



City of Philadelphia

City Council
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Title: Enacting a new Chapter 9-2300 of the Philadelphia Code entitled "Protection of Displaced Contract Workers", and amending Section 19-2602, entitled "Licenses" to require that all contractors awarded contracts for the performance of food and beverage, hotel service, health care, janitorial or building maintenance services within the City of Philadelphia retain certain non-supervisory employees of the previous contractor for a 90-day transition employment period during which period retained employees may not be terminated except for cause, and to require that said employees be provided with various other job security protections, providing penalties for non-compliance, including but not limited to revocation of the business privilege license of violators, and granting remedies to aggrieved parties; all under certain terms and conditions.

Sponsors: Councilmember Ortiz, Councilmember Cohen, Councilmember Mariano, Councilmember Nutter, Councilmember Goode, Councilmember Blackwell, Councilmember Kenney, Councilmember Tasco, Councilmember Miller, Councilmember DiCicco

Indexes: LICENSES

Code sections: 19-2602 - Licenses, 9-2300 - PROTECTION OF DISPLACED CONTRACT WORKERS, 9-2301 - Definitions, 9-2302 - Transition Employment Period, 9-2303 - Enforcement, 9-2304 - Notice to Displaced Worker

Attachments: 1. CertifiedCopy00010801.pdf

Date	Ver.	Action By	Action	Result	Tally
5/31/2000	1	MAYOR	SIGNED		
5/11/2000	1	CITY COUNCIL	READ		
5/11/2000	1	CITY COUNCIL	PASSED	Pass	15:1
4/27/2000	1	CITY COUNCIL	ORDERED PLACED ON THIS DAY'S FIRST READING CALENDAR		
4/27/2000	1	CITY COUNCIL	SUSPEND THE RULES OF THE COUNCIL	Pass	
4/27/2000	1	CITY COUNCIL	ORDERED PLACED ON NEXT WEEK'S SECOND READING CALENDAR		
4/25/2000	0	Committee on Labor and Civil Service	HEARING NOTICES SENT		
4/25/2000	0	Committee on Labor and Civil Service	AMENDED		
4/25/2000	1	Committee on Labor and Civil Service	REPORTED FAVORABLY, RULE SUSPENSION REQUESTED		
3/30/2000	0	Committee on Labor and Civil Service	HEARING NOTICES SENT		
3/30/2000	0	Committee on Labor and Civil Service	RECESSED		
2/24/2000	1	CITY COUNCIL	Referred		
2/24/2000	0	CITY COUNCIL	Introduced		

Enacting a new Chapter 9-2300 of the Philadelphia Code entitled "Protection of Displaced Contract Workers",

and amending Section 19-2602, entitled “Licenses” to require that all contractors awarded contracts for the performance of food and beverage, hotel service, health care, janitorial or building maintenance services within the City of Philadelphia retain certain non-supervisory employees of the previous contractor for a 90-day transition employment period during which period retained employees may not be terminated except for cause, and to require that said employees be provided with various other job security protections, providing penalties for non-compliance, including but not limited to revocation of the business privilege license of violators, and granting remedies to aggrieved parties; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. A new Chapter 9-2300 of the Philadelphia Code entitled “Protection of Displaced Contract Workers”, is hereby enacted, to read as follows:

CHAPTER 9-2300 PROTECTION OF DISPLACED CONTRACT WORKERS

Section 9-2301. Definitions.

