

App-Based Companies Must ‘Pay Up’ in Seattle

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Shortly after the Washington State legislature approved [legislation](#) that sets minimum wage and other benefits for gig drivers of rideshare companies, the City of Seattle passed the first of a series of bills that ask app-based companies for *all gig type workers* to “Pay Up.”

An attempt to address issues that gig workers face, such as vehicle expenses or lack of adequate information provided before accepting a job, the [PayUp policy package](#) is a group of bills that aims to offer gig workers, who often are classified as independent contractors, employee-type legal protections. The first bill passed ([Council Bill 120294](#)) specifically addresses minimum payment, transparency, and flexibility and will go into effect in 2024.

Minimum Payment

Under the new law, app-based workers will receive a minimum wage that accounts for expenses incurred and is exclusive of tips.

Transparency

App-based companies must provide information up front regarding pay, tips, and details of each job, and drivers must have access to their policies.

App-based companies also are required to provide receipts to app-based workers that detail time, miles, and compensation within certain time periods.

Flexibility

App-based workers have the right to decide when to be available to work and which offers to accept and reject, without penalty.

Other Provisions

Finally, app-based workers are protected against retaliation and other adverse actions, and have traditional remedies, such as liquidated damages and attorneys’ fees, if successful, available to them under the law.

The bill was signed into law on June 13, 2022, by Mayor Bruce Harrell. The law is set to take effect on January 13, 2024. The City will consider regulations, such as enforcement, no later than August 1, 2023.

Please contact a Jackson Lewis attorney with any questions.

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