

BEFORE THE SEATTLE OFFICE OF LABOR STANDARDS

In re <<Respondent Name>>,
Respondent

CASE NO. ###

SETTLEMENT AGREEMENT
AND ORDER

The Office of Labor Standards (“OLS”) initiated an investigation of the above-named Respondent under the Wage Theft Ordinance – Seattle Municipal Code (SMC) Chapter 14.20, Minimum Wage Ordinance – SMC Chapter 14.19, Paid Sick and Safe Time Ordinance – SMC Chapter 14.16, Fair Chance Employment Ordinance – SMC Chapter 14.17, and Secure Scheduling Ordinance – SMC Chapter 14.22 (“Ordinances”).

The above-named party and OLS desire to settle this matter without further investigation or proceedings by entering into this Settlement Agreement and Order (“Agreement”).

IT IS THEREFORE AGREED AS FOLLOWS:

I. GENERAL TERMS

- 1. [First] Violation.** Respondent agrees a [First] Violation of the ____ Ordinances has occurred.
- 2. Employee Contact Information.** Within 10 days of the execution of this Agreement by the Director, Respondent shall provide OLS with the most current contact information Respondent has for all individuals receiving monetary compensation under this Agreement, including phone, email, and mailing address.
- 3. Full Settlement of Investigation.** OLS agrees that if Respondent fully complies with this Agreement, it will not take further action with respect to the Ordinance(s) and time period at issue in this matter
- 4. Management Training.** Within 10 days of the Director’s execution of this Agreement, Respondent shall contact an OLS Business Engagement Specialist at business.laborstandards@seattle.gov to schedule training. Within six months of the Director’s execution of this Agreement, Respondent’s Management at that time shall attend training hosted by the OLS Business Engagement Specialist. **Management** includes each individual who supervises or will supervise any of

Respondent's employees. Currently, Respondent's management includes: **[POSITIONS]**. Respondent shall count training as hours worked for trainees.

5. **No Retaliation.** There shall be no discrimination or retaliation of any kind against any person because of opposition to any practice prohibited under SMC 14.16, 14.17, 14.19, 14.20, or 14.22, or because of the filing of a charge or notice of investigation, giving of testimony or assistance, or participation in any manner in any investigation, proceeding or hearing thereunder. Respondent shall distribute copies of this Agreement, including this prohibition on discrimination and retaliation, to each of Respondent's management employees.
6. **Remedies if Respondent Fails to Comply.** In the event Respondent fails to promptly comply with any term of this Agreement, the Director may take appropriate steps to secure compliance.
7. **Public Disclosure.** This Agreement can be disclosed to the public, in accordance with RCW 42.56.070 and SHRR 140-135.
8. **Director's Order.** This Agreement shall have the effect of a Director's Order.
9. **Severability.** If any provision within this Agreement is found to be unenforceable, the remaining provisions shall remain valid and enforceable.

II. **FINANCIAL REMEDIES**

10. **Complete Financial Remedy.** The complete financial remedy in this case is \$AMOUNT, which includes \$AMOUNT in unpaid compensation and interest, \$AMOUNT in monetary remedies to aggrieved parties, and \$AMOUNT in civil penalties and fines to the City of Seattle.
11. **Withholding.** Respondent is responsible for determining appropriate and lawful withholdings from amounts due to employees, adhering to all reporting requirements, and remitting all withheld amounts to the appropriate agencies.
12. **Civil Penalties and Fines.** Respondent shall make a check payable to the City of Seattle in the amount of \$AMOUNT for the following civil penalties and fines and mail it to OLS within 10 days of the Director's execution of this Agreement:
[See [Civil Penalties and Fines Document](#) for range of amounts.]
13. **Unpaid Compensation.** Respondent shall pay unpaid compensation and interest to employees totaling \$AMOUNT, as outlined in Attachment __, less applicable and lawful withholdings. Respondent shall make the checks payable to current and former employees.
 - a. **Current Employees.** Respondent shall distribute checks to current employees within 10 days of the Director's execution of this Agreement.

