SENATE BILL 5738

State of Washington55th Legislature1997 Regular SessionBy Senators Horn, Haugen, Schow, Wood, McDonald and WinsleyRead first time 02/10/97.Referred to Committee on Commerce & Labor.

1 AN ACT Relating to compensation for employment; amending RCW 2 49.48.010; and adding a new section to chapter 49.46 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 49.48.010 and 1971 ex.s. c 55 s 1 are each amended to 5 read as follows:

6 When any employee shall cease to work for an employer, whether by 7 discharge or by voluntary withdrawal, the wages due him on account of his employment shall be paid to him ((at the end of the established pay 8 period)) in full no later than five days from the last date of 9 10 employment: PROVIDED, HOWEVER, That this paragraph shall not apply when workers are engaged in an employment that normally involves 11 12 working for several employers in the same industry interchangeably, and 13 the several employers or some of them cooperate to establish a plan for 14 the weekly payment of wages at a central place or places and in 15 accordance with a unified schedule of paydays providing for at least one payday each week; but this subsection shall not apply to any such 16 17 plan until ten days after notice of their intention to set up such a plan shall have been given to the director of labor and industries by 18 19 the employers who cooperate to establish the plan; and having once been

established, no such plan can be abandoned except after notice of their intention to abandon such plan has been given to the director of labor and industries by the employers intending to abandon the plan: PROVIDED FURTHER, That the duty to pay an employee forthwith shall not apply if the labor-management agreement under which the employee has been employed provides otherwise.

7 It shall be unlawful for any employer to withhold or divert any 8 portion of an employee's wages unless the deduction is:

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Required by state or federal law; or

10 (2) Specifically agreed upon orally or in writing by the employee11 and employer; or

12 (3) For medical, surgical or hospital care or service, pursuant to 13 any rule or regulation: PROVIDED, HOWEVER, That the deduction is 14 openly, clearly and in due course recorded in the employer's books and 15 records.

Paragraph ((three)) two of this section shall not be construed to affect the right of any employer or former employer to sue upon or collect any debt owed to said employer or former employer by his employees or former employees.

20 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 49.46 RCW 21 to read as follows:

22 (1) All tips given to a tipped employee by a customer are the 23 property of that employee, and the employer may not require that the 24 tip be given to the employer. However, the employer may consider the 25 tips as wages to be used toward satisfying the requirements of RCW 49.46.020 with respect to the amount that the minimum wage rate in 26