



Legislation Details (With Text)

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Type: Ordinance **Status:** Passed

File created: 9/12/2023 **In control:** Transportation, Economy, and Environment Committee

On agenda: **Final action:** 5/14/2024

Enactment date: **Enactment #:** 19762

Title: AN ORDINANCE establishing an hourly minimum wage rate for employees of employers in unincorporated King County, employees of certain county contractors, and county employees; amending Ordinance 17909, Section 4, as amended, and K.C.C. 3.18.010 and Ordinance 17909, Section 6, as amended, and K.C.C. 3.18.030, adding a new chapter to K.C.C. Title 2, adding a new chapter to K.C.C. Title 12, repealing Ordinance 17909, Section 5, as amended, and K.C.C. 3.18.020, Ordinance 17909, Section 7, and K.C.C. 3.18.040, Ordinance 17909, Section 8, and K.C.C. 3.18.050, Ordinance 17909, Section 9, and K.C.C. 3.18.060, Ordinance 17909, Section 10, and K.C.C. 3.18.070, Ordinance 17909, Section 11, as amended, and K.C.C. 3.18.080, and Ordinance 17909, Section 12, and K.C.C. 3.18.090, and establishing an effective date.

Sponsors: Girmay Zahilay, Rod Dembowski, Jeanne Kohl-Welles, Joe McDermott, Jorge L. Barón, Teresa Mosqueda

Indexes: minimum wage

Code sections:

Attachments: 1. Ordinance 19762, 2. 2023-0310 Amendment 1A, 3. 2023-0310 Amendment 2, 4. 2023-0310 Amendment 3, 5. 2023-0310 Amendment 4, 6. 2023-0310 Amendment 5, 7. 2023-0310.1_AMDS1_Striking_Amendment_Zahilay, 8. 2023-0310.1_AMDT1_Title_Amendment_Zahilay, 9. 2023-0310.1_AMDS1_Striking_Amendment_Zahilay TRACK CHANGES, 10. 2023-0310_SR_Minimum_Wage_10-17-23, 11. 2023-0310_SR_Minimum_Wage_11.16.2023, 12. 2023-0310_SR_Minimum_Wage_02.20.2024, 13. 2023-0310.1_AMDS2_Striking_Amendment_Zahilay bar TRACK CHANGES 02.09.24, 14. 2023-0310_SR_Minimum_Wage_03.19.2024, 15. ATT2. 2023-0310.1_AMDS2_Striking_Amendment_Zahilay bar2 03.19.2024 v2 FINAL, 16. ATT3. _AMDT2_Title_Amendment_Zahilay, 17. ATT4. 2023-0310.1_AMDS2_Striking_Amendment_Zahilay bar2 03.19.2024 v2 FINAL TRACK CHANGES, 18. 2023-0310_SR_Minimum_Wage_04.16.2024, 19. 2023-0310.1_AMD1_to_S2_Zahilay_twomillionclarification bar, 20. ATT2. 2023-0310.1_AMDS2_Striking_Amendment_Zahilay bar 03.19.2024 v3, 21. ATT3. 2023-0310.1_AMDT2_Title_Amendment_Zahilay, 22. 2023-0310_RevisedSR_Minimum_Wage

Date	Ver.	Action By	Action	Result
5/14/2024	2	Metropolitan King County Council	Passed as Amended	Pass
5/7/2024	2	Metropolitan King County Council	Deferred	
4/16/2024	1	Transportation, Economy, and Environment Committee	Recommended Do Pass Substitute	Pass
3/19/2024	1	Transportation, Economy, and Environment Committee	Deferred	
2/20/2024	1	Transportation, Economy, and Environment Committee	Deferred	
1/9/2024	1	Metropolitan King County Council	Introduced and Referred	
11/28/2023	1	Metropolitan King County Council	Hearing Held	
11/16/2023	1	Transportation, Economy, and Environment Committee	Deferred	

10/17/2023	1	Transportation, Economy, and Environment Committee	Deferred
9/12/2023	1	Metropolitan King County Council	Introduced and Referred

AN ORDINANCE establishing an hourly minimum wage rate for employees of employers in unincorporated King County, employees of certain county contractors, and county employees; amending Ordinance 17909, Section 4, as amended, and K.C.C. 3.18.010 and Ordinance 17909, Section 6, as amended, and K.C.C. 3.18.030, adding a new chapter to K.C.C. Title 2, adding a new chapter to K.C.C. Title 12, repealing Ordinance 17909, Section 5, as amended, and K.C.C. 3.18.020, Ordinance 17909, Section 7, and K.C.C. 3.18.040, Ordinance 17909, Section 8, and K.C.C. 3.18.050, Ordinance 17909, Section 9, and K.C.C. 3.18.060, Ordinance 17909, Section 10, and K.C.C. 3.18.070, Ordinance 17909, Section 11, as amended, and K.C.C. 3.18.080, and Ordinance 17909, Section 12, and K.C.C. 3.18.090, and establishing an effective date.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Findings:

A. In 2016, state of Washington voters passed Initiative 1433 to increase the state's hourly minimum wage rate and have it annually adjusted for inflation. Initiative 1433 also required state of Washington employers to provide paid sick leave to employees. The 2024 hourly minimum wage rate for Washington state is \$16.28 per hour.