- b. Former Employees.** Respondent shall remit checks payable to former employees to OLS within 10 days of the Director's execution of this Agreement, for OLS to distribute checks.
- c. Unclaimed Checks.** After attempting to distribute checks to former employees for 90 days, OLS will return all unclaimed checks to Respondent; within 10 days of receiving the checks, Respondent shall remit a single check to OLS payable to the City of Seattle for the total amount of all unclaimed checks, for payment to be issued and held by OLS until collected by employees or escheatment to the State of Washington.

14. Liquidated Damages. Respondent shall pay liquidated damages to employees totaling \$AMOUNT, which is X times/X% the amount of back wages due, as outlined in Attachment __, less applicable and lawful withholdings. Respondent shall make the checks payable to current and former employees.

- a. Current Employees.** Respondent shall distribute checks to current employees within 10 days of the Director's execution of this Agreement.
- b. Former Employees.** Respondent shall remit checks payable to former employees to OLS within 10 days of the Director's execution of this Agreement, for OLS to distribute checks.
- c. Unclaimed Checks.** After attempting to distribute checks to former employees for 90 days, OLS will return all unclaimed checks to Respondent; within 10 days of receiving the checks, Respondent shall remit a single check to OLS payable to the City of Seattle for the total amount of all unclaimed checks, for payment to be issued and held by OLS until collected by employees or escheatment to the State of Washington.

15. Penalties to Employees. Respondent shall pay financial penalties for retaliation to # employee(s) totaling \$AMOUNT, less applicable and lawful withholdings, as outlined in Attachment __. Respondent shall make the checks payable to current and former employees/NAME.

- a. Current Employees.** Respondent shall distribute checks to current employees within 10 days of the Director's execution of this Agreement.
- b. Former Employees or Applicants.** Respondent shall remit checks payable to former employees or applicants to OLS within 10 days of the Director's execution of this Agreement, for OLS to distribute checks.
- c. Unclaimed Checks.** After attempting to distribute checks to former employees for 90 days, OLS will return all unclaimed checks to Respondent; within 10 days of receiving the checks, Respondent shall remit a single check to OLS payable to the City of Seattle for the total amount of all unclaimed checks, for payment to be issued and held by OLS until collected by employees or escheatment to the State of Washington.

III. NON-FINANCIAL REMEDIES

16. Paid Sick and Safe Time Accrual and Use. Within 10 days of the execution of this Agreement by the Director, Respondent shall provide employees the paid sick and safe time balances outlined in Attachment _ and carry any remaining balance into [year] without capping it.

IV. NOTICE & RECORDS REQUIREMENTS

17. Notice to Employees. Within 10 days of the execution of this Agreement by the Director, Respondent shall distribute the notice attached to this Agreement as Attachment _ to each Seattle employee with the pay check(s) distributed pursuant to Paragraph(s) _.

18. Poster. Within 10 days of the execution of this Agreement by the Director, and on an ongoing basis, Respondent shall post the current OLS Workplace Poster at each location where Seattle employees work in English and any other primary languages spoken by employees at that location on [specify location]. The 2018 OLS Workplace Poster is included as Attachment _.

19. Record Retention. Within 10 days of the execution of this Agreement by the Director, Respondent shall start maintaining the following payroll records for each employee, consistent with the requirements of the Ordinances:

- a. Name;
- b. Address;
- c. Occupation;
- d. Dates of employment;
- e. Rate(s) of pay;
- f. Amount of pay each pay period;
- g. Hours worked;
- h. Date of birth for employees under 18 years of age;
- i. Time of day and day of week that each employee's workweek begins;
- j. Hours worked each day and work week;
- k. Total daily or weekly earnings;
- l. Total overtime earnings;
- m. Date of payments;
- n. Dates the pay period covered;
- o. Total payment and tips for each pay period;
- p. (Only for employers who are paying a lower minimum wage due to payments toward employee medical benefits) Total payment toward employee's medical benefits for each pay period, and records demonstrating the actuarial value of the medical benefits;
- q. Paid tips and service charges;
- r. Paid sick and safe time used; and
- s. Deductions, additions, and a record of each.
- t. [Secure Scheduling provisions – refer to SMC 14.22.065.]

