



## **Seattle “Hotel Workers” Legislation**

### **Detailed overview of new legislation**

Hotel Employees Job Retention Ordinance

Hotel Employees Safety Protections Ordinance

Improving Access to Medical Care for Hotel Employees Ordinance

### **Records and enforcement**

## **Improving Access to Medical Care for Hotel Employees Ordinance** **Council Bill 119555**

### **Covered employers:**

- ▶ Hotel or motel with 100 or more guest rooms
- ▶ “Ancillary hotel businesses” with 50 or more employees worldwide

### **Ancillary hotel business”** means any business that

- ▶ routinely contracts with the hotel for services in conjunction with the hotel’s purpose;
- ▶ leases or sublets space at the site of the hotel for services in conjunction with the hotel’s purpose;  
**or**
- ▶ provides food and beverages, to hotel guests and to the public, with an entrance within the hotel premises.
- ▶ **“Hotel’s purpose”** means services in conjunction with the hotel’s provision of short-term lodging including food or beverage services, recreational services, conference rooms, convention services, laundry services, and parking

### **Covered employees:**

- ▶ Employees who work for a covered employer at a large hotel for an average of 80 hours or more per month
- ▶ Does *not* include:
  - ▶ Managers, supervisors or confidential employees
  - ▶ An employee who receives health coverage from another source, such as employer-sponsored health insurance through another employer, provided the employer obtains a signed waiver from the employee that the employee has access to high-quality and affordable health coverage from another source

### **Effective dates:**

- ▶ For ancillary hotel businesses with between 50 and 250 employees that contract, lease, or sublease with a hotel as of Sept. 16, 2019, the provisions take effect upon the later of July 1, 2025 or the earliest annual open enrollment period for health coverage, if offered, after July 1, 2025.
- ▶ For all other covered employers, the provisions take effect upon the later of July 1, 2020 or the earliest annual open enrollment period for health coverage, if offered, after July 1, 2020.

### **Requirements:**

- ▶ Employers must make a monthly required healthcare expenditure\* to or on behalf of each covered employee:
  - ▶ \$420 per month for an employee with no spouse, domestic partner, or dependents;
  - ▶ \$714 per month for an employee with only dependents;
  - ▶ \$840 per month for an employee with only a spouse or domestic partner;
  - ▶ \$1,260 per month for an employee with a spouse or domestic partner and one or more dependents.

*\*2019 rates; subject to annual adjustments based on the medical inflation rate*

- ▶ Employers have discretion as to the form of the monthly required healthcare expenditures they choose to make for their employees, and may satisfy the expenditure through one or more of the following:
  - ▶ Additional compensation paid directly to the covered employee
  - ▶ Payments to a third party, such as to an insurance carrier or trust, or into a tax favored health programs (including health savings accounts, medical savings accounts, health flexible spending arrangements, and health reimbursement arrangements)
  - ▶ Average per-capita monthly expenditures for healthcare services by the employer's self-insured and/or self-funded insurance program(s).
  
- ▶ The employer may impose a waiting period of no more than 60 days before new hires can be enrolled in its employer-sponsored plan, during which the employer will have no further obligation.
  
- ▶ If an employee declines the employer's offer in full satisfaction of the required expenditure amount, the employer will have satisfied its obligation, provided that:
  - ▶ The employer's offered form does not require the employee to pay more than 20% of the monthly required healthcare amount.
  - ▶ The employer obtains a signed waiver that the employee is waiving the offer.
  - ▶ If an employee refuses to sign such a waiver, the employer has satisfied its requirement. The employer must maintain records of the employee's receipt of the waiver and refusal to sign.
  
- ▶ The expenditure is in addition to and not considered wages. Additional compensation must be paid as ordinary income no later than the last regular pay date of each calendar month.