The following definitions shall apply throughout this Chapter:

- (1) “Awarding authority” means any person that awards or otherwise enters into contracts for security, janitorial, building maintenance, food and beverage, hotel service, or health care services performed within the City of Philadelphia, including any subcontracts for these services.*
- (2) “Contractor” means any person that enters into a service contract with the awarding authority and any sub-contractors to such service contract at any tier, who employs ten (10) or more persons.*
- (3) “Employee” means any person employed to provide services pursuant to a service contract and includes registered nurses. “Employee” does not include a person who is (a) a managerial, supervisory, or confidential employee, including those employees who would so be defined under the Fair Labor Standards Act; or (b) is employed less than 15 hours a week.*
- (4) “Person” means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, or other entity that may employ individuals or enter into other contracts.*
- (5) “Service contract” means a contract let to a contractor by the awarding authority for the furnishing of security, janitorial, building maintenance, food and beverage, hotel service, or non-professional health care services, including any services to be performed by registered nurses.*
- (6) “Successorship service contract” means a service contract with the awarding authority where substantially the same services to be performed have previously been rendered to the awarding authority as part of the same program or at the same facility under another service contract that recently has been terminated or has ended within the previous 90 days.*

Section 9-2302. Transition Employment Period

All service contractors and awarding authorities who enter into service contracts to be performed within the City of Philadelphia shall be subject to the following obligations:

- (1) *The awarding authority shall give advance notice to a service contractor, and any collective bargaining representative of any of the service contract employees, that a service contract will be terminated or ended and the name, telephone number and address of the successor contractor or contractors if known. The terminated or ending contractor shall, within three (3) days after receipt of such notice, provide to the successor contractor, the name, date of hire, and employment occupation classification of each employee employed at the site or sites covered by the predecessor contractor at the time of receiving said notice.*
- (2) *On the date said contract ends, the terminating or ending contractor shall update the information previously provided to make it current to the actual termination date.*
- (3) *If the terminating contractor is not notified of the identity of the successor contractor, in the notice required by paragraph 1, the terminating contractor shall provide such information to the awarding authority within three (3) days of receipt of such notice. The awarding authority shall be responsible for providing such information to the successor contractor as soon as that contractor has been selected.*
- (4) *A successor contractor or sub-contractor shall retain, for a 90-day transition employment period commencing with the onset of the successorship service contract, all employees who have been employed by the terminated contractor or its sub-contractor at the site or sites covered by the contract for at least the eight months immediately preceding the date the predecessor contract is terminated.*

In the event that the successorship service contract is terminated or ended prior to the expiration of the 90-day transition employment period, then any contractor or sub-contractor awarded a subsequent successorship service contract shall be bound by the requirements set forth in this sub-section to retain, for a new 90-day transition employment period commencing with the onset of the subsequent successorship service contract, all employees who have been employed by any one or combination of the terminated or ending contractors at the site or sites covered by the contract for at least the eight months immediately preceding the date of the most recently terminated or ended contract.

The successor contractor or sub-contractor shall hand deliver a written offer of employment to each employee as required by this section in the employee's native language or another language in which the employee is fluent. Such offer shall state the time within which the employee must accept such offer but in no case may that time be less than ten days from the date of the offer and in no case may the tenth day occur any later than five days prior to the expiration of the predecessor contract.

The written offer required by this Section shall be substantially in the form set forth in Section 9-2304 in a language in which each employee is fluent.

- (5) *If at any time a successor contractor determines that fewer employees are required to perform the new service contract than were required by the terminated contractor, the successor contractor shall be required to retain employees by seniority within each job classification.*
- (6) *During such 90-day period, the successor contractor shall maintain a preferential hiring list of employees eligible for retention under Section 4, not retained by the successor contractor from*

which the successor contractor shall hire additional employees.

