

November 16, 2023

S1

\$18.99 for 2024; DLS
Enforcement, Interlocal
Agreement

[A. Kim]

Sponsor: Zahilay

Proposed No.: 2023-0310

1 **STRIKING AMENDMENT TO PROPOSED ORDINANCE 2023-0310, VERSION**

2 **1**

3 On page 1, beginning on line 13, strike everything through page 22, line 467, and insert:

4 "BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

5 **SECTION 1. Findings:**

6 A. In 2016, state of Washington voters passed Initiative 1433 to increase the
7 state's minimum wage and have it annually adjusted for inflation. Initiative 1433 also
8 required state of Washington employers to provide paid sick leave to employees. The
9 2023 minimum wage for Washington state is \$15.74 per hour.

10 B. According to the 2022 National Low Income Housing Coalition's Out of
11 Reach data, an employee making Washington's minimum wage would have to work 103
12 hours each week to afford a modest one-bedroom rental home at fair market rent in King
13 County.

14 C. According to The Self-Sufficiency Standard for Washington State, developed
15 in partnership with the University of Washington's Center for Women's Welfare and the
16 Workforce Development Council of Seattle-King County, the state's minimum wage is
17 insufficient to meet the basic needs of working families in King County. In 2023, for a
18 dual-income household of two working adults and two school-aged children living in

19 King County and earning the state's minimum wage, the family would fall short on
20 average \$36,442 to meet the basic needs of the ~~houseold~~household. In other words, both
21 working adults would need to have a minimum wage of \$24.50 per hour to meet the basic
22 needs of the ~~houseold~~household.

23 D. In King County, falling short to meet the basic needs of the household
24 disproportionately impacts Black, Indigenous, and People of Color, which are also known
25 as BIPOC, communities. According to 2021 census data, in King County, 23 percent of
26 households earn less than the state's minimum wage, however, for Black households this
27 increases to 46 percent; for ~~Indegenous~~Indigenous households it is 42 percent; and for
28 Latinx households it is 32 percent. Moreover, the median household income for King
29 County is \$110,586, which is 109 percent of the Self-Sufficiency Standard for a dual-
30 income household of two working adults and two school-aged children, however, for
31 Black households it is \$57,437, which is 56 percent of the Self-Sufficiency Standard; and
32 for Latinx households it is \$74,357, which is 73 percent of the Self-Sufficiency Standard.

33 E. RCW 49.46.120, codified by Initiative 1433, declares that the state's minimum
34 standards for wages, paid sick leave, and working conditions are supplementary to local
35 law or ordinance which may be more favorable to employees and therefore the more
36 favorable minimum standards shall be in full force and effect and enforced.

37 F. In 2013, before Initiative 1433 was adopted by the state of Washington, voters
38 from the City of SeaTac, approved local Proposition 1 that established a minimum wage
39 of \$15.00 per hour and other benefits and rights for employees in the hospitality and
40 transportation industries, including those that were employed in the Seattle-Tacoma
41 International Airport. The city of SeaTac was one of the first local jurisdictions in the

42 country to increase the minimum wage rate. The city of SeaTac's 2023 minimum wage
43 rate is \$19.06 per hour, currently the highest minimum wage rate in the country according
44 to the University of California, Berkley Labor Center.

45 G. In 2014, the city of Seattle enacted Ordinance 124490 to increase minimum
46 wage and minimum compensation rates for employees performing work in the city. The
47 city of Seattle's 2023 minimum wage rate for employers with 501 or more employees is
48 \$18.69 per hour.

49 H. On May 19, 2014, the council adopted Motion 14131 to affirm that it is
50 county policy that a living wage should be paid to county employees and to the
51 employees of persons, businesses, organizations, and other entities that receive
52 procurement contracts, tax exemptions or credits, or other financial benefits from the
53 county. Subsequently, on October 6, 2014, the county enacted Ordinance 17909 to
54 require that a living wage be paid to county employees and to the employees of certain
55 county contractors. To avoid conflicts for county employees who work in the city of
56 Seattle and reduce the administrative burden on county contractors, the ordinance
57 followed the city of Seattle's minimum wage ordinance by setting variable living wage
58 rates based on the size ~~(, which is the~~ number of employees), of the contractor, and
59 whether health benefits were provided to employees by the contractor. The county's
60 2023 living wage rate for county employees and contractors with 501 or more employees
61 is \$18.69 per hour.

