

LEGISLATIVE DIGEST

[Administrative Code - Office of Labor Standards Enforcement Rules and Guidance]

Ordinance amending the Administrative Code to prescribe an operative date of 180 days after enactment for new ordinances that the Office of Labor Standards Enforcement (OLSE) implements or enforces, establish notice procedures for OLSE's issuance of rules and administrative guidance, and establish timelines delaying OLSE's enforcement of such rules and guidance.

Existing Law

Section 2A.23 of the Administrative Code sets forth the general powers and duties of the Office of Labor Standards Enforcement ("OLSE"). City law currently does not impose any requirements on the operative date for ordinances that the OLSE enforces or the OLSE's issuance of rules and regulations for such ordinances.

Amendments to Current Law

- **Operative Date:** The proposed legislation would provide that all new ordinances that the OLSE is empowered to implement or enforce shall not become operative until 180 days after enactment, unless the new ordinance specifies a different operative date. This 180-day rule would not apply to ordinances that amend existing ordinances that the OLSE is empowered to implement or enforce.
- **30-Day Notice for Rulemaking:**
 - 1) Within 30 days of enactment of a new ordinance that the OLSE is empowered to enforce (a "new ordinance"), the Labor Standards Enforcement Officer ("Officer") shall issue a written notice on OLSE's website stating whether the OLSE will issue rules or administrative guidance (*i.e.*, "implementing documents") interpreting the ordinance.
 - 2) Within 30 days of enactment of an ordinance amending an existing ordinance that the OLSE is empowered to enforce (an "amending ordinance"), the Officer shall issue a written notice on OLSE's website stating whether the amending ordinance requires the issuance of new implementing documents and/or revisions to existing implementing documents.
- **Delayed Enforcement Period:**
 - 1) With regard to new ordinances, for 60 days following the issuance of implementing documents the OLSE may not issue a determination of violation or

penalties for those provisions in the ordinance whose meaning is interpreted through such implementing documents.

- 2) With regard to amending ordinances, for 30 days following the issuance of implementing documents or revisions to existing implementing documents the OLSE may not issue a determination of violation or penalties for those provisions in the ordinance whose meaning is interpreted through such implementing documents.
 - 3) The 60-day and 30-day delayed enforcement periods shall apply only to the extent the interpretation in the implementing document bears on the particular violation at issue. For example, if an implementing document interprets how wages are to be calculated for an employee who receives commission pay, but the case at hand involves a salaried employee without commission and therefore is not the subject of the interpretation, the delayed enforcement period would not apply in that particular case.
- **Small Business Commission Notice and Hearing:** The proposed legislation would require the Officer to give the Small Business Commission written notice before issuing implementing documents or revisions thereto. Upon request from the Small Business Commission, the Officer shall provide an informational presentation to the Commission regarding proposed implementing documents or revisions thereto.
 - **Exceptions:** The proposed legislation would not apply to (1) voter-approved ordinances, (2) prevailing wage ordinances, and (3) ordinances amending the City's Minimum Wage Ordinance.

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