- (7) *Except as provided under subsection (6) of this section, during such 90-day period, the successor contractor shall not discharge without cause an employee retained pursuant to this Chapter. Cause shall be based only on the performance or conduct of the particular employee.*

Section 9-2303. Enforcement

- (1) *An employee displaced or terminated in violation of this Chapter may bring an action in a Court of competent jurisdiction against the awarding authority, the terminated contractor and/or the successor contractor, jointly or severally, for violations of any obligations imposed under this Chapter and may be awarded:*

(a) *back pay, including the value of benefits, for each day during which the violation continues, which shall be calculated at a rate of compensation not less than the higher of:*

(.1) *the average regular rate of pay received by the employee, during the last year of the employee's employment in the same job classification times average hours worked per work day over the past four months or*

(.2) *the final regular rate of pay received by the employee at the time of termination times the average hours worked per work day over the past four months; and*

(b) *reinstatement to his or her former position at no less than the last wage rate, with benefits and hours worked per work day, that the employee received.*

- (2) *If the employee is the prevailing party in any such legal action, the Court shall award reasonable attorney's fees and costs to the employee as part of the costs recoverable.*
- (3) *This section shall not be construed to limit an employee's right to bring common law cause of action for wrongful termination.*
- (4) *Each day a violation continues shall constitute a separate violation.*
- (5) *Any awarding authority or contractor who knowingly violates this Chapter shall pay penalties per employee per day of violation of \$50 to \$100.*

Section 9-2304. Notice to Displaced Worker

- (1) English Language Notice:

DATE:

TO: (name of employee)

**IMPORTANT INFORMATION REGARDING
YOUR EMPLOYMENT**

We have received information that you are employed by (name of predecessor contractor) and are currently performing work at (address of worksite). (Name of predecessor contractor) has lost its contract with the owners of (address of worksite) and will no longer be providing (security or janitorial or building maintenance or food and beverage, hotel service or health care) services as of (last day of predecessor contract).

We are (name of successor contractor) and have been hired by the owners of (address of worksite) to provide the same (security or janitorial or building maintenance or food and beverage, hotel service or health care) service. We are offering you a job with us for a 90 day probationary period starting (first day of successor contract) to perform the same type of work that you have already been doing for (name of predecessor contractor) under the following terms:

- Payrate (per hour): \$**
- Hours per shift:**
- Total Hours Per Week:**
- Benefits:**

You must respond to this offer within the next ten days. If you want to continue working at (address of worksite) you must let us know by (mm/dd/yyyy - no later than 5 days prior to the expiration of the predecessor contract or 10 days after the date of this letter if the predecessor contract has already expired). If we do not receive your response by the end of business that day, we will not hire you and you will lose your job. We can be reached at (successor contractor phone number).

The Protection of Displaced Contract Workers Ordinance, Chapter 9-2300 of the Philadelphia Code gives you the following rights:

1. You have the right, with certain exceptions, to be hired by our company for the first 90 days that we begin to provide services at (address of worksite).
2. During this 90 day period, you cannot be fired without just cause.
3. If you believe that you have been fired or laid off in violation of this Ordinance, you have the right to sue us and be awarded back pay, attorneys fees and court costs.

FROM: (Name of successor contractor)
(Address of successor contractor)
(Telephone # of successor contractor)

(1) Spanish Language Notice:

FECHA: _____

PARA: (nombre del trabajador)

**INFORMACION IMPORTANTE
SOBRE SU EMPLEO**

Hemos recibido información que usted está empleado por (nombre de la Compañía anterior) y que actualmente está trabajando en (dirección del lugar de empleo). (Nombre de la compañía anterior) ha terminado el termino de su contrato con los dueños de(dirección del lugar de empleo) y no proveerá más (servicios de seguridad o de limpieza o mantenimiento de edificio o de comida y bebida, servicios a hoteles o servicios de salud) servicios desde el (el último día de contrato de la compañía anterior).