62 I. In 2022, voters from the city of Tukwila, approved local Initiative Measure 1
63 that established a minimum wage equal to the minimum wage rate in the city of SeaTac
64 for employees performing work in the city. ~~As a result~~However, the city of Tukwila's

65 2023 minimum wage rate is ~~also \$19.06~~\$18.99 per hour, ~~currently due to~~ the highest
66 minimum wage varied approach on calculating the annual inflation rate ~~in the country~~.

67 J. According to the department of local service's 2022 Business Survey, an online
68 survey for the unincorporated King County business community, sixty-seven percent of
69 the respondents supported an increase in the minimum wage, with many respondents
70 saying they already paid employees above the minimum wage or that the owner was the
71 only employee and therefore the business would not be affected by a minimum wage
72 increase.

73 K. Some employers, particularly small businesses and nonprofit organizations,
74 may have initial difficulty accommodating the increased costs due to the increased hourly
75 minimum wage rate and a gradual phase-in approach may be beneficial.

76 L. K.C.C. 2.10.210.B. defines the county's fourteen determinants of equity as the
77 social, economic, geographic, political and physical environment conditions in which
78 people in our county are born, grow, live, work and age that lead to the creation of a fair
79 and just society. Access to the determinants of equity is necessary to have equity for all
80 people and inequities are created when barriers exist that prevent individuals and
81 communities from accessing these conditions and reaching their full potential. Access to
82 jobs that have the ability to make sufficient income for the purchase of basic necessities
83 to support themselves and their families is one of the fourteen county determinants. The
84 council finds that it is necessary for the county to enact policies to ensure the well-being
85 of all residents by ensuring their access to the determinants of equity.

86 SECTION 2. Ordinance 17909, Section 4, as amended, and K.C.C. 3.18.010 are
87 hereby amended to read as follows: Sections 3 through 8 of this ordinance should

88 constitute a new chapter in K.C.C. Title 12.

89 NEW SECTION. SECTION 3. The definitions in this section apply throughout
90 this chapter unless the context clearly requires otherwise.

91 A. ~~((("Actuarial value"Department" means the percentagedepartment of total~~
92 ~~average costs for covered benefits that a health benefits package will cover.~~

93 ~~———— B.)) "Bonuses" means non-discretionary payments in addition to hourly, salary,~~
94 ~~commission or piece-rate payments paid under an agreement between an employer and~~
95 ~~employee.~~

96 ~~———— ((C.)) B. "Commissions" means a sum of money paid to an employee upon~~
97 ~~completion of a task, usually selling a certain amount of goods or local services or~~
98 ~~designee.~~

99 ~~———— ((D.)) C. "Compensation" means wages together with the money paid by an~~
100 ~~employer towards an individual employee's health benefits plan.~~

101 ~~———— ((E.)) D. "Contract" means a mutually binding legal relationship or any~~
102 ~~modification thereof obligating the county to pay a contractor one hundred thousand~~
103 ~~dollars or more to provide professional services, technical services or services, as defined~~
104 ~~in K.C.C 2.93.030 to, or at the direction of, the county. "Contract" does not include: a~~
105 ~~contract between a contract-awarding authority and another government or public entity;~~
106 ~~a contract that the county enters into as the administrator of grants received from a third~~
107 ~~party; a contract for public works; an architectural or engineering contract; or a collective~~
108 ~~bargaining agreement.~~

109 ~~———— ((F.)) E. "Contract-awarding authority" means the county officer, department,~~
110 ~~commission, employee or board authorized to enter into or to administer contracts on~~

111 ~~behalf of the county.~~
112 ~~——((G.)) F. "Contractor" means any person that enters into a contract with the~~
113 ~~county, or negotiates the extension of an existing contract with the county, after October~~
114 ~~27, 2014, or that is a subcontractor performing services under such a contract.~~

115 ~~——((H.)) G. "Division" means the finance and business operations division of the~~
116 ~~department of executive services.~~

117 ~~——((I.)) H. B. "Director" means the ~~manager of the finance and business~~
118 ~~operations division~~director of the department of ~~executive~~local services, or ~~the manager's~~
119 ~~designee.~~~~

120 I.C. "Employ" means to engage, suffer, or permit to work.

121 J.D. "Employee" means any individual employed by an employer, whether on a
122 full-time, part-time, temporary, or seasonal basis, including temporary workers,
123 contracted workers, contingent workers, and persons made available to work through a
124 temporary services, staffing, or employment agency or similar entity.

125 K.E. "Employer" ~~includes King County and~~means any individual, partnership,
126 association, corporation, business trust, or any entity, person ~~or,~~ group of persons, or a
127 successor thereof, that employs another person and includes any such ~~an~~ entity or person
128 acting directly or indirectly in the interest of an employer in relation to an employee.