B. According to the 2023 National Low Income Housing Coalition's Out of Reach data, an employee making Washington's minimum wage would have to work 103 hours each week to afford a modest one-bedroom rental home at fair market rent in King County.

C. According to The Self-Sufficiency Standard for Washington State, developed in partnership with the University of Washington's Center for Women's Welfare and the Workforce Development Council of Seattle-King County, the state's minimum wage is insufficient to meet the basic needs of working families in King

County. In 2023, for a dual-income household of two working adults and two school-aged children living in King County and earning the state's minimum wage, the family would fall short on average \$36,442 to meet the basic needs of the household. In other words, both working adults would need to have a minimum wage of \$24.50 per hour to meet the basic needs of the household.

D. In King County, falling short to meet the basic needs of the household disproportionately impacts Black, Indigenous, and People of Color, which are also known as BIPOC, communities. According to 2021 census data, in King County, 23 percent of households earn less than the state's minimum wage, however, for Black households this increases to 46 percent; for Indigenous households it is 42 percent; and for Latinx households it is 32 percent. Moreover, the median household income for King County is \$110,586, which is 109 percent of the Self-Sufficiency Standard for a dual-income household of two working adults and two school-aged children, however, for Black households it is \$57,437, which is 56 percent of the Self-Sufficiency Standard; and for Latinx households it is \$74,357, which is 73 percent of the Self-Sufficiency Standard.

E. RCW 49.46.120, codified by Initiative 1433, declares that the state's minimum standards for wages, paid sick leave, and working conditions are supplementary to local law or ordinance which may be more favorable to employees and therefore the more favorable minimum standards shall be in full force and effect and enforced.

F. In 2013, before Initiative 1433 was adopted by the state of Washington, voters from the city of SeaTac approved local Proposition 1 that established an hourly minimum wage rate of \$15.00 per hour and other benefits and rights for employees in the hospitality and transportation industries, including those that were employed in the Seattle-Tacoma International Airport. The city of SeaTac was one of the first local jurisdictions in the country to increase the hourly minimum wage rate. The city of SeaTac's 2024 hourly minimum wage rate is \$19.71 per hour for employees in the hospitality and transportation industries.

G. In 2014, the city of Seattle enacted Ordinance 124490 to increase the hourly minimum wage rate and minimum compensation rates for employees performing work in the city. The city of Seattle's 2024 hourly

minimum wage rate for employers with 501 or more employees is \$19.97 per hour.

H. On May 19, 2014, the council adopted Motion 14131 to affirm that it is county policy that a living wage should be paid to county employees and to the employees of persons, businesses, organizations, and other entities that receive procurement contracts, tax exemptions or credits, or other financial benefits from the county. Subsequently, on October 6, 2014, the county enacted Ordinance 17909 to require that a living wage be paid to county employees and to the employees of certain county contractors. To avoid conflicts for county employees who work in the city of Seattle and reduce the administrative burden on county contractors, the ordinance followed the city of Seattle's minimum wage ordinance by setting variable living wage rates based on the size, which is the number of employees, of the contractor, and whether health benefits were provided to employees by the contractor. The county's 2024 hourly living wage rate for county employees and contractors with 501 or more employees is \$19.97 per hour.

I. In 2022, voters from the city of Tukwila, approved local Initiative Measure 1 that established a minimum wage equal to the minimum wage rate in the city of SeaTac for employees performing work in the city. However, the city of Tukwila's 2024 minimum wage rate is \$20.29 per hour, due to the varied approach on calculating the annual inflation rate. Currently, the city of Tukwila has the highest minimum wage rate in the country according to the University of California, Berkley Labor Center.

J. According to the department of local service's 2022 Business Survey, an online survey for the unincorporated King County business community, sixty-seven percent of the respondents supported an increase in the hourly minimum wage rate, with many respondents saying they already paid employees above the hourly minimum wage rate or that the owner was the only employee and therefore the business would not be affected by an hourly minimum wage rate increase.

K. Some employers, particularly small businesses and nonprofit organizations, may have initial difficulty accommodating the increased costs due to the increased hourly minimum wage rate and a gradual phase-in approach may be beneficial.

