Office of Labor Standards

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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. The Office of Labor Standards focuses on the implementation of labor standards for workers that perform work within Seattle city limits. There are 16 such standards, established through City ordinances:

- **Paid Sick and Safe Time Ordinance** requires employers with one or more full-time equivalent employees to provide paid sick and safe time;
- **Fair Chance Employment Ordinance** restricts how employers can use conviction and arrest records during the hiring process and course of employment;
- **Minimum Wage Ordinance** establishes a minimum hourly wage that increases each year based on rates set by ordinance and adjusted for the rate of inflation;
- **Wage Theft Ordinance** requires 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** establishes scheduling requirements for covered retail and food service establishments to provide schedule predictability and increased access to hours;
- **Domestic Workers Ordinance** provides protections for domestic workers and establishes a Domestic Workers Standards Board; and
- **Commuter Benefits Ordinance** requires employers to provide commuter benefits on a pre-tax basis.
- **Independent Contractor Protections Ordinance** requires commercial hiring entities to provide certain pre-contract disclosures, payment disclosures, and requiring timely payment of contracts.
- **Cannabis Employee Job Retention Ordinance** requires certain employers to take certain actions to reduce job insecurity in the cannabis industry.

Four ordinances protect the rights of hotel workers:

- **Hotel Employee Safety Protections Ordinance** requires employers to take certain steps to prevent and report violent and harassing conduct by guests and to support employees who report this conduct;
- **The Protecting Hotel Employees from Injury Ordinance** limits the workload of employees who clean hotel rooms to reduce the frequency and occurrence of injuries associated with room cleaning;
- **The Improving Access to Medical Care for Hotel Employees Ordinance** requires employers to provide employees working in large hotels with increased access to medical care; and
- **The Hotel Employees Job Retention Ordinance** requires employers to take certain actions to reduce job insecurity in the hospitality industry.

Three ordinances protect the rights of app-based workers:

- **App-Based Worker Paid Sick and Safe Time Ordinance** establishes paid sick and safe time protections for certain app-based workers.
- **App-Based Worker Minimum Payment Ordinance** establishing minimum pay requirements, and transparency and flexibility standards for certain app-based workers.
- **App-Based Worker Deactivation Rights Ordinance** establishes protections against certain deactivations from the platforms of covered companies, among other rights.

OLS provides education and technical assistance to the business and worker communities. As a part of these efforts, OLS manages the **Community Outreach and Education Fund** to foster collaboration between OLS and the community with funds to develop awareness and understanding of Seattle's labor standards. The office also manages the **Business Outreach and Education Fund** which supports partners to provide technical assistance to small businesses to increase compliance with Seattle's labor standards. The fund specifically facilitates outreach to businesses owned by low-income and historically disenfranchised communities who typically are not served by traditional outreach methods.

Budget Snapshot

	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Department Support				
Other Funding - Operating	8,853,630	10,062,411	10,232,636	10,345,205
Total Operations	**8,853,630**	**10,062,411**	**10,232,636**	**10,345,205**
Total Appropriations	**8,853,630**	**10,062,411**	**10,232,636**	**10,345,205**
Full-Time Equivalents Total*	43.00	43.00	42.00	42.00

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

Budget Overview

The 2027-2028 Proposed Budget maintains core services for the Office of Labor Standards (OLS) for 14 labor standards, increases community partner support focused on immigrant and refugee communities, and continues to expand services to implement the App-Based Worker Minimum Payment Ordinance and the App-Based Worker Deactivation Rights Ordinance, the two labor standards supported by the Network Company License (NCL) Fee.

The proposed budget appropriates $2.1 million of NCL-backed budget for OLS to implement and enforce the two relevant app-based worker labor standards. This increase of $500,000 over 2026 Adopted Budget level funds five previously legislated but unfunded positions, of which three were funded in the 2026 Mid-Year Supplemental Budget Ordinance and two in the 2027-2028 budget. The full cost increase of these five positions is offset by removal of one-time implementation start-up costs in 2026. Full enforcement of the App-Based Worker Deactivation Rights Ordinance does not begin until mid-2027, so OLS continues to build capacity related to implementation of this ordinance with use of NCL fee revenue.