129 More than one entity may be the "employer" if employment by one employer is not
130 completely disassociated from employment by the other employer if the economic reality
131 of the relationship between the entities and the employee or employees is that of
132 employer and employee. The economic reality of the relationship is to be determined by
133 the circumstances of the whole activity, not a mechanical weighing of relevant factors.

134 LF. "Franchise" means an agreement, express or implied, oral or written, by
135 which:

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

139 2. The operation of the business is substantially associated with a trademark,
140 service mark, trade name, advertising, or other commercial symbol; designating, owned
141 by, or licensed by the grantor or its affiliate; and

142 3. The person pays, agrees to pay, or is required to pay, directly or indirectly, a
143 franchise fee. The term "franchise"Franchise fee" is meant to be construed broadly to
144 include any instance in which the grantor or its affiliate derives income or profit from a
145 person who enters into a franchise agreement with the grantor.

146 MG. "Franchisee" means a person to whom a franchise is offered or granted.

147 NH. "Franchisor" means a person who grants a franchise to another person.

148 ~~——((L. "Health benefits plan" means a silver or higher level essential health benefits~~
149 ~~package, as defined in 42 U.S.C. Sec. 18022, or an equivalent plan that is designed to~~
150 ~~provide benefits that are actuarially equivalent to seventy percent of the full actuarial~~
151 ~~value of the benefits provided under the plan, whichever is greater.~~

152 ~~——M. "Hourly minimum compensation" means the minimum compensation due to~~
153 ~~an employee under this chapter for each hour worked during a pay period.~~

154 ~~——N.)) O. "Hourly minimum wage" means the minimum wage due to an employee~~
155 ~~under this chapter for each hour worked during a pay period.~~

156 ~~——((O.)) P. I. "Person" means ((any))includes~~ one or more individuals,

157 partnerships, associations, organizations, corporations, cooperatives, legal
158 representatives, trustees, trustees in bankruptcy, receivers, or groups ~~of~~ persons, limited
159 liability ~~((company))~~ companies, sole proprietorships, ~~((association,))~~ joint adventures,
160 estates, trusts, or other ~~((entity))~~ entities, groups, or combinations acting as ~~((a))~~ units,
161 and the individuals constituting the groups or units.

162 ~~—— (P. "Piece-rate" means a price paid per unit of work.~~

163 ~~—— Q. "Rate of inflation" means one hundred percent of the annual average growth
164 rate of the bi-monthly Seattle-Tacoma-Bremerton Area Consumer Price Index for urban
165 wage earners and clerical workers, termed CPI-W, for the twelve-month period ending in
166 August, provided that the percentage increase shall not be less than zero.~~

167 ~~—— R. "Schedule 1 employer" means an employer that employs more than five
168 hundred employees in the United States, regardless of where those employees are
169 employed in the United States.~~

170 ~~—— S. "Schedule 2 employer" means an employer that employs five hundred or fewer
171 employees in the United States, regardless of where those employees are employed in the
172 United States.~~

173 ~~—— T.)) Q. "Subcontractor" means any person, not an employee, that enters into a
174 contract with a contractor or subcontractor, and that employs employees for that purpose,
175 to assist the contractor or subcontractor in performing a contract with the county.~~

176 ~~—— R. J. "Service charge" means a separately designated amount collected by
177 employer from a customer that is for services provided by employees, or is described in
178 such a way that a customer might reasonably believe that the amounts are for such
179 services. "Service ~~charges" include charge" includes~~ but ~~are~~is not limited to ~~charges~~~~

180 ~~designated on receipts as, a "service charge," "gratuity," "delivery charge," or "portage~~
181 ~~charge."~~

182 ~~———— S. "Tip" means a verifiable sum to be presented by a customer as a gift or~~
183 ~~gratuity in recognition of some service performed for the customer by the employee~~
184 ~~receiving the tip.~~

185 ~~———— ((U.)) T. "Wage" means compensation due to an employee by reason of~~
186 ~~employment, payable in legal tender of the United States or checks on banks convertible~~
187 ~~into cash on demand at full face value ((, subject to such deductions, charges or~~
188 ~~allowances as may be permitted by rules of the director. "Wages" include commissions,~~
189 ~~piece-rate compensation and bonuses, all of which shall be counted as wages in the work-~~
190 ~~week in which they were earned. An employer payment toward a health benefits plan~~
191 ~~does not constitute a "wage."));~~

192 ~~———— SECTION 3. Ordinance 17909, Section 5, as amended, and K.C.C. 3.18.020 are~~
193 ~~hereby amended to read as follows:~~

