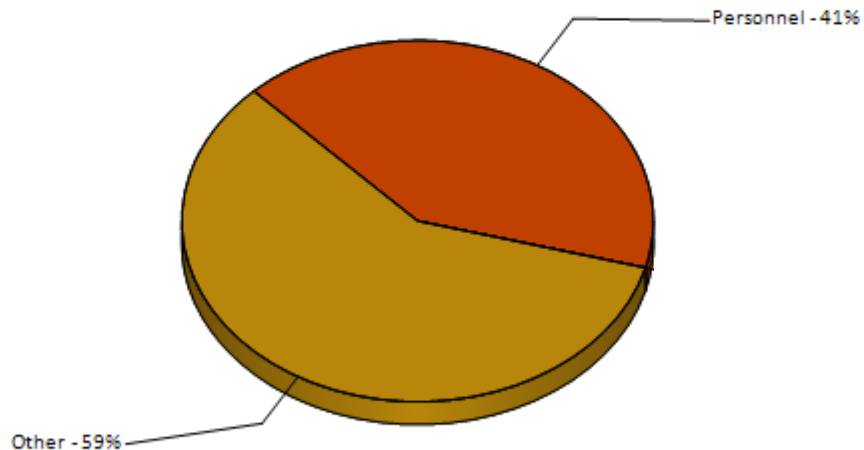
# Office of Labor Standards

## Budget Snapshot

| Department Support          | 2015<br>Actual | 2016<br>Adopted | 2017<br>Adopted    | 2018<br>Endorsed   |
|-----------------------------|----------------|-----------------|--------------------|--------------------|
| General Fund Support        | \$0            | \$0             | \$5,746,889        | \$5,698,246        |
| <b>Total Operations</b>     | <b>\$0</b>     | <b>\$0</b>      | <b>\$5,746,889</b> | <b>\$5,698,246</b> |
| <br>                        |                |                 |                    |                    |
| <b>Total Appropriations</b> | <b>\$0</b>     | <b>\$0</b>      | <b>\$5,746,889</b> | <b>\$5,698,246</b> |
| Full-time Equivalent Total* | 0.00           | 0.00            | 23.00              | 23.00              |

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

## 2017 Adopted Budget - Expenditure by Category



## Budget Overview

The 2017 Adopted and 2018 Endorsed Budget creates a stand-alone department for the Office of Labor Standards (OLS) by transferring existing resources from OCR, adding 13 full-time positions, and increasing funding for operating expenses, staff training and outreach. OLS has grown rapidly since it was introduced in 2015 as a division of the Seattle Office for Civil Rights. OLS's responsibilities continue to expand as the City has adopted new regulations to protect wages and working conditions of Seattle workers. The office is responsible for implementing six labor standards ordinances - Minimum Wage, Wage Theft, Paid Sick and Safe Time, Fair Chance Employment, Secure Scheduling, and the Hotel Employees Initiative - and will be responsible for other labor standards the City may enact in the future.

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Over the past two years, labor standards caseloads have increased as more people become aware of their rights under these ordinances. Furthermore, OLS has identified the need for additional outreach to both employees and employers to educate them about the City's regulations. Outreach and education is no small task for OLS, as Seattle is estimated to have more than 500,000 employees and more than 50,000 employers that will likely be affected by one or more labor regulations. Lastly, the new Labor Standards Advisory Commission, first convened in June 2016, requires ongoing staff support.

## City Council Changes to the Proposed Budget

The Council increased resources to OLS so it may:

- develop a program and processes for directed investigations (investigations initiated by the OLS director);
- provide new job training opportunities; and
- further expand its outreach and education efforts to workers.

## Incremental Budget Changes

### Office of Labor Standards

|                                                                 | 2017                |              | 2018                |              |
|-----------------------------------------------------------------|---------------------|--------------|---------------------|--------------|
|                                                                 | Budget              | FTE          | Budget              | FTE          |
| <b>Proposed Changes</b>                                         |                     |              |                     |              |
| Create Department for the Office of Labor Standards             | \$ 5,271,785        | 22.00        | \$ 5,561,545        | 22.00        |
| <b>Council Changes</b>                                          |                     |              |                     |              |
| Add 1.0 Senior Civil Rights Analyst for Directed Investigations | \$ 108,361          | 1.00         | \$ 111,701          | 1.00         |
| Increase Funding for Staff Training                             | \$ 25,000           | 0.00         | \$ 25,000           | 0.00         |
| Increase Funding for Worker Outreach and Education              | \$ 341,743          | 0.00         | \$ 0                | 0.00         |
| <b>Total Incremental Changes</b>                                | <b>\$ 5,746,889</b> | <b>23.00</b> | <b>\$ 5,698,246</b> | <b>23.00</b> |
| <b>2017 Adopted/2018 Endorsed Budget</b>                        | <b>\$ 5,746,889</b> | <b>23.00</b> | <b>\$ 5,698,246</b> | <b>23.00</b> |

