



**COMMISSION
AGENDA MEMORANDUM**

Item No. 10c

ACTION ITEM

Date of Meeting July 27, 2021

DATE: July 27, 2021

TO: Members of the Commission

FROM: Aaron Pritchard, Deputy Commission Chief of Staff
Pete Ramels, General Counsel

SUBJECT: Resolution No. 3789 - Enacting Minimum Labor Standards Applicable to Certain Employers Located at Seattle-Tacoma International Airport

Amount of this request: N/A

Total estimated project cost: N/A

ACTION REQUESTED

Adoption of Resolution No. 3789, Flight Kitchen Minimum Labor Standards, enacting minimum wage and worker retention requirements applicable to certain employers located at Seattle-Tacoma International Airport, pursuant to the authority granted to the Port under RCW 14.08.120(2).

SUMMARY

Resolution No. 3789 authorizes the Port of Seattle to implement minimum labor standards at Sea-Tac International Airport (SEA).

On April 16th, 2021, Governor Inslee signed into law Senate Bill 5385. This bill authorizes a municipality, including the Port of Seattle, that controls or operates an airport -- having had more than twenty million annual commercial air service passenger enplanements on average over the most recent seven full calendar years; that is located within the boundaries of a city; that has passed a local law or ordinance setting a minimum labor standard that applies to certain employers operating or providing goods and services at the airport -- to enact a minimum labor standard that applies to employees working at the airport, so long as the minimum labor standard at least meets the minimum labor standard in the city's law or ordinance.

SEA has had more than twenty million annual commercial air service passenger enplanements on average over the most recent seven full calendar years (2014-2020).

In 2013, voters in the City of SeaTac enacted Proposition 1 ('Prop 1'), which established a number of separate minimum labor standards for certain categories of employers located in the City of SeaTac; and the Airport is located within the boundaries of SeaTac. Minimum labor standards

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included in Prop 1 is the establishment of a minimum wage for certain categories of employers operating in the City of SeaTac and worker retention requirements.

Prop 1 set the initial minimum wage to be imposed on covered employers at \$15.00 per hour. The current Prop 1 minimum wage for 2021 is \$16.57 per hour.

The minimum wage required to be paid under this Resolution shall be adjusted for inflation on the same schedule that the minimum wage set forth in Prop 1 is adjusted, so that the minimum wage required to be paid by an employer under this Resolution continuously at least meets the minimum wage amount required by Prop 1.

Prop 1 also established a worker retention minimum labor standard for certain categories of employers operating in the City of SeaTac, in certain circumstances (SMC 7.45.060). Employers that provide goods or services at the Airport and are engaged in the preparation of food or beverage to be served in-flight by an airline from facilities that are located on property owned by the Port of Seattle within the City of SeaTac shall comply with a worker retention requirement that at least meets the worker retention requirement established by Prop 1.

Employers subject to this Resolution shall be required to begin paying the minimum wage and adhere to worker retention standards set forth herein no later than August 2, 2021.

The Resolution also authorizes and directs the Managing Director of the Aviation Division of the Port of Seattle to promulgate and administer Rules and Regulations to carry out the provisions of this Resolution and to provide a draft of any Rules and Regulations to the Port Commission, airline signatories, affected employers and their employees, and the general public, at least 60 days before the implementation date. The Rules and Regulations must be consistent with state and federal law and this Resolution.