The 2027-2028 budget also transfers $125,000 from the Office of Immigrants and Refugee Affairs to OLS' Community Outreach and Education Fund (COEF) on an ongoing basis. This funding supports community partner contracts that provide immigrant and refugee communities education of their rights as workers. This transfer increases total COEF funding by eight percent.

The General Fund revenue forecast for the City's budget is insufficient to cover all anticipated citywide costs. General Fund reductions were identified to mitigate this shortfall. To preserve critical City services due to the General Fund deficit, the 2027-2028 budget removes a vacant Policy Analyst position. OLS expenditure authority is in the Office of Labor Standards Fund, but expenditures are fully supported by transfers from the General Fund or NCL fee revenue (which is collected in the General Fund).

Decreases in baseline items lower the department budget by $509,000. Changes include adjustments to remove items that had one-time designation in the 2026 Adopted Budget and a reduction in the retirement rate. The cumulative result of all budget changes is an increase of $170,000 (1.8%) over the 2026 Adopted Budget, and nearly 20% more than the 2025 Adopted Budget.

Incremental Budget Changes

Office of Labor Standards

	Dollars	FTE
2026 Adopted Budget	**10,062,411**	**43.00**
Baseline		
Citywide Adjustments for Standard Cost Changes	206,463	-
Reduce SCERS Retirement Contribution Rate	(61,869)	-
Removal of 2026 One-time Adds	(653,139)	-
Proposed Operating		
Fund Two Investigator Positions with NCL Fee Revenue	336,202	-
NCL Fee Supported Data Analysis Functions	20,000	-
Ongoing funding for Worker Outreach to Immigrant and Refugee Communities	125,000	-
Remove Vacant Policy Analyst Position	(194,248)	(1.00)
Proposed Technical		
Ongoing Changes from Current Year Legislation	391,816	-
Vacancy Savings Reallocation	-	-
Office of Labor Standards Fund Balancing	-	-
Align Department Revenues with the August Forecast	-	-
Cost Neutral Budget Reallocation	-	-
Total Incremental Changes	**$170,225**	**(1.00)**
Total 2027 Proposed Budget	**$10,232,636**	**42.00**

Description of Incremental Budget Changes

Baseline

Citywide Adjustments for Standard Cost Changes

Expenditures $206,463

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, including rates from the Department of Finance & Administrative Services, Seattle Information Technology Department, Seattle Department of Human Resources, and for healthcare and other central cost factors. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Reduce SCERS Retirement Contribution Rate

Expenditures $(61,869)

The City's employee retirement system, the Seattle City Employees Retirement System (SCERS) is a defined benefit pension program funded by a combination of salary-based employer (i.e., the City) and employee contributions, and investment earnings. Based on the updated actuarial valuation for 2026, this item reduces the employer contribution rate from the endorsed rate of 15.06% to the SCERS minimum actuarial required rate of 13.48% for 2027 and 13.52% for 2028.

Removal of 2026 One-time Adds

Expenditures	$(653,139)

This item acknowledges the one-time designation of several 2026 Adopted Budget changes and adjusts the baseline accordingly. It removes one-time adds from the 2026 Adopted Budget, $345,139 in General Fund supported expenditures and $308,000 in Network Company License Fee supported expenditures. General Fund supported reversals include $190,000 to the BOEF fund for immigrant small business outreach and support and $155,139 for costs related to office space expansion. NCL Fee supported reversals include $90,000 for one-time labor pool, $135,000 for an app-based worker laws baseline data project, and $83,000 for consulting services supporting app-based worker data analysis functions.