## Descriptions of Incremental Budget Changes

### Proposed Changes

#### **Create Department for the Office of Labor Standards - \$5,271,785/22.00 FTE**

In 2017, the Office of Labor Standards will move from its shared office space within OCR into its own office in the Central Building. The adopted budget adds funding for all costs related to this move including lease costs and one-time costs for tenant improvements. This change also transfers existing resources from OCR, which includes 9 existing staff, adds 13 full-time positions, and increases funding for operating expenses, staff training and outreach.

## Office of Labor Standards

In 2015 and 2016, OLS shared administrative positions with OCR. In 2017, OLS will have its own administrative staffing and will need additional positions to support enforcement and outreach. The 13 new positions include:

- six investigators
- one enforcement manager
- one outreach manager
- one business liaison
- one finance and human resources manager
- one data analyst
- two administrative positions

With these new positions, OLS will be better equipped to handle complex complaint-based investigations and develop a directed investigation program, provide ongoing support to engage the labor and business communities, and fulfill its managerial and administrative needs. This change also reclassifies several existing positions to better reflect their scope of work within the new department.

Finally, this adjustment adds \$50,000 to the budget for staff training and \$2,300,000 for outreach and education targeted at employees and local employers.

### Council Changes

#### **Add 1.0 Senior Civil Rights Analyst for Directed Investigations - \$108,361/1.00 FTE**

This change adds one full-time Senior Investigator to develop a program and processes for directed investigations. Directed investigations are investigations initiated by the OLS director.

#### **Increase Funding for Staff Training - \$25,000**

The Council increased the budget for staff training by \$25,000 per year to expand access to formal training opportunities in addition to on-the-job training.

#### **Increase Funding for Worker Outreach and Education - \$341,743**

This adjustment adds \$341,743 of one-time funding in 2017 to help support worker outreach and education.

## City Council Provisos

*The City Council adopted the following budget proviso:*

- *Of the appropriation in the 2017 budget for the Office of Labor Standards (OLS), \$108,000 is appropriated (and of the amount endorsed for 2018, \$111,701 is expected to be appropriated) solely for directed investigations (i.e., investigations initiated by the OLS Director) and may be spent for no other purposes.*

## Office of Labor Standards

### Expenditure Overview

| <b>Appropriations</b>                             | <b>Summit Code</b> | <b>2015 Actual</b> | <b>2016 Adopted</b> | <b>2017 Adopted</b> | <b>2018 Endorsed</b> |
|---------------------------------------------------|--------------------|--------------------|---------------------|---------------------|----------------------|
| Office of Labor Standards<br>Budget Control Level | X1R01              | 0                  | 0                   | 5,746,889           | 5,698,246            |
| <b>Department Total</b>                           |                    | <b>0</b>           | <b>0</b>            | <b>5,746,889</b>    | <b>5,698,246</b>     |

|                                                |             |             |              |              |
|------------------------------------------------|-------------|-------------|--------------|--------------|
| <b>Department Full-time Equivalents Total*</b> | <b>0.00</b> | <b>0.00</b> | <b>23.00</b> | <b>23.00</b> |
|------------------------------------------------|-------------|-------------|--------------|--------------|

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### Appropriations By Budget Control Level (BCL) and Program

#### Office of Labor Standards Budget Control Level

The purpose of the Office of Labor Standards Budget Control Level is to enforce Seattle's labor-standards ordinances for employees working within the City of Seattle. 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 ordinances.

| <b>Program Expenditures</b>  | <b>2015 Actual</b> | <b>2016 Adopted</b> | <b>2017 Adopted</b> | <b>2018 Endorsed</b> |
|------------------------------|--------------------|---------------------|---------------------|----------------------|
| Labor Standards              | 0                  | 0                   | 5,746,889           | 5,698,246            |
| <b>Total</b>                 | <b>0</b>           | <b>0</b>            | <b>5,746,889</b>    | <b>5,698,246</b>     |
| Full-time Equivalents Total* | 0.00               | 0.00                | 23.00               | 23.00                |

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