194 ~~———— A. An employee is covered by this chapter for each hour the employee is~~
195 ~~performing a measurable amount of work as a county employee or under a contract with~~
196 ~~the county. An employee who is not covered by this chapter is still included in~~
197 ~~determining the size of the employer.~~

198 ~~———— B.((1. For the purpose of determining whether an employer is a Schedule 1~~
199 ~~employer or a Schedule 2 employer, separate entities that form an integrated enterprise~~
200 ~~shall be considered a single employer under this chapter. Separate entities are considered~~
201 ~~an integrated enterprise and a single employer under this chapter if a separate entity~~
202 ~~controls the operation of another entity. The factors to consider in making this~~

203 ~~assessment include, but are not limited to:~~

204 ~~———— a. The degree of interrelation between the operations of multiple entities;~~

205 ~~———— b. The degree to which the entities share common management;~~

206 ~~===== c. Centralized control of labor relations; and~~

207 ~~===== d. The degree of common ownership or financial control over the entities.~~

208 ~~———— 2. There shall be a presumption that separate legal entities, which may share~~

209 ~~some degree of interrelated operations and common management with one another, are~~

210 ~~considered separate employers for purposes of this section as long as: the separate legal~~

211 ~~entities operate substantially in separate physical locations from one another; and each~~

212 ~~separate legal entity has partially different ultimate ownership.~~

213 ~~———— 3. The determination of employer schedule for the current calendar year is~~

214 ~~calculated based upon the average number of employees employed per calendar week~~

215 ~~during the preceding calendar year for any and all weeks during which at least one~~

216 ~~employee worked for compensation. For an employer that did not have any employees~~

217 ~~during the previous calendar year, the employer schedule is calculated based upon the~~

218 ~~average number of employees employed per calendar week during the first ninety~~

219 ~~calendar days of the current year in which the employer engaged in business.~~

220 ~~———— C.)) For purposes of this chapter, temporary employment agency employees who~~

221 ~~perform, for an ((Schedule 1 or Schedule 2)) employer, a measurable amount of work~~

222 ~~under a contract with the county, shall be paid no less than the hourly minimum wage~~

223 ~~required to be paid to ((covered)) employees ((of the Schedule 1 or Schedule 2 employer.~~

224 ~~———— D. This chapter does not apply to the payment of wages to: individuals defined in~~

225 ~~RCW 49.46.010(3), individuals employed in the categories listed in RCW 49.46.060(1)~~

226 or individuals less than eighteen years of age.

227 ~~———— E. The county's human resources director shall establish by rule the minimum~~
228 ~~wage for employees under the age of eighteen years, but any percentage of the hourly rate~~
229 ~~established by rule shall not be lower than the percentage applicable under state statutes~~
230 ~~and regulations)) as specified in section 9 of this ordinance.~~

231 ~~———— SECTION 4. Ordinance 17909, Section 6, as amended, and K.C.C. 3-18.030 are~~
232 ~~hereby amended to read as follows:~~

233 ~~———— The county shall pay its employees at a rate no less than the hourly minimum~~
234 ~~wage ((for Schedule 1 employers, except for short-term temporary employees who are~~
235 ~~employed in social service programs designed to help youth gain basic work training~~
236 ~~skills)) as specified in section 9 of this ordinance.~~

237 ~~———— SECTION 5. Ordinance 17909, Section 7, and K.C.C. 3-18.040 are hereby~~
238 ~~amended to read as follows:~~

239 ~~———— ((A.1. Except as otherwise provided in subsection B. of this section, beginning~~
240 ~~April 1, 2015, and ending January 1, 2016, Schedule 1 e))Employers shall pay their~~
241 ~~employees who are covered by this chapter an hourly minimum wage ((of at least eleven~~
242 ~~dollars)) as specified in section 9 of this ordinance. ((Except as otherwise provided in~~
243 ~~subsection B. of this section, beginning January 1 of each year thereafter, Schedule 1~~
244 ~~employers shall pay covered employees an hourly minimum wage as follows:~~

Year	Hourly Minimum Wage
2016	\$13.00
2017	\$15.00

245 ~~—2. Beginning January 1, 2018, the hourly minimum wage paid by a Schedule 1~~

246 employer to covered employees shall be increased annually on a percentage basis to
247 reflect the rate of inflation and calculated to the nearest cent on January 1 of each year
248 thereafter.

