

Electronic Alert

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New Seattle Independent Contractor Requirements in Effect

By Wilson Jarrell

The City of Seattle recently had a new set of requirements go into effect related to protections for independent contractors in the city, titled the Independent Contractor Protections Ordinance. If you have independent contractors currently working in Seattle, immediate action may be required.

The ordinance applies to any contractor that a “commercial hiring entity” hires who (a) has no employees, (b) performs any part of their work in Seattle, and (c) will receive or may reasonably expect to receive at least \$600 in total compensation from you in any given year (importantly, this can be over several contracts). “Commercial hiring entities” is defined as a “hiring entity regularly engaged in business or commercial activity.” Under the law, a “hiring entity is regularly engaged in business or commercial activity if the hiring entity owns or operates any trade, occupation, or business, including a not for profit business[.]”

The ordinance requires that a hiring entity provide the following to any contractor who falls under those requirements:

- A pre-work notice of rights under the ordinance;
- A pre-work written notice that identifies the proposed terms and conditions of work and the terms and conditions of payment before starting work, including much of the information usually included in a formal independent contractor agreement or contract;
- Timely payment in accordance with the terms and conditions of the pre-work written notice or contract, or if the contract is silent on the time for payment, within 30 days after the completion of services under the contract; and
- A written notice that gives specific itemized payment information each time that payment is made.

Employers who contract with independent contractors that complete any part of their work in Seattle should review their current agreement forms and how they generally complete them to ensure that the required information is included and the level of detail required by the ordinance is met. Additionally, notices of rights under the ordinance and of itemized payment information to be included with any payment will need to be generated and provided to such contractors in compliance with the new requirements.

Importantly, the requirements apply retroactively to any ongoing contracts, so entities should review any ongoing contracts for anywhere work is or will be performed in Seattle, and make the required disclosures in those instances as soon as possible.

For questions regarding Seattle’s Independent Contractor Protections Ordinance, contact Wilson Jarrell at 503-276-2181 or wjarrell@barran.com.