Independent Contractor Protections Ordinance

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Seattle's Independent Contractor Protections Ordinance requires covered Hiring Entities to provide Independent Contractors with disclosures prior to entering a contract and at the time of payment. Independent Contractors must be paid on or before the date compensation is due under the terms of a contract, the terms of the pre-contract disclosure, or within 30 days. This law went into effect on September 1, 2022.

Which workers are covered by this law?

An Independent Contractor is a self-employed person that is hired by a Hiring Entity to provide services in exchange for compensation. This law applies to all Independent Contractors with a few exceptions¹ listed below.

Which companies are covered by this law?

This law applies to Hiring Entities regularly engaged in business or commercial activity, including not-for-profit businesses.

Which contracts are covered by this law?

This law covers contracts based on their nature of services and value of services.

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Work performed in Seattle

Hiring Entity knows/has reason to know work will be performed in Seattle

Value of Services

Contract/services worth greater than \$600

Contracts/payments can be combined over a year

Independent Contractors not covered by this law are lawyers, situations where an Independent Contractor's relationship with a Hiring Entity is limited to a property rental agreement (e.g., hair stylist renting booth at a salon), and other Independent Contractors as defined by the Office of Labor Standards Director's rule.

WHO IS COVERED?

Our ordinances cover employees working inside Seattle city limits, regardless of their immigration status or the location of the employer.

If your situation does not qualify for investigation by us, we will refer you to another agency for help.

RETALIATION

An employer cannot retaliate against an employee for:

- Asserting their rights under these laws.
- · Filing a complaint with OLS.
- · Telling others about their rights.

OUR SERVICES

- · Investigations of complaints.
- · Outreach to workers.
- · Technical assistance for business.
- · Resources and referrals.

Language interpretation, translations and accommodation are available. OLS does not ask about immigration status.

All services are free.



OFFICE OF LABOR STANDARDS

The mission of 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.

MORE INFORMATION (206) 256-5297

laborstandards@seattle.gov seattle.gov/laborstandards

OFFICE OF LABOR STANDARDS

810 Third Ave, Suite 375, Seattle, WA 98104

Hours: 8 am-5 pm (Mon-Fri)

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Disclosure Requirements

Hiring Entities must provide the following Pre-contract and Time of Payment disclosures to all covered Independent Contractors except Transportation Network Company drivers (e.g. Uber and Lyft drivers). In the coming months, OLS has released a template that Hiring Entities can use to provide this information—check our website here for that template.

Pre-contract Disclosure Requirements		
• Date	• Pay basis	
Independent Contractor name	 Tips and/or service charge distribution policy 	
Hiring Entity name and contact information	 Expenses of job and which are reimbursed by Hiring Entity 	
Description of work	 Deductions, fees, or charges 	
Location of work	Payment schedule	
• Rate or rates of pay		

Time of Payment Disclosure Requirements		
• Date	• Pay basis	
• Independent Contractor name	• Tips, compensation and/or service charge distributions	
Hiring Entity name	• Expenses reimbursed by Hiring Entity	
 Description of services covered by payment 	Deductions	
Location of services covered by payment	Net payment after deductions	
• Rate or rates of pay		

Timely Payment Requirements

Hiring Entities must provide "timely payment" to the Independent Contractor under:

- 1) the terms of the contract;
- 2) the terms of the pre-contract disclosure; or
- 3) within 30 days.

Resources

For ongoing updates, visit our website or sign up for our newsletter at:

www.seattle.gov/laborstandards.

Read more about the Independent Contractor Protections Ordinance, here:

http://www.seattle.gov/ laborstandards/ordinances/ independent-contractor-protections-

Read our Independent Contractor's Guide here: https://www.seattle.gov/documents/Departmen ts/LaborStandards/FINAL2_CityofSeattle_OLS_Na vigationGuide_092424.pdf

The guide can help if an Independent Contractor needs to seek payment through Small Claims Court and gives other tips as well.

Independent Contractors vs. Employees

If you have questions about whether either yourself or the person you are hiring should be treated as an independent contractor, Washington's Department of Labor and Industries has resources. Start here to learn more:

https://lni.wa.gov/forms-publications/F101-063-000. pdf

Some translations of resources are available at seattle.gov/laborstandards/resources-and-language-access/languages