L. K.C.C. 2.10.210.B. defines the county's fourteen determinants of equity as the social, economic, geographic, political, and physical environment conditions in which people in our county are born, grow, live, work, and age that lead to the creation of a fair and just society. Access to the determinants of equity is necessary to have equity for all people and inequities are created when barriers exist that prevent individuals and communities from accessing these conditions and reaching their full potential. Access to jobs that have the ability to make sufficient income for the purchase of basic necessities to support themselves and their families is one of the fourteen county determinants. The council finds that it is necessary for the county to enact policies to ensure the well-being of all residents by ensuring their access to the determinants of equity.

SECTION 2. Sections 3 through 6 of this ordinance should constitute a new chapter in K.C.C. Title 2.

NEW SECTION. SECTION 3. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

A. "Contract" means a mutually binding legal relationship or any modification thereof obligating the county to pay a contractor one hundred thousand dollars or more to provide professional services, technical services, or services, as defined in K.C.C 2.93.030 to, or at the direction of, the county. "Contract" does not include: a contract between a contract-awarding authority and another government or public entity; a contract that the county enters into as the administrator of grants received from a third party; a contract for public works; an architectural or engineering contract; or a collective bargaining agreement.

B. "Contract-awarding authority" means the county officer, department, commission, employee, or board authorized to enter into or to administer contracts on behalf of the county.

C. "Contractor" means any person that enters into a contract with the county, or negotiates the extension of an existing contract with the county, after October 27, 2014, or that is a subcontractor performing services under such a contract.

D. "Employ" means to engage, suffer, or permit to work.

E. "Employee" means any individual employed by an employer, whether on a full-time, part-time,

temporary, or seasonal basis, including temporary workers, contracted workers, contingent workers, and persons made available to work through a temporary services, staffing, or employment agency or similar entity.

F. "Employer" includes any individual, partnership, association, corporation, business trust, or any entity, person or group of persons, or a successor thereof, that employs another person and includes any such an entity or person acting directly or indirectly in the interest of an employer in relation to an employee. More than one entity may be the "employer" if employment by one employer is not completely disassociated from employment by the other employer if the economic reality of the relationship between the entities and the employee or employees is that of employer and employee. The economic reality of the relationship is to be determined by the circumstances of the whole activity, not a mechanical weighing of relevant factors.

G. "Hourly minimum wage" means the minimum wage due to an employee under this chapter for each hour worked during a pay period.

H. "Person" means one or more individuals, partnerships, associations, organizations, corporations, cooperatives, legal representatives, trustees, trustees in bankruptcy, receivers, or groups or persons, limited liability companies, sole proprietorships, joint adventures, estates, trusts, or other entities, groups, or combinations acting as units, and the individuals constituting the groups or units.

I. "Wage" means compensation due to an employee by reason of employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value.

NEW SECTION. SECTION 4.

A. A contractor shall pay their employees an hourly minimum wage rate of not less than twenty dollars and twenty-nine cents per hour or the hourly minimum wage rate established by federal or state law, whichever is greater. Beginning January 1, 2025, the hourly minimum wage rate shall increase annually on a percentage basis to reflect the annual rate of inflation and calculated to the nearest cent on January 1 of each year thereafter. For purposes of this section, "the annual rate of inflation" means one hundred percent of the annual average growth rate of the U.S. Department of Labor, Bureau of Labor Statistics Seattle-Tacoma-Bremerton

Area Consumer Price Index for urban wage earners and clerical workers, CPI-W, or a successor index, for the twelve month period ending in August, but the percentage increase shall not be less than zero.

B. An employee is covered by this chapter for each hour the employee is performing a measurable amount of work under a contract with the county.

C. For the purposes of this chapter, temporary employment agency employees who perform, for an employer, a measurable amount of work under a contract with the county, shall be paid no less than the hourly minimum wage rate required to be paid to employees as specified in subsection A. of this section.

D. A contract-awarding authority shall not execute a contract with a contractor unless the contract includes provisions requiring the contractor to comply with the hourly minimum wage rate as specified in subsection A. of this section and containing appropriate remedies for the breach of the contracts as prescribed in section 5 of this ordinance.

NEW SECTION. SECTION 5.

The executive shall:

A. Adopt public and administrative rules in accordance with this chapter establishing standards and procedures for effectively carrying out this chapter;

B. Determine when and how any notice and opportunity to cure a violation of this law should be afforded;

C. Determine and impose appropriate sanctions or remedies, or both, and procedures for administrative review, for violation of this chapter by contractors, including but not limited to:

1. Disqualification of the contractor from bidding on or being awarded a county contract for up to two years;

2. Remedies allowable by contract including, but not limited to, liquidated damages and termination of the contract;

3. Remedial action after a finding of noncompliance, as specified by rule; and

4. Other appropriate civil remedies and sanctions allowable by law; and

D. Administer other requirements specified by this chapter or that are necessary to implement the purposes of this chapter.