249 ~~———— B.1. Beginning January 1, 2016, and ending January 1, 2019, Schedule 1~~
250 ~~employers that pay toward a covered employee's health benefits plan shall pay the~~
251 ~~employee no less than an hourly minimum wage as follows:~~

Year	Hourly Minimum Wage
2016	\$12.50
2017	\$13.50
2018	\$15.00

252 ~~———— 2. Beginning January 1, 2019, payment by the employer of health benefits for~~
253 ~~employees shall no longer affect the hourly minimum wage paid by a Schedule 1~~
254 ~~employer.))~~

255 ~~———— SECTION 6. The following are hereby repealed:~~

256 ~~———— A. Ordinance 17909, Section 8, and K.C.C. 3.18.050;~~

257 ~~———— B. Ordinance 17909, Section 9, and K.C.C. 3.18.060; and~~

258 ~~———— C. Ordinance 17909, Section 11, as amended, and K.C.C. 3.18.080.~~

259 ~~———— SECTION 7. Sections 8 through 13 of this ordinance is a new chapter in K.C.C.~~
260 ~~Title 12.~~

261 ~~———— NEW SECTION. SECTION 8. The definitions in this section apply throughout~~
262 ~~this chapter unless the context clearly requires otherwise.~~

263 ~~———— A. "Department" means the department of local services or designee.~~

264 ~~———— B. "Director" means the director of the department of local services or designee.~~

265 ~~—— C. "Employ" means to engage, suffer, or permit to work.~~

266 ~~—— D. "Employee" means any individual employed by an employer, whether on a~~
267 ~~full time, part time, temporary, or seasonal basis, including temporary workers,~~
268 ~~contracted workers, contingent workers, and persons made available to work through a~~
269 ~~temporary services, staffing, or employment agency or similar entity.~~

270 ~~—— E. "Employer" means any individual, partnership, association, corporation,~~
271 ~~business trust, or any entity, person or group of persons, or a successor thereof, that~~
272 ~~employs another person and includes any such entity or person acting directly or~~
273 ~~indirectly in the interest of an employer in relation to an employee. More than one entity~~
274 ~~may be the "employer" if employment by one employer is not completely disassociated~~
275 ~~from employment by the other employer if the economic reality of the relationship~~
276 ~~between the entities and the employee or employees is that of employer and employee.~~
277 ~~The economic reality of the relationship is to be determined by the circumstances of the~~
278 ~~whole activity, not a mechanical weighing of relevant factors.~~

279 ~~—— F. "Franchise" means an agreement, express or implied, oral or written, by~~
280 ~~which:~~

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

284 ~~—— 2. The operation of the business is substantially associated with a trademark,~~
285 ~~service mark, trade name, advertising, or other commercial symbol; designating, owned~~
286 ~~by, or licensed by the grantor or its affiliate; and~~

287 ~~—— 3. The person pays, agrees to pay, or is required to pay, directly or indirectly, a~~

288 ~~franchise fee. "Franchise fee" is meant to be construed broadly to include any instance in~~
289 ~~which the grantor or its affiliate derives income or profit from a person who enters into a~~
290 ~~franchise agreement with the grantor.~~

291 ~~—— G. "Franchisee" means a person to whom a franchise is offered or granted.~~

292 ~~—— H. "Franchisor" means a person who grants a franchise to another person.~~

293 ~~—— I. "Person" includes one or more individuals, partnerships, associations,~~
294 ~~organizations, corporations, cooperatives, legal representatives, trustees, trustees in~~
295 ~~bankruptcy, receivers, or groups of persons, limited liability companies, sole~~
296 ~~proprietorships, joint adventures, estates, trusts, or other entities, groups, or combinations~~
297 ~~acting as units, and the individuals constituting the groups or units.~~

298 ~~—— J. "Service charge" means a separately designated amount collected by employer~~
299 ~~from a customer that is for services provided by employees, or is described in such a way~~
300 ~~that a customer might reasonably believe that the amounts are for such services. "Service~~
301 ~~charges" include but are not limited to charges~~ designated on receipts as a "service
302 charge," "gratuity," "delivery charge," or "portage charge."

303 K. "Tip" means a verifiable sum to be presented by a customer as a gift or
304 gratuity in recognition of some service performed for the customer by the employee
305 receiving the tip.

306 L. "Unincorporated King County" means those areas outside any city or town and
307 under King County's jurisdiction.

308 M. "Wage" means compensation due to an employee by reason of employment,
309 payable in legal tender of the United States or checks on banks convertible into cash on
310 demand at full face value.