Proposed Operating

Fund Two Investigator Positions with NCL Fee Revenue

Expenditures	$336,202
Revenues	$242,624

This NCL fee supported item funds 2.0 FTE of previously legislated positions. Two Civil Rights Analysts (Working Title: Investigator) will help respond to increased intake and questions concerning the App—Based Worker Deactivation Rights and App-Based Worker Minimum Payment laws. In July 2027, full enforcement authority of the App-Based Worker Deactivation Rights Ordinance will begin, so OLS can begin to investigate cause for deactivation. From 2025 to June 2027, OLS only has authority to investigate procedural activity related to deactivation. Both current year NCL revenue and NCL fee fund balance support this increased investment.

NCL Fee Supported Data Analysis Functions

Expenditures	$20,000

This one-time item funds non-labor data analysis functions required by the App-Based Worker Deactivation Rights and Minimum Payment laws. These funds provide start-up resources to build out systems for ongoing data collection, analysis and reporting. Costs may include equipment, software, training and other necessary expenses. This one-time investment uses NCL fee revenue restricted as fund balance of the OLS fund.

Ongoing funding for Worker Outreach to Immigrant and Refugee Communities

Expenditures	$125,000
Revenues	$125,000

This item transfers $125,000 from the Office of Immigrant and Refugee Affairs (OIRA) to OLS on an ongoing basis, increasing funds contracted to community partners via the Community Outreach and Education Fund (COEF). 2027 is the second year of funding for existing two-year contracts that include Know Your Rights trainings and labor standard education for immigrant and refugee communities. This transfer is ongoing so there will be this additional support for future contracts moving forward.

Office of Labor Standards

Remove Vacant Policy Analyst Position

Expenditures	$(194,248)
Revenues	$(194,248)
Position Allocation	(1.00)

This ongoing item removes a vacant Strategic Advisor 1 (working title: Policy Analyst) position. The department maintains 3.0 FTE policy staff working on non-NCL fee funded labor standards. OLS will have reduced capacity to move forward strategic policy initiatives, provide input on emerging policy areas, and track and analyze changes to state and federal law and how they interact with City labor standards. There may also be delays in the department's ability to issue rules or other policy guidance. The policy team maintains the capacity to respond to technical assistance questions and complete statutory updates.

Proposed Technical

Ongoing Changes from Current Year Legislation

Expenditures	$391,816

This change includes ongoing funding resulting from current year legislation passed by City Council in 2026. The 2026 Mid-Year Supplemental Budget Ordinance included appropriation backed by the Network Company License Fee to fund three previously legislated positions that will help administer the App-Based Worker Deactivation Rights and App-Based Worker Minimum Payment laws.

Vacancy Savings Reallocation

Expenditures	-

This cost neutral item reallocates labor budget from salary and wages account to a salary adjustments account to more effectively track vacancy savings of the department. The budget assumes $151,000 in vacancy savings in 2027.

Office of Labor Standards Fund Balancing

Revenues	$268,532

This is a technical item to record a fund balancing entry for the Office of Labor Standard Fund 00190, where OLS spends appropriation. All fund balance used in the 27-28 budget comes from Network Company License Fee collections and supports implementation of the two relevant app-based worker standards.

Align Department Revenues with the August Forecast

Revenues	$(1,065,829)

This is a technical adjustment to capture centrally projected and forecasted OLS Fund and General Fund revenue changes. NCL Fee (which FAS collects in the General Fund) revenue transferred into the OLS Fund decreases because the 2026 Adopted Budget included two years of NCL Fee collections. For 2025, the first year the fee went into effect, the NCL fee was collected on an annual basis, and payment was not due until 2026. In 2026 and moving forward, payments occur on a quarterly basis. NCL fee revenue transferred into the OLS fund in 2027 and 2028 reflect one year of collections in each fiscal year. The General Fund increment increases by $50,000 as result of aligning civil penalties and fees with historical revenue collected.

Cost Neutral Budget Reallocation

Expenditures	-

This item is a net neutral budget allocation of budget from a funding source no longer used to active accounts. This correction ensures citywide labor adjustments will no longer be allocated to this retired funding source.