SECTION 6. Ordinance 17909, Section 4, as amended, and K.C.C. 3.18.010 are hereby amended to read as follows:

A. ~~("Actuarial value" means the percentage of total average costs for covered benefits that a health benefits package will cover.~~

B. ~~"Bonuses" means non-discretionary payments in addition to hourly, salary, commission or piece-rate payments paid under an agreement between an employer and employee.~~

C. ~~"Commissions" means a sum of money paid to an employee upon completion of a task, usually selling a certain amount of goods or services.~~

D. ~~"Compensation" means wages together with the money paid by an employer towards an individual employee's health benefits plan.~~

E. ~~"Contract" means a mutually binding legal relationship or any modification thereof obligating the county to pay a contractor one hundred thousand dollars or more to provide professional services, technical services or services, as defined in K.C.C 2.93.030 to, or at the direction of, the county. "Contract" does not include: a contract between a contract-awarding authority and another government or public entity; a contract that the county enters into as the administrator of grants received from a third party; a contract for public works; an architectural or engineering contract; or a collective bargaining agreement.~~

F. ~~"Contract-awarding authority" means the county officer, department, commission, employee or board authorized to enter into or to administer contracts on behalf of the county.~~

G. ~~"Contractor" means any person that enters into a contract with the county, or negotiates the extension of an existing contract with the county, after October 27, 2014, or that is a subcontractor performing services under such a contract.~~

~~H. "Division" means the finance and business operations division of the department of executive services.~~

~~I. "Director" means the manager of the finance and business operations division of the department of executive services, or the manager's designee.~~ J.) "Employ" means to engage, suffer, or permit to work.

B. "Employee" means any individual employed by an employer, whether on a full-time, part-time, temporary or seasonal basis, including temporary workers, contracted workers, contingent workers, and persons made available to work through a temporary services, staffing, or employment agency or similar entity.

~~((K. "Employer" includes King County and any individual, partnership, association, corporation, business trust or person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee.~~

~~L. "Health benefits plan" means a silver or higher level essential health benefits package, as defined in 42 U.S.C. Sec. 18022, or an equivalent plan that is designed to provide benefits that are actuarially equivalent to seventy percent of the full actuarial value of the benefits provided under the plan, whichever is greater.~~

~~M. "Hourly minimum compensation" means the minimum compensation due to an employee under this chapter for each hour worked during a pay period.~~

~~N.))~~ C. "Hourly minimum wage" means the minimum wage due to an employee under this chapter for each hour worked during a pay period.

~~((O.))~~ D. "Person" means ((any)) one or more individuals, partnerships, associations, organizations, corporations, cooperatives, legal representatives, trustees, trustees in bankruptcy, receivers, or groups or persons, limited liability ((company)) companies, sole proprietorships, ((association,)) joint adventures, estates, trusts, or other ((entity)) entities, groups, or combinations acting as ((a)) units, and the individuals constituting the groups or units.

~~((P. "Piece-rate" means a price paid per unit of work.~~

~~Q. "Rate of inflation" means one hundred percent of the annual average growth rate of the bi-monthly~~

~~Seattle Tacoma Bremerton Area Consumer Price Index for urban wage earners and clerical workers, termed CPI-W, for the twelve month period ending in August, provided that the percentage increase shall not be less than zero.~~

~~R. "Schedule 1 employer" means an employer that employs more than five hundred employees in the United States, regardless of where those employees are employed in the United States.~~

~~S. "Schedule 2 employer" means an employer that employs five hundred or fewer employees in the United States, regardless of where those employees are employed in the United States.~~

~~T. "Subcontractor" means any person, not an employee, that enters into a contract with a contractor or subcontractor, and that employs employees for that purpose, to assist the contractor or subcontractor in performing a contract with the county.))~~

~~((U.)) E. "Wage" means compensation due to an employee by reason of employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value ((, subject to such deductions, charges or allowances as may be permitted by rules of the director. "Wages" include commissions, piece-rate compensation and bonuses, all of which shall be counted as wages in the work-week in which they were earned. An employer payment toward a health benefits plan does not constitute a "wage.")).~~

SECTION 7. Ordinance 17909, Section 6, as amended, and K.C.C. 3.18.030 are hereby amended to read as follows:

The county shall pay its employees ~~((at a rate no less than the))~~ an hourly minimum wage ~~((for Schedule 1 employers, except for short-term temporary employees who are employed in social service programs designed to help youth gain basic work training skills))~~ rate of not less than twenty dollars and twenty-nine cents per hour or the hourly minimum wage rate established by federal or state law, whichever is greater. Beginning January 1, 2025, the hourly minimum wage rate shall increase annually on a percentage basis to reflect the annual rate of inflation and calculated to the nearest cent on January 1 of each year thereafter. For purposes of this section, "the annual rate of inflation" means one hundred percent of the annual average growth

rate of the U.S. Department of Labor, Bureau of Labor Statistics Seattle-Tacoma-Bremerton Area Consumer Price Index for urban wage earners and clerical workers, CPI-W, or a successor index, for the twelve month period ending in August, but the percentage increase shall not be less than zero. An employee is covered by this chapter for each hour the employee is performing a measurable amount of work as a county employee.

SECTION 8. The following are hereby repealed:

- A. Ordinance 17909, Section 5, as amended, and K.C.C. 3.18.020;
- B. Ordinance 17909, Section 7, and K.C.C. 3.18.040;
- C. Ordinance 17909, Section 8, and K.C.C. 3.18.050;
- D. Ordinance 17909, Section 9, and K.C.C. 3.18.060;
- E. Ordinance 17909, Section 10, and K.C.C. 3.18.070;
- F. Ordinance 17909, Section 11, as amended, and K.C.C. 3.18.080; and
- G. Ordinance 17909, Section 12, and K.C.C. 3.18.090.

SECTION 9. Sections 10 through 15 of this ordinance should constitute a new chapter in K.C.C. Title 12.

NEW SECTION. SECTION 10. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- A. "Department" means the department of local services or designee.
- B. "Director" means the director of the department of local services or designee.
- C. "Employ" means to engage, suffer, or permit to work.
- D. "Employee" means any individual employed by an employer, whether on a full-time, part-time, temporary, or seasonal basis, including temporary workers, contracted workers, contingent workers, and persons made available to work through a temporary services, staffing, or employment agency or similar entity.
- E. "Employer" means any individual, partnership, association, corporation, business trust, or any entity, person, group of persons, or a successor thereof, that employs another person and includes any such entity or

person acting directly or indirectly in the interest of an employer in relation to an employee. More than one entity may be the "employer" if employment by one employer is not completely disassociated from employment by the other employer if the economic reality of the relationship between the entities and the employee or employees is that of employer and employee. The economic reality of the relationship is to be determined by the circumstances of the whole activity, not a mechanical weighing of relevant factors.

F. "Franchise" means an agreement, express or implied, oral or written, by which:

1. A person is granted the right to engage in the business of offering, selling, or distributing goods or services under a marketing plan prescribed or suggested in substantial part by the grantor or its affiliate;
2. The operation of the business is substantially associated with a trademark, service mark, trade name, advertising, or other commercial symbol; designating, owned by, or licensed by the grantor or its affiliate; and
3. The person pays, agrees to pay, or is required to pay, directly or indirectly, a franchise fee.

"Franchise fee" is meant to be construed broadly to include any instance in which the grantor or its affiliate derives income or profit from a person who enters into a franchise agreement with the grantor.

G. "Franchisee" means a person to whom a franchise is offered or granted.

H. "Franchisor" means a person who grants a franchise to another person.

I. "Person" includes one or more individuals, partnerships, associations, organizations, corporations, cooperatives, legal representatives, trustees, trustees in bankruptcy, receivers, or groups of persons, limited liability companies, sole proprietorships, joint adventures, estates, trusts, or other entities, groups, or combinations acting as units, and the individuals constituting the groups or units.

J. "Service charge" means a separately designated amount collected by employer from a customer that is for services provided by employees, or is described in such a way that a customer might reasonably believe that the amounts are for such services. "Service charge" includes but is not limited to a charge designated on receipts as a "service charge," "gratuity," "delivery charge," or "portage charge."

K. "Tip" means a verifiable sum to be presented by a customer as a gift or gratuity in recognition of some service performed for the customer by the employee receiving the tip.

L. "Unincorporated King County" means those areas outside any city or town and under King County's jurisdiction.

M. "Wage" means compensation due to an employee by reason of employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value.

NEW SECTION. SECTION 11.