311 NEW SECTION. SECTION 94.

312 A. All employers in unincorporated King County shall pay their employees at an
313 hourly minimum wage at a rate of not less than eighteen dollars and ninety-nine cents per
314 hour or the hourly minimum wage rate established by federal or state law, whichever is
315 greater. Beginning on January 1, 20242025, the hourly minimum wage rate shall
316 increase annually on a percentage basis to reflect the annual rate of inflation and
317 calculated to the nearest cent on January 1 of each year thereafter. For purposes of this
318 section, "the annual rate of inflation" means one hundred percent of the annual average
319 growth rate of the U.S. Department of Labor, Bureau of Labor Statistics Seattle-Tacoma-
320 Bremerton Area Consumer Price Index for urban wage earners and clerical workers, CPI-
321 W, or a successor index, for the twelve month period ending in August, but the
322 percentage increase shall not be less than zero. Tips, gratuities, and service charges paid
323 to an employee shall be in addition to, and not count towards, the hourly minimum wage
324 rate.

325 B. All employers in unincorporated King County shall pay to its employees ~~at~~the
326 following:

327 1. All tips, and gratuities; and

328 2. All service charges except those that, under RCW 49.46.160, are itemized as
329 not being payable to the employee or employees servicing the customer.

330 C. By October 1 of each year, the director shall make available to the public on
331 the county's website, the hourly minimum wage ~~amount~~rate determined in accordance
332 with this section.

333 D.1. The following are exceptions to subsection A. of this section:

334 ~~1.~~ a. Beginning on ~~January~~July 1, 2024, employers that employ fifteen
335 employees or ~~less~~fewer and ~~has~~have an annual gross revenue less than two million
336 dollars shall pay their employees an hourly minimum wage rate as established in
337 subsection A. of this section minus three dollars. The three-dollar reduction shall
338 decrease annually by fifty cents on ~~February~~January 1 of each year thereafter until the
339 reduction is zero; and

340 2. b. Beginning on ~~January~~July 1, 2024, employers that employ more than
341 fifteen employees but ~~less~~fewer than five hundred employees shall pay their employees
342 an hourly minimum wage rate as established in subsection A. of this section minus two
343 dollars per hour. The two-dollar reduction shall decrease annually by one dollar on
344 ~~February~~January 1 of each year thereafter until the reduction is zero.

345 3. For the purposes of this subsection D. of this section, the following shall
346 apply:

347 a. The employers that are subject to the exceptions in this subsection D. of this
348 section shall not include franchisees associated with a franchisor or a network of
349 franchises with franchisees that employ more than fifteen employees in aggregate,
350 regardless of the geographic location of the franchises;

351 b. "Gross revenue" means the total revenue generated by the employer
352 regardless of geographic location; and

353 c. The number of employees shall be calculated by determining the average
354 number of employees employed by the employer during the last twelve months regardless
355 of the location of employment of each employee.

356 E. All employers in unincorporated King County shall ~~annually certify~~

357 ~~compliance with this chapter to the department and~~ maintain adequate records to provide
358 proof of compliance and either have it available upon request by the department or have
359 it available for a proceeding involving an aggrieved employee bringing a civil action in a
360 court of competent jurisdiction against an employer for violating this chapter as described
361 in section ~~44~~7 of this ordinance, or both. Adequate records shall include, but not be
362 limited to:

- 363 1. The number of employees employed by the employer ~~for~~during the previous
364 year;
- 365 2. The number of employees paid the minimum wage as required by subsection
366 A. of this ~~Section for~~section during the previous year;
- 367 3. Wages paid by the employer to all employees ~~for~~during the previous year;
- 368 4. The number of work hours of each employee ~~for~~during the previous year;
- 369 5. Wages paid to each employee ~~for~~during the previous year; and
- 370 6. The amount of any deductions from the wages paid to each employee
371 ~~for~~during the previous year.

372 NEW SECTION. SECTION ~~40~~5.

373 A. Beginning January 1, 2025, the director of the office of performance, strategy
374 and budget, ~~or its~~ designee, shall annually convene a workgroup to: evaluate whether the
375 current hourly minimum wage rate as established by this chapter is sufficient to meet the
376 basic needs of working ~~families~~households in King County; and analyze the current
377 hourly minimum ~~wage's~~wage rate's impact to the region's economy. ~~In its~~The
378 workgroup's evaluation and analysis, ~~the workgroup~~ shall include, but not be limited to,
379 the following considerations:

- 380 1. The Self-Sufficiency Standard for Washington State, developed in
381 partnership with the University of Washington's Center for Women's Welfare and the
382 Workforce Development Council of Seattle-King County;
- 383 2. Impacts to the county labor market including, but not limited to, employment
384 rates, small business labor costs, and ability to attract new businesses to the region;
- 385 3. Impacts on the number of county residents that receive the federal
386 ~~Earn~~Earned Income Tax Credit, the Washington State Working Families Tax Credit, and
387 any other government benefits that are provided to low- and middle-income households;
388 and
- 389 4. Disproportionate impacts to Black, Indigenous, and People of Color
390 communities, if any.