20. Notice of Employment Information. Within 10 days of the execution of this Agreement by the Director, Respondent shall provide notices of employment information to Seattle employees [who were hired or had a change in employment since April 1, 2015], and continue to do so pursuant to the requirements of the Wage Theft Ordinance. The notice shall include:

- a. Name of employer and any trade ("doing business as") names used by the employer;
- b. Physical address of the employer's main office or principal place of business and, if different, a mailing address;
- c. Telephone number and email of the employer;
- d. Employee's rate or rates of pay and eligibility to earn overtime rate(s) of pay;
- e. Employee's tip policy, including any tip sharing, pooling, or allocation policies;
- f. Pay basis (e.g. hour, shift, day, week, commission); and
- g. Employee's established pay day for compensation.

21. Wage Payment Notification. Within 10 days of the execution of this Agreement by the Director, Respondent shall provide wage payment notification to Seattle employees and continue to do so pursuant to the requirements of the Wage Theft Ordinance. The notice shall include:

- a. All hours worked, showing regular and overtime hours separately;
- b. Rate(s) of pay;
- c. Paid tips and service charges;
- d. Pay basis;
- e. Gross wages; and
- f. All deductions for the pay period.

22. Paid Sick and Safe Time Notifications. Within 10 days of the execution of this Agreement by the Director, and on an ongoing basis, Respondent shall notify employees of paid sick and safe time accrued, used or donated, and available for use with each pay period.

23. Premium Pay Notifications. Within 10 days of the Director's execution of this Agreement, and on an ongoing basis, Respondent shall provide written notifications to employees each time compensation is paid pursuant to the requirements of the Ordinance or Paragraph __. Such notifications shall include the number of additional hours and amount of additional compensation paid for the relevant pay period.

24. Written Work Schedules. Within 10 days of the Director's execution of this Agreement, and on an ongoing basis, Respondent shall provide each employee with a written work schedule showing the hours, days, and start and end times, including all regular and on-call shifts, when the employee is required to work for the period of time shown on the schedule.

- a. **Method of Providing Schedules.** Respondent shall post the written work schedule for each employee at the location where the employee works, in English and any other primary language(s) of the employee, in a place that is conspicuous and accessible to the employee.
- b. **Advance Notice of Schedules.** Respondent shall provide all written work schedules at least 14 calendar days before the first day shown on the work schedule.

V. POLICY & PRACTICE REQUIREMENTS

- 25. Paid Sick and Safe Time Policy.** Within 30 days of the execution of this Agreement by the Director, Respondent shall develop and implement a written policy to comply with PSST. OLS invites Respondent to contact an OLS Business Engagement Specialist at business.laborstandards@seattle.gov for technical assistance.
- 26. Fair Chance Employment Policy.** Respondent shall comply with The Fair Chance Employment Ordinance, SMC 14.17. Within thirty (30) days of the execution of this Agreement by the Director, Respondent shall develop and implement a written policy to assure that its practices comply with SMC 14.17. OLS invites Respondent to contact an OLS Business Engagement Specialist at business.laborstandards@seattle.gov for technical assistance.
- 27. Job Application.** Within 10 days of the execution of this Agreement by the Director, Respondent shall modify its job application to comply with SMC 14.17.
- 28. Job Advertisement.** Within 10 days of the execution of this Agreement by the Director, Respondent shall modify its job advertisements to comply with SMC 14.17.
- 29. Secure Scheduling Policy.** Within 30 days of the Director's execution of this Agreement, Respondent shall develop and implement a written Secure Scheduling policy to comply with the requirements of the Ordinance and with this Agreement, and shall distribute copies of the implemented policy to employees. At minimum, the policy shall describe:
- a. The rights of employees and Respondent's requirements for upholding the rights of employees under the Ordinance, including:
 - i. The right to receive 14 days' advance notice of written work schedules;
 - ii. The right to be compensated in addition to wages earned for employer-requested changes made after the schedule is posted, and to decline to work any hours not included in the original posted work schedule;
 - iii. The right to rest between closing and opening shifts, and to be compensated at 1.5 times the scheduled rate of pay for hours worked

