



## Title 18 – Employment Standards

City of Tacoma | Finance Department

Government Performance Finance Committee

October 1, 2019

ITEM # 1



### OVERVIEW



- Statewide paid leave now benefits Tacoma workers and state minimum wage will bypass Tacoma's minimum wage in 2020
- Recommending repeal of Title 18 – Employment Standards
  - Paid Sick Leave
  - Minimum Wage

## BACKGROUND



- In 2015, the City Council adopted Tacoma Municipal Code (TMC) 18.20—the Minimum Wage Law, which went into effect on February 1, 2016.
- In November 2016 voters approved Washington State Initiative 1433, changing statewide employment standards.
- In January 2018, new State laws went into effect.

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## BACKGROUND



**Employment Standards Enforcement Snapshot**

Month	Notifications Received	No Jurisdiction	Courtesy Letter	Withdrawn	No Violation	Settlement Agreement
<b>Total</b>	<b>95</b>	11	7	11	21	44

**Total Resolved: 95**

Workers Receiving Hrs/Wages	Paid Leave Hours Recovered	Value of Recovered Paid Leave Hours	Total MW Back Wages Paid	Total Value of Recovered Hours/Wages
751	11,550	\$181,983	\$11,940	\$193,923

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## ISSUES – MINIMUM WAGE



- City wage higher than State 2016-2019
- State will bypass City wage in 2020

YEAR	CITY'S MW RATE	STATE'S MW RATE	DIFFERENCE
2016	\$10.35	\$9.47	.88
2017	\$11.15	\$11.00	.15
2018	\$12.00	\$11.50	.50
2019	\$12.35	\$12.00	.35
2020	\$12.54	\$13.50	(.96)

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## ISSUES – PAID SICK LEAVE



- Tacoma workers benefit from State Paid Leave.
- Currently two agencies (L&I and City) to go to with questions and complaints.
- L&I enforcement model now includes workplace wide investigations.

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## ISSUES – PAID SICK LEAVE



- State definition of employee does not include:
  - “Bona fide executive, administrative, or professional”
  - Outside salesperson

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## NEXT STEPS



- City Council Consideration – End of October
- Ordinance Effective Date – January 1, 2020
- Education & Outreach – November/December

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## RECOMMENDATIONS



- Staff recommends the Committee forward the repeal of Title 18 – Employment Standards for consideration and approval.

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