391 B. Workgroup membership shall include, but not be limited to, the following:

- 392 1. Director of the office of performance, strategy and budget, or ~~its~~-designee;
393 2. County's chief economist, or ~~its~~-designee;
394 3. Director of the finance and business operations division, or ~~its~~-designee;
395 4. Director of the department of local services, or ~~its~~-designee;
396 5. Director of the department of human resources, or ~~its~~-designee; and
397 6. Chair of the budget and fiscal management committee, or its successor, or ~~its~~
398 designee.

399 C. The workgroup shall seek input from the community on its evaluation and
400 analysis work as described in subsection A. of this section. The community shall include,
401 but not be limited to, the following:

- 402 1. Economists and wage experts from accredited colleges and universities in the

403 state of Washington;

404 2. Representatives from the King County Coalition of Unions;

405 3. Employers that contract with the county or have showed interest in

406 contracting with the county; and

407 4. Organizations that represent employees ~~in unincorporated King County~~ and
408 employers in unincorporated King County.

409 D. The workgroup shall provide a report of its findings and a recommendation, if

410 any, to modify the hourly minimum wage rate established by this chapter. The executive

411 shall electronically file the report and any ~~legislation-proposed ordinance~~ that would

412 amend this ~~ordinancechapter~~ to implement the hourly minimum wage rate as

413 recommended by the workgroup no later than June 30 of each year with the clerk of the

414 council, who shall retain an electronic copy and provide an electronic copy to all

415 councilmembers, the council chief of staff, and the lead staff for the ~~local~~

416 ~~service~~transportation, economy and ~~land-use~~environment committee, or its successor.

417 The executive shall electronically distribute the report to all government entities in the

418 county and to relevant state and federal agencies, including, but not limited to, the

419 Washington state ~~Employment Security~~ Department of Labor and Industries, or its

420 successor.

421 NEW SECTION. SECTION 446.

422 A. An employer shall not interfere with, restrain, or deny the exercise of, or the

423 attempt to exercise, any right protected under this chapter by an employee. Also, an

424 employer shall not take any adverse action against an employee or to discriminate against

425 an employee because the employee has exercised in good faith the rights under this

426 chapter. The rights shall include, but are not limited to, the right to:

427 1. ~~Right to file~~File a complaint with any entity or agency about an employer's
428 alleged violation of this chapter;

429 2. ~~Right to inform~~Inform the person's employer, union, or similar organization,
430 the person's legal counsel, or any other person about an alleged violation of this chapter;

431 3. ~~Right to cooperate~~Cooperate in any investigation of alleged violations of this
432 chapter;

433 4. ~~Right to testify~~Testify in a proceeding related to violations of this chapter;
434 and

435 5. ~~Right to inform~~Inform other employees of the rights protected under this
436 chapter.

437 B. For the purposes of this section, "adverse action against an employee"
438 includes, but is not be limited to actions:

439 1. ~~Actions relating~~Relating to an employee's employment including pay, work
440 hours, responsibilities, or other material change in the terms and conditions of
441 employment;

442 2. ~~Actions relating~~Relating to an employee's immigration or citizenship status;
443 and

444 3. ~~Actions dissuading~~Dissuading an employee from exercising any right
445 afforded by this chapter.

446 NEW SECTION. SECTION 427.

447 A. An aggrieved employee may bring a civil action in a court of competent
448 jurisdiction against an employer for violating this chapter and, upon prevailing, may be

449 awarded reasonable attorneys' fees and costs and such legal or equitable relief as is
450 appropriate to remedy, which shall include, but not be limited to, the payment of any
451 unpaid wages plus interest due to the employee, liquidated damages, which shall include,
452 but not be limited to, up to twice the unpaid wages and any collateral damages incurred
453 by the aggrieved employee, and a penalty payable to any aggrieved employee of up to
454 five thousand dollars if the employer was in violation of this chapter. An aggrieved
455 employee shall be entitled to liquidated damages without a finding that the violation of
456 this chapter was willful and an aggrieved employee may recover both liquidated damages
457 and prejudgment interest.

458 B. For the purposes of this section, an aggrieved employee means an employee
459 who claims to have been injured by an employer's violation of this chapter.

460 C. For the purposes of this section, interest shall be twelve percent per annum or
461 the maximum rate permitted under RCW 19.52.020, whichever is higher, and accrue
462 from the date the unpaid wages were first due.