- between closing and opening shifts that are less than ten (10) hours apart;
- iv. The right to receive written good faith estimates of median number of work hours and whether to expect on-call shifts;
- v. The right to request input into the work schedule and to be granted schedule requests related to major life events unless the employer identifies a bona fide business reason;
- vi. The right of existing employees to receive written notice of available, additional hours of work for three (3) days before new employees may be hired, to be offered the available hours if responsive to the offer of work and qualified, and to be provided two (2) days to accept; and
- vii. The right to be protected from retaliation for exercising rights protected under the Ordinance.
- b. The circumstances when employees will receive additional compensation for changes to the written work schedule and work shifts without required notice, and how amounts due will be determined, pursuant to Paragraph _;
- c. The circumstances required for each exception to additional compensation requirements under SMC 14.22.050.B; and
- d. Respondent's established, standard procedure(s) for documenting all cases of work schedule changes subject to exceptions under SMC 14.22.050.B and retaining records required pursuant to Paragraph _.

30. Compensation for Work Schedule Changes. Within 10 days of the Director's execution of this Agreement, and on an ongoing basis, Respondent shall compensate employees for each change to the written work schedule provided pursuant to Paragraph _ that occurs less than 14 calendar days before the first day shown on the work schedule.

- a. **Added Hours.** Respondent shall compensate employees with 1 hour of pay at the employee's scheduled rate of pay, in addition to wages earned, for any unscheduled hours the employee works due to Respondent adding hours of work or changing the date, start time, or end time of a work shift with no loss of hours.
- b. **Subtracted Hours.** Respondent shall compensate the employee with no less than one-half times the employee's scheduled rate of pay per hour for any scheduled hours the employee does not work due to Respondent subtracting hours from a regular work shift before or after the employee reports for duty; changing the date, start time, or end time of a work shift resulting in a loss of hours; cancelling a work shift; or scheduling the employee for an on-call shift for which the employee does not need to report to work.
- c. **Work Shifts Without Required Notice.** In all cases where Respondent fails to provide the written work schedule required by Paragraph _ at least 14 calendar days before the day of an employee's work shift, Respondent

shall consider the shift worked by the employee to be added hours subject to the compensation requirements of subsection (a) of this Paragraph.

- d. **Exceptions.** The compensation requirements of this Paragraph shall not apply under the circumstances enumerated in SMC 14.22.050.B.

VI. PROOF OF COMPLIANCE

31. Initial Proof of Compliance. Within 30 days of the execution of this Agreement by the Director, Respondent shall provide written documentation to OLS Investigator [Investigator Name] to show that its practices comply with the Ordinances, including proof that Respondent complied with the above Paragraphs. Specifically, Respondent shall submit:

- a. Respondent's completed Proof of Compliance declaration, included as Attachment __;
- b. A photograph of the OLS Workplace Poster, as posted at each location;
- c. A written copy of the policy/policies required by Paragraph(s) __; and
- d. [Other provisions to demonstrate compliance].

32. Future Compliance Monitoring. For a period of two years following the execution of this Agreement by the Director, Respondent shall provide OLS access to Respondent's place(s) of business, records necessary to establish compliance with the Ordinance(s) and this Agreement, and contact information for employees upon request. Respondent shall submit records to OLS within 10 days of a request for records under this Paragraph.

<<RESPONDENT NAME>>

Date: _____ By: _____

Title: _____

OFFICE OF LABOR STANDARDS

Date: _____

Martin S. Garfinkel
Director

FOR THE SEATTLE OFFICE OF LABOR STANDARDS:

IT IS HEREBY ORDERED that the terms and conditions set forth in the attached Settlement Agreement and Order are in full force and effect and binding between the above-named parties and that all parties shall fully comply therewith.

Dated this ____ day of _____, 2018

Martin S. Garfinkel
Director
Office of Labor Standards