

COVID-19 Gig Worker Premium Pay Ordinance Fact Sheet

UPDATE: The temporary <u>Gig Worker Premium Pay Ordinance</u> required covered Food Delivery Network Companies to pay gig workers additional compensation, called "premium pay," for delivery orders with pick-up or drop-off points in Seattle. Premium pay is in addition to compensation, bonuses, commissions, and tips owed to a gig worker for services provided. This law went into effect at 8:30 PM on June 26, 2020. Certain requirements of this law are suspended effective November 1, 2022. These changes align with Mayor Bruce Harrell's announcement to end the Civil Emergency Proclamation after October 31, 2022 and with Washington State's and Governor Inslee's decision to end the statewide state of emergency.

As of November 1, 2022, the following requirements apply:

- **Premium Pay:** the law no longer requires covered hiring entities to pay additional premium pay for orders.
- Notice of rights: covered hiring entities must provide a Notice of Rights for a period of three years through October 31, 2025.
- Enforcement: Gig workers with complaints that their hiring entity failed to pay premium pay between June 26, 2020 and October 31, 2022 can still contact the Office of Labor Standards (OLS) with their complaints for three years (through October 31, 2025). Please do not delay contacting the office to ensure you may exercise your rights under this ordinance. You can contact OLS by calling (206) 256-5297 or contact us online by filling out this form (click here).

Which companies are covered by this law?

This law applies to Food Delivery Network Companies (FDNCs), which include companies that offer prearranged food, beverage, or grocery delivery services for compensation using an online or cellphone application to connect customers with delivery workers ("gig workers"). To be covered by this law, the FDNC must hire 250 or more gig workers worldwide.

Which gig workers are covered by this law?

This law applies to gig workers who accept offers of delivery services for compensation from a covered FDNC. To be covered by this law, the gig worker must make a delivery with a drop-off or pick-up point in Seattle.

How much premium pay is owed?

A gig worker must receive at least \$2.50 per order in premium pay, where there is either a pick-up or drop-off in Seattle between June 26, 2020 and October 31, 2022.

A worker is also owed the following additional amounts if applicable to that same online order:

- \$1.25 for each additional pick-up point in Seattle
- \$1.25 for each additional drop-off point in Seattle

Office of Labor Standards – 10/25/2022

The information provided in this document is not intended as legal advice and should not be used as a substitute for laws and regulations. For more detailed information about this law, please visit the OLS <u>Gig Worker Premium Pay Ordinance webpage</u>.



Food Delivery Network Companies must:

- Pay premium pay at the same time compensation is provided for the rest of the online order
- Identify which orders qualified for premium pay
- Separately itemize premium pay from other compensation
- Provide workers with individual, written notice of the rights granted by this law, including the right to be free from retaliation. Notice must be made by phone application or online web portal, in English and the worker's primary language.

Consumer & Gig Worker Protections

Companies are prohibited from taking these actions, if they are taken as a result of this law going into effect:

- Reducing or modifying service areas in Seattle
- Reducing a worker's compensation
- Limiting a worker's earning capacity
- Adding customer charges to grocery orders

SEATTLE OFFICE OF LABOR STANDARDS

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Our Services

Investigation of complaints Outreach to workers Technical assistance for business Resources and referrals

Language interpretation and translation available. Accommodations for persons with disabilities are provided. Services are free.

More Information

Call: (206) 256-5297 Email: <u>laborstandards@seattle.gov</u> Visit: seattle.gov/laborstandards

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