463 ~~— D. An employee may report any violations of this chapter to the department, who~~
464 ~~is hereby authorized to investigate and, if the department deems it appropriate, initiate~~
465 ~~legal or other action to remedy any violation of this chapter.~~

466 NEW SECTION. SECTION 138.

467 A. — A. The director is authorized to enforce and implement this chapter.

468 B. The director may adopt rules and procedures, in accordance with K.C.C.
469 chapter 2.98, to implement this chapter and ensure compliance of this chapter. If the
470 director adopts appropriate rules and procedures, before giving public notice of the rules
471 and procedures as required by K.C.C. chapter 2.98, the director shall seek feedback of the

472 rules and procedures from organizations that represent employees ~~in unincorporated King~~
473 ~~County~~ and employers in unincorporated King County.

474 ~~B. The director may negotiate an interlocal agreement~~ C.1. If the executive
475 determines that the implementation and enforcement of this chapter by the county is cost
476 prohibitive due to the budgetary constraints of the county's general fund, the executive
477 shall explore negotiating an interlocal agreement with a governmental entity or multiple
478 governmental entities or a contract with a nonprofit organization to ~~implement this~~
479 ~~chapter and~~ ensure ~~compliance with a~~ more cost effective implementation and
480 enforcement of this chapter. Governmental entities may include, but not be limited to,
481 the following:

482 a. Washington state Department of Labor and Industries;

483 b. city of Seattle;

484 c. city of Tukwila; and

485 d. city of SeaTac.

486 2. If the executive is unable to negotiate an interlocal agreement or a contract to
487 support a cost effective implementation and enforcement of this chapter, or the negotiated
488 interlocal agreement or contract are cost prohibitive to the county, then the
489 responsibilities for the department and director as described in subsections A. and B. of
490 this section shall be delayed until the executive determines a cost effective approach of
491 implementing and enforcing this chapter, or the council adopts an appropriation
492 ordinance to appropriate moneys to support the implementation and enforcement of this
493 chapter, or both.

494 3. If the executive determines a cost effective approach to implementing and

495 enforcing this chapter, then the executive shall transmit a letter notifying to the council of
496 the executive's plans for implementation and enforcement. The executive shall
497 electronically file the letter with the clerk of the council, who shall retain an electronic
498 copy and provide an electronic copy to all councilmembers, the council chief of staff, and
499 the lead staff for the transportation, economy and environment committee, or its
500 successor.

501 SECTION 149. This ordinance takes effect ~~January~~July 1, 2024.

502 SECTION 1510. If any provision of this ordinance ~~for~~ its application to any
503 person or circumstance is held invalid, the remainder of the ordinance or the application
504 of the provision to other persons or circumstances is not affected."

505

506 **EFFECT prepared by A. Kim: *The striking amendment would make the following***
507 ***changes:***

508 ***1. (Section 4) Establish the hourly minimum wage rate of \$18.99 to begin in 2024***
509 ***rather than 2023;***

510 ***2. (Section 4) Remove the requirement for employers in unincorporated King***
511 ***County to annually certify compliance with this chapter to the Department of***
512 ***Local Services (DLS) (Note: Employers would still be required to maintain***
513 ***records adequate records to provide proof of compliance and either have it***
514 ***available upon request by the department or have it available for a proceeding***
515 ***involving an aggrieved employee bringing a civil action);***

- 516 3. *(Section 7) Remove the provision allowing an impacted individual in*
517 *unincorporated King County to report any violations of the hourly minimum*
518 *wage to DLS;*
- 519 4. *(Section 7) Remove the requirement that DLS investigate and initiate legal or*
520 *other action to remedy any violation of the hourly minimum wage rate reported*
521 *by an impacted individual in unincorporated King County;*
- 522 5. *(Removed Sections) Remove sections modifying the county’s hourly living wage*
523 *rate for county employees and employees of certain county contractors to be the*
524 *same as the hourly minimum wage rate of unincorporated King County;*
- 525 6. *(Section 8) Require the executive to determine the most cost effective approach*
526 *to implementation and enforcement of the ordinance including negotiating an*
527 *interlocal agreement with Washington State Department of Labor & Industries*
528 *or other local King County jurisdictions or contracting with a nonprofit*
529 *organization;*
- 530 7. *(Section 8) Allow delay of DLS implementation and enforcement*
531 *responsibilities until the executive transmits a letter notifying to the council that*
532 *a cost effective approach to implementing and enforcing the ordinance was*
533 *determined, or the council appropriates moneys to support the implementation*
534 *and enforcement of the ordinance, or both;*
- 535 8. *(Section 9) Modify the effective date of the ordinance from January 1, 2024 to*
536 *July 1, 2024; and*
- 537 9. *Make technical changes and corrections.*