A. All employers in unincorporated King County shall pay their employees an hourly minimum wage rate of not less than twenty dollars and twenty-nine cents per hour or the hourly minimum wage rate established by federal or state law, whichever is greater. Beginning January 1, 2025, the hourly minimum wage rate shall increase annually on a percentage basis to reflect the annual rate of inflation and calculated to the nearest cent on January 1 of each year thereafter. For purposes of this section, "the annual rate of inflation" means one hundred percent of the annual average growth rate of the U.S. Department of Labor, Bureau of Labor Statistics Seattle-Tacoma-Bremerton Area Consumer Price Index for urban wage earners and clerical workers, CPI-W, or a successor index, for the twelve month period ending in August, but the percentage increase shall not be less than zero. Tips, gratuities, and service charges paid to an employee shall be in addition to, and not count towards, the hourly minimum wage rate.

B. All employers in unincorporated King County shall pay to its employees the following:

1. All tips, and gratuities; and
2. All service charges except those that, under RCW 49.46.160, are itemized as not being payable to the employee or employees servicing the customer.

C. By October 1 of each year, the director shall make available to the public on the county's website, the hourly minimum wage rate determined in accordance with this section.

D.1. The following are exceptions to subsection A. of this section:

a. Beginning January 1, 2025, employers that employ fifteen employees or fewer and have an annual gross revenue less than two million dollars shall pay their employees an hourly minimum wage rate as established in subsection A. of this section minus three dollars. The three-dollar reduction shall decrease annually by fifty cents on January 1 of each year thereafter until the reduction is zero;

b. Beginning January 1, 2025, employers that employ fifteen employees or fewer and have an annual gross revenue of two million dollars or greater shall pay their employees an hourly minimum wage rate as established in subsection A. of this section minus two dollars per hour. The two-dollar reduction shall decrease annually by one dollar on January 1 of each year thereafter until the reduction is zero; and

c. Beginning January 1, 2025, employers that employ more than fifteen employees but fewer than five hundred employees shall pay their employees an hourly minimum wage rate as established in subsection A. of this section minus two dollars per hour. The two-dollar reduction shall decrease annually by one dollar on January 1 of each year thereafter until the reduction is zero.

2. For the purposes of this subsection D. of this section, the following shall apply:

a. The employers that are subject to the exceptions in this subsection D. of this section shall not include franchisees associated with a franchisor or a network of franchises with franchisees that employ five hundred employees or more in aggregate, regardless of the geographic location of the franchises;

b. "Gross revenue" means the total revenue generated by the employer regardless of geographic location; and

c. The number of employees shall be calculated by determining the average number of employees employed by the employer during the last twelve months regardless of the location of employment of each employee.

E. All employers in unincorporated King County shall maintain adequate records to provide proof of compliance and either have it available upon request by the department or have it available for a proceeding involving an aggrieved employee bringing a civil action in a court of competent jurisdiction against an

employer for violating this chapter as described in section 14 of this ordinance, or both. Adequate records shall include, but not be limited to:

1. The number of employees employed by the employer during the previous year;
2. The number of employees paid the minimum wage as required by subsection A. of this section during the previous year;
3. Wages paid by the employer to all employees during the previous year;
4. The number of work hours of each employee during the previous year;
5. Wages paid to each employee during the previous year; and
6. The amount of any deductions from the wages paid to each employee during the previous year.

NEW SECTION. SECTION 12.

A. Beginning January 1, 2026, the manager of the office of performance, strategy, and budget, or its designee, shall annually convene a workgroup to: evaluate whether the current hourly minimum wage rate as established by this chapter is sufficient to meet the basic needs of working households in King County; and analyze the current hourly minimum wage rate's impact to the region's economy. The workgroup's evaluation and analysis shall include, but not be limited to, the following considerations:

1. The Self-Sufficiency Standard for Washington State, developed in partnership with the University of Washington's Center for Women's Welfare and the Workforce Development Council of Seattle-King County;
2. Impacts to the county labor market including, but not limited to, employment rates, small business labor costs, and ability to attract new businesses to the region;
3. Impacts on the number of county residents that receive the federal Earned Income Tax Credit, the Washington State Working Families Tax Credit, and any other government benefits that are provided to low- and middle-income households; and
4. Disproportionate impacts to Black, Indigenous, and People of Color communities, if any.

B. Workgroup membership shall include, but not be limited to, the following:

1. The manager of the office of performance, strategy, and budget, or designee;
2. The county's chief economist, or designee;
3. The manager of the finance and business operations division, or designee;
4. The director of the department of local services, or designee;
5. The director of the department of human resources, or designee; and
6. The chair of the budget and fiscal management committee, or its successor, or designee.

C. The workgroup shall seek input from the community on its evaluation and analysis work as described in subsection A. of this section. The community shall include, but not be limited to, the following:

1. Economists and wage experts from accredited colleges and universities in the state of Washington;
2. Representatives from the King County Coalition of Unions;
3. Employers that contract with the county or have showed interest in contracting with the county; and
4. Organizations that represent employees and employers in unincorporated King County.