## **Hotel Employees Job Retention Ordinance**

### **Council Bill 119556**

#### **Covered employers:**

- ▶ Hotel or motel with 60 or more guest rooms
- ▶ “Ancillary hotel businesses” with 50 or more employees worldwide

#### **Covered employees:**

- ▶ Employees who have worked for an outgoing hotel employer for at least 30 calendar days prior to the execution of a transfer document
- ▶ Does not include managers, supervisors or confidential employees

#### **Effective dates:**

- ▶ For ancillary hotel businesses with between 50 and 250 employees that contract, lease, or sublease with a hotel as of Sept. 16, 2019, the provisions shall take effect on July 1, 2025.
- ▶ For all other covered employers, the provisions take effect on July 1, 2020.

#### **Requirements:**

- ▶ Outgoing hotel employers must:
  - ▶ Provide incoming hotel employer with preferential hiring list
  - ▶ Post written notice of change of control
- ▶ Incoming hotel employers must:
  - ▶ Maintain preferential hiring list of retention hotel workers and hire from that list for 180 days after opening to the public
  - ▶ Retain each retention hotel worker for at least 90 days

## Hotel Employees Safety Protections Ordinance Council Bill 119557

### Covered employers:

- ▶ Hotel or motel with 60 or more guest rooms
- ▶ Ancillary hotel businesses (no size limit)

### Effective date:

- ▶ July 1, 2020

### Panic button requirements:

- ▶ “Panic button” means an emergency contact device that an employee may easily carry and activate. When activated, the panic button must summon immediate on-scene assistance from another employee, security guard, or representative of the employer ***to the employee’s specific location.***
- ▶ Hotel employer must provide a panic button to each hotel employee assigned to work in or deliver items to a guest room.
- ▶ Hotel employer must provide access to a panic button to each employee of an ancillary hotel business assigned to work in or deliver items to a guest room.
- ▶ When a panic button is activated, the hotel employer must immediately deploy a security guard, hotel employer representative, or another hotel employee to render assistance.
- ▶ Hotel employers may provide a panic button that complies with state requirements through Dec. 31, 2020, after which they must meet Seattle’s requirements.

### Other requirements:

Employer must develop policies and institute procedures that prevent and address violent or harassing conduct by guests. At a minimum, an employer must:

- ▶ Develop a written policy against violent or harassing conduct by guests. At a minimum, the policy must explain the employer’s obligations under this Section 14.26.070;
- ▶ Inform guests of this policy prior to or at time of guest check-in and through other means that may be addressed through Director’s Rules for special circumstances; and
- ▶ At hire and on an annual basis, inform employees of the policy, the employer’s procedure for addressing allegations of violent or harassing conduct by guests, and how to report violent or harassing conduct by guests.

When an employer receives an allegation or learns that a guest engaged in violent or harassing conduct towards an employee, the employer must immediately:

- ▶ Provide the accused guest with a written notice of the denial of service required below.
- ▶ Not assign any employees to work in the guest’s room or to make deliveries to the guest’s room for the duration of the guest’s current stay unless an investigation has determined that the alleged conduct did not occur.
- ▶ Employers may assign employees to enter a guest’s room to conduct a safety check; however, employees must be assigned in pairs and may voluntarily decline such an assignment.

An employer must immediately do the following for an employee who is the alleged victim of violent or harassing conduct by a guest:

- ▶ Upon employee's request or consent, reassign the employee to an equivalent or better assignment on a different work floor for the duration of the guest's stay.
- ▶ Provide the employee with a copy the denial of service notice provided to the guest.
- ▶ Grant the employee up to 16 hours of paid time to be used with 14 days to contact police and cooperate with any investigation, and consult with a counselor, advisor, advocate or support person of employee's choosing.

The ordinance directs the Office of Labor Standards to provide access to community advocates, through a victims' advocacy program, to employees who are the alleged victims of violent or harassing conduct. Advocates may assist employees in understanding their rights under the law, reporting an incident, and by offering referrals to legal and advocacy resources.

## Records and Enforcement

### Records

- ▶ Records to demonstrate compliance must be retained for three years

### Enforcement

- ▶ Private right of action
- ▶ Office of Labor Standards receives full enforcement authority, aligned with other labor standards laws
  - ▶ To conduct investigations
  - ▶ Issue determinations with remedies and penalties/fines
  - ▶ Issue administrative rules