Office of Labor Standards

Expenditure Overview

Appropriations	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
OLS - BO-LS-1000 - Office of Labor Standards				
00190 - Office of Labor Standards Fund	8,582,924	10,062,411	10,232,636	10,345,205
14500 - Payroll Expense Tax	270,706	-	-	-
Total for BSL: BO-LS-1000	**8,853,630**	**10,062,411**	**10,232,636**	**10,345,205**
Department Total	**8,853,630**	**10,062,411**	**10,232,636**	**10,345,205**
Department Full-Time Equivalents Total*	**43.00**	**43.00**	**42.00**	**42.00**

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

Budget Summary by Fund Office of Labor Standards

	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
00190 - Office of Labor Standards Fund	8,582,924	10,062,411	10,232,636	10,345,205
14500 - Payroll Expense Tax	270,706	-	-	-
Budget Totals for OLS	**8,853,630**	**10,062,411**	**10,232,636**	**10,345,205**

Revenue Overview

2027 Estimated Revenues

Account Code	Account Name	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
350180	Misc Fines & Penalties	80,037	-	50,000	50,000
360420	Other Judgments & Settlements	9,148	-	-	-
Total Revenues for: 00100 - General Fund		**89,185**	**-**	**50,000**	**50,000**
360420	Other Judgments & Settlements	151,252	-	-	-
397010	Operating Transfers In	7,832,674	10,906,557	9,964,104	10,064,324
Total Revenues for: 00190 - Office of Labor Standards Fund		**7,983,926**	**10,906,557**	**9,964,104**	**10,064,324**
400000	Use of/Contribution to Fund Balance	-	(844,146)	268,532	280,881
Total Resources for:00190 - Office of Labor Standards Fund		**7,983,926**	**10,062,411**	**10,232,636**	**10,345,205**
Total OLS Resources		**8,073,110**	**10,062,411**	**10,282,636**	**10,395,205**

Office of Labor Standards

Appropriations by Budget Summary Level and Program

OLS - BO-LS-1000 - Office of Labor Standards

The purpose of the Office of Labor Standards Budget Summary Level is to implement labor standards for workers performing work inside Seattle's city limits . This includes investigation, remediation, outreach and education, and policy work related to existing labor standards and those that the City may enact in the future.

Program Expenditures	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Business Outreach & Education	199,053	790,000	600,000	600,000
Community Outreach & Education	1,520,022	1,500,000	1,625,000	1,625,000
Office of Labor Standards	7,134,555	7,772,411	8,007,636	8,120,205
Total	**8,853,630**	**10,062,411**	**10,232,636**	**10,345,205**
Full-time Equivalents Total*	43.00	43.00	42.00	42.00

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

The following information summarizes the programs in Office of Labor Standards Budget Summary Level:

Business Outreach & Education

The purpose of the Business Outreach and Education program is to facilitate assistance and outreach to small businesses owned by low-income and historically disenfranchised communities, who typically are not served by traditional outreach methods, to increase awareness and compliance with Seattle's labor standards.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Business Outreach & Education	199,053	790,000	600,000	600,000

Community Outreach & Education

The purpose of the Community Outreach and Education program is to strengthen the collaboration between OLS and the community by funding community-based organizations and enhancing their capacity to increase awareness and understanding of Seattle's labor standards among populations and industries with low-wage jobs and that experience high-incidents of workplace violations including: female-identifying workers, workers of color, immigrant and refugee workers, LGBTQ workers, workers with disabilities, veterans and youth workers.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Community Outreach & Education	1,520,022	1,500,000	1,625,000	1,625,000

Office of Labor Standards

Office of Labor Standards

The purpose of the Office of Labor Standards Program is to develop and implement labor standards that advance workplace equity for employees working inside Seattle's city limits. This includes enforcement outreach and education, and policy work.

Expenditures/FTE	2025 Actuals	2026 Adopted	2027 Proposed	2028 Proposed
Office of Labor Standards	7,134,555	7,772,411	8,007,636	8,120,205
Full Time Equivalents Total	43.00	43.00	42.00	42.00