D. On behalf of the workgroup, the executive shall transmit a report of its findings and a recommendation, if any, to modify the hourly minimum wage rate established by this chapter. The executive shall electronically file the report and any proposed ordinance that would amend this chapter and any other chapters related to the hourly minimum wage rate of county employees and county contractors to implement the hourly minimum wage rate as recommended by the workgroup no later than June 30 of each year with the clerk of the council, who shall retain an electronic copy and provide an electronic copy to all councilmembers, the council chief of staff, and the lead staff for the transportation, economy, and environment committee, or its successor. The executive shall electronically distribute the report to all government entities in the county and to relevant state and federal agencies, including, but not limited to, the Washington state Department of Labor and Industries, or its successor.

NEW SECTION. SECTION 13.

A. An employer shall not interfere with, restrain, or deny the exercise of, or the attempt to exercise, any

right protected under this chapter by an employee. Also, an employer shall not take any adverse action against an employee or to discriminate against an employee because the employee has exercised in good faith the rights under this chapter. The rights shall include, but are not limited to, the right to:

1. File a complaint with any entity or agency about an employer's alleged violation of this chapter;
2. Inform the person's employer, union, or similar organization, the person's legal counsel, or any other person about an alleged violation of this chapter;
3. Cooperate in any investigation of alleged violations of this chapter;
4. Testify in a proceeding related to violations of this chapter; and
5. Inform other employees of the rights protected under this chapter.

B. For the purposes of this section, "adverse action against an employee" includes, but is not be limited to actions:

1. Relating to an employee's employment including pay, work hours, responsibilities, or other material change in the terms and conditions of employment;
2. Relating to an employee's immigration or citizenship status; and
3. Dissuading an employee from exercising any right afforded by this chapter.

NEW SECTION. SECTION 14.

A. An aggrieved employee may bring a civil action in a court of competent jurisdiction against an employer for violating this chapter and, upon prevailing, may be awarded reasonable attorneys' fees and costs and such legal or equitable relief as is appropriate to remedy, which shall include, but not be limited to, the payment of any unpaid wages plus interest, as specified in subsection D. of this section, due to the employee and liquidated damages, which shall include, but not be limited to, up to twice the unpaid wages. An aggrieved employee shall be entitled to liquidated damages without a finding that the violation of this chapter was willful and an aggrieved employee may recover both liquidated damages and prejudgment interest. If the court finds that an employer's violation of this chapter was willful then a penalty shall be payable to any aggrieved

employee of up to five thousand dollars.

B. Before filing a civil action against an employer for violating section 11 of this ordinance, an aggrieved employee or the employee's representative shall give notice by certified U.S. mail with return receipt requested or a comparable method to the employer demanding that the employer pay the hourly minimum wage rate as required by section 11 of this ordinance and provide payment of any unpaid wages plus interest, as specified in subsection D. of this section, to the aggrieved employee. An employer's refusal to accept or read the letter is not a failure to send the letter. If the employer fails to pay the unpaid wages plus interest within fourteen days of the return receipt date of the notice, then the aggrieved employee may file a civil action as specified in subsection A. of this section.

C. For the purposes of this section, an aggrieved employee means an employee who claims to have been injured by an employer's violation of this chapter.

D. For the purposes of this section, interest shall be twelve percent per year or the maximum rate permitted under RCW 19.52.020, whichever is higher, and accrue from the date the unpaid wages were first due.

NEW SECTION. SECTION 15.

A. The director is authorized to enforce and implement this chapter.

B. The director may adopt rules and procedures, in accordance with K.C.C. chapter 2.98, to implement this chapter and ensure compliance of this chapter. If the director adopts appropriate rules and procedures, before giving public notice of the rules and procedures as required by K.C.C. chapter 2.98, the director shall seek feedback of the rules and procedures from organizations that represent employees and employers in unincorporated King County.

C.1. If the executive determines that the enforcement and implementation of this chapter by the county is cost prohibitive due to the budgetary constraints of the county's general fund, the executive is requested to explore other enforcement and implementation methods. As part of this effort, the executive shall also explore

methods to support aggrieved employees who may be reluctant to bring a civil action.

2. If the executive determines a cost effective approach to implementing and enforcing this chapter, other than what is required by subsections A. and B. of this section, then the executive shall transmit a letter notifying to the council of the executive's plans for implementation and enforcement. The executive shall electronically file the letter with the clerk of the council, who shall retain an electronic copy and provide an electronic copy to all councilmembers, the council chief of staff, and the lead staff for the transportation, economy, and environment committee, or its successor.

SECTION 16.