Somos (nombre de la nueva compañía en contrato) y hemos sido contratados por los dueños de (dirección del lugar de trabajo) para proveer el mismo (seguridad o de limpieza o mantenimiento de edificio o de comida y bebida, servicio de hoteles o servicios de salud) servicio. Le estamos ofreciendo un empleo con nosotros con 90 días de periodo probatorio comenzando el (primer día de contrato de la compañía nueva) desempeñando el mismo tipo de trabajo que ha estado haciendo para (nombre de la compañía anterior) bajo los siguiente términos:

- Salario (por hora): \$ _____**
- Horas por días: _____**
- Total de horas por semana: _____**
- Beneficios: _____**

Usted deberá de contestar nuestra oferta entre los próximos diez días. Si usted quiere continuar trabajando en (dirección del lugar de trabajo) deberá de dejárnoslo saber no más tardar del (mes/día/año) - a no más tardar de 5 días antes de la expiración del contrato de la compañía anterior o 10 días después de haber recibido esta carta si el contrato de la compañía anterior ya está expirado). Si no recibimos su contestación ese día al terminar el día laboral no le contrataremos y usted perderá su empleo. Puede comunicarse con nosotros (número telefónico de la compañía nueva).

La Ordenanza de Protección para Trabajadores Desempleados bajo Contrato, Capitulo 9-2300 del Código de Filadelfia le da los siguientes derechos:

1. Usted tiene el derecho, con ciertas excepciones, de ser contratado por nuestra compañía por los primeros 90 días en que comencemos a dar servicios en (dirección del lugar de empleo).
2. Durante este periodo de 90 días usted no puede ser despedido sin causa justificada.
3. Si usted cree que ha sido despedido o le han dado de baja en violación a esta Ordenanza usted tiene el derecho de demandarnos y recibir su salario, honorarios de abogado y costo de corte.

DE: (Nombre de la Compañía nueva bajo contrato)
(Dirección de la Compañía nueva bajo contrato)
(Teléfono # de la Compañía nueva bajo contrato)

SECTION 2. Section 19-2602 of the Philadelphia code is hereby amended to read as follows:

19-2602. Licenses.

* * *

(4) Every person required to procure a license under this Section shall as a condition to the receipt or retention of said license:

* * *

(d)(1) The Department of Licenses and Inspections shall refrain from issuing or shall revoke, the business privilege license of any person, who under color of such license intends to operate, or is operating, in violation of the provisions of sub-sections 19-2602-(4)(b), [or] (4)(c) [or] (4)(d), or (4)(e), and shall take all steps necessary to terminate the business operations of any business establishment that has violated any of such sub-sections, including but not limited to the following:

* * *

(e) refrain from violating any provision of chapter 9-2300 of the Philadelphia Code entitled "Protection of Displaced Contract Workers." The Philadelphia Labor Standards Unit shall have the responsibility for the enforcement of the provisions of this subsection and in connection therewith shall:

(1) Cause a notice containing the provisions of this ordinance to be sent to all persons currently engaged in performing food and beverage, hotel service, health care, janitorial or building maintenance services within the City of Philadelphia as indicated on the application for Philadelphia Business Tax Account Number filed with the Revenue Department and to all persons who shall in the future indicate on their application for Philadelphia Business Tax Account Number filed with the Revenue Department that they intend to engage in such businesses.

(2) Maintain a current list of all business privilege license holders for performing food and beverage, hotel service, health care, janitorial or building maintenance services within the City of Philadelphia.

(3) Investigate all complaints against any contractor or sub-contractor or awarding authority and in connection therewith or with respect to any investigation shall have full power and authority to subpoena any witness, books, records, or other data of any person for the purposes of obtaining information pertinent to such investigation. The Director of the Philadelphia Labor Standards Unit shall make a finding in writing with respect to each complaint filed, and shall send a copy thereof to the complainant and the contractor and shall maintain it on file. Upon request, the unit shall provide any affected contractor or subcontractor with a hearing.

(4) Refer all complaints determined to have merit to the Department of Licenses and Inspections for revocation of the offending person's business privilege license pursuant to this subsection (d)(1).

(5) Monitor the operations of contractors, subcontractors and awarding authorities to ensure compliance with Chapter 9-2300 of the Philadelphia Code.

[(e)] (f)

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[(f)] (g)

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SECTION 3. Effective Date. This ordinance shall take effect thirty (30) days after its final enactment.