

Discussion of External Workforce Regulations and Paid Parental Leave

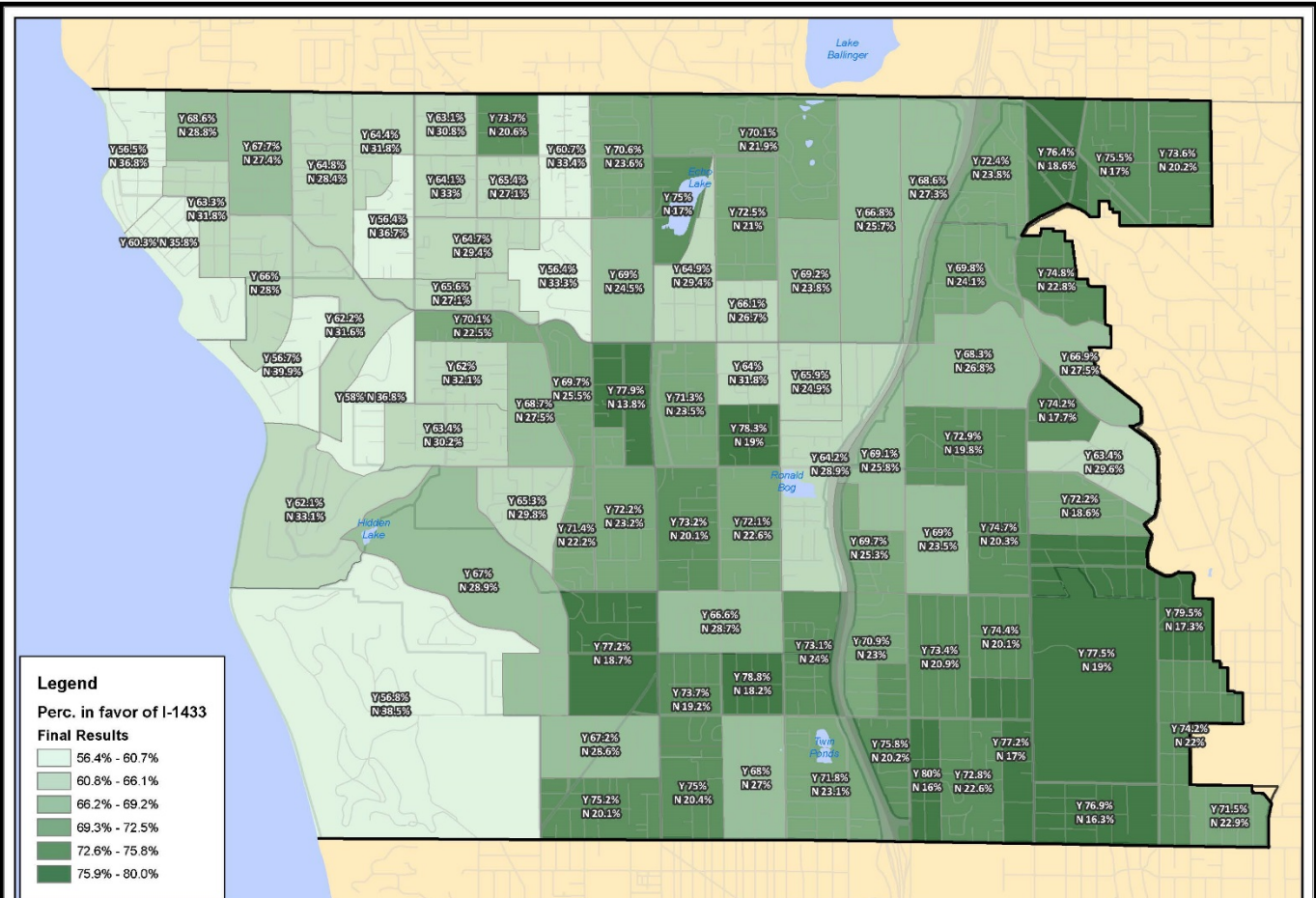
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I-1433: Minimum Wage and Paid Sick Leave

- Approved: 57% statewide; 70% King County
- 2017: \$11/hour; 2018: paid sick leave
- Impacts on City employees and budgets:
 - Extra Help primarily affected; full-time employees generally not
 - 2017 additional costs of \$95,000 will be covered by contingency funds
 - City employee sick leave policy proposal coming

I-1433: Minimum Wage and Paid Sick Leave



Business Outreach Summary and Findings

- Survey:
 - Equal numbers said they would conduct business as usual and/or raise prices
 - Others would move to another jurisdiction, layoff existing employees, and/or leave vacant positions open
 - Generally if employers provided retirement benefits, they also provided paid leave

Business Outreach Summary and Findings

- Focus Groups:
 - All business representatives opposed to increasing minimum wage and paid sick leave
 - Government intrusion / overregulation
 - Increase costs of business; reduce resiliency
 - Regulations would affect entry-level hiring

Other Research

- University of Washington Study:
 - Much of Seattle's economic success due to tech sector and construction boom, not wage increase
 - Net results are modest: \$13 more per week; working 15 minutes less per week
 - No significant rates of business failure

Paid Parental Leave

- King County model:
 - Provide paid leave to cover difference between employee's accrued paid leave and maximum leave of 12 weeks
- Net financial costs:
 - Variation from year to year
 - Primarily result from backfilling

Local Approaches to Enforcement

- Most approaches are reactive
- City enforcement
 - Employee files complaint with City
 - City investigates and attempts settlement
 - If settlement is impossible, will issue citation or penalty
- Court enforcement
 - Employee files claim with court

Questions?