A. The executive shall transmit a report providing recommendations to strengthen the county's commitment to sustainable farm-to-plate pipeline, advance equity, and support the agricultural sector in unincorporated King County as the agricultural sector complies with the hourly minimum wage rate as required by this ordinance. The executive shall consult with the community to inform the report. The community shall include, but not be limited to, the following:

1. Representatives from King County farming organizations which shall include, but not be limited to, the following:

- a. King County agriculture commission;
- b. SnoValley Tilth;
- c. Snoqualmie Valley Preservation Alliance;
- d. Sammamish Valley Alliance; and
- e. Snoqualmie Valley Farmers Cooperative;

2. Small-farm owners and small-farm employees in the following Agricultural Production Districts in King County:

- a. Sammamish River;
- b. Snoqualmie River;

- c. Lower Green River;
 - d. Upper Green River; and
 - e. Enumclaw Plateau;
- 3. Representatives from the King Conversation District; and
 - 4. The chair of the local services and land use committee, or its successor, or designee.
- B. The recommendations to address the impacts shall consider, but not be limited to, the following:
- 1. Capital programs to acquire land, access farm equipment, and develop housing for farm workers such as:
 - a. connecting farmers with affordable farmland to lower acquisition costs and build farmland equity through ownership; for example, the Agrarian Trust and more specifically the Vermont Agrarian Commons;
 - b. establishing a farm equipment access program to provide affordable leasing of farm equipment purchased by the county; and
 - c. developing housing facilities using county resources to provide workforce, congregate, and pallet housing for farm workers in proximity to their place of work;
 - 2. Transportation programs to provide mobility for farm workers such as:
 - a. providing vouchers that can be used for local and regional transportation providers operating in areas with access to agricultural jobs;
 - b. establishing shuttles, similar to the Metro transit department's Trailhead Direct; and
 - c. subsidies for easier access to the Metro transit department's Vanpool and Vanshare programs, similar to the Metro transit department services provided to Snoqualamie Casino employees; and
 - 3. Other programs to support the agricultural sector in unincorporated King County such as:
 - a. establishing health care programs for farm workers;
 - b. providing fee waivers for farmers market booths;
 - c. supporting farm worker recruitment and retention;

- d. supporting the retention of existing farm owners;
- e. developing internship and apprenticeship programs for the youth, underrepresented communities in the agricultural sector, and historically underserved communities in the agricultural sector;
- f. providing grants to food banks to purchase surplus food from local farms;
- g. expanding the county's Local Food Initiative; and
- h. developing a multimedia, multichannel public awareness campaign on the necessity of supporting county farmers and their products and educating the public on the quality and cost of producing farm products.

C. The executive shall electronically file the report and any proposed ordinance to implement the recommendations identified in the report no later than June 30, 2025, with the clerk of the council, who shall retain an electronic copy and provide an electronic copy to all councilmembers, the council chief of staff, and the lead staff for the transportation, economy, and environment committee, or its successor.

SECTION 17.

A. The executive shall transmit a report evaluating the impacts of the hourly minimum wage rate as required by this ordinance for unincorporated King County. The executive shall make an effort to evaluate the impacts by various demographics such as income, race, gender, and industry sector for both employees and employers to determine any disproportionate impacts. The report shall include, but not be limited to, the following:

1. Evaluation of whether the hourly minimum wage rate is achieving the goal of increasing employees' wages to meet the basic needs of the household, in particular the Black, Indigenous, and People of Color communities whose household income are disproportionately lower;
2. Evaluation of the impact of the hourly minimum wage rate on employees such as reduction in either work hours or other benefits provided by the employer, or both;
3. Evaluation of the impact of the hourly minimum wage on employers, in particular small businesses, which shall include, but not be limited to, revenue, cost, profit, business longevity, and decisions related to

divestments and investments;

4. Impacts to the region's economy, which shall include, but not be limited to, employment rate, median household income, taxable sales, inflation, industry diversification, and ability to attract new businesses; and

5. Impacts due to the inconsistent hourly minimum wage rates across the county.

B. The executive shall conduct activities to ensure the collection of any data that will be necessary to inform the report but are not readily available or accessible. Data collection activities shall be conducted as earliest as feasible to provide the best data to inform the report.

C. The report shall also be informed by the findings compiled by the workgroup as established in section 12 of this ordinance.

D. The executive may contract with an external organization to conduct the evaluation and produce the report.

E. The executive shall electronically file the report no later than June 30, 2028, with the clerk of the council, who shall retain an electronic copy and provide an electronic copy to all councilmembers, the council chief of staff, and the lead staff for the transportation, economy, and environment committee, or its successor.

SECTION 18. This ordinance takes effect January 1, 2025.

SECTION 19. If any provision of this ordinance or its application to any person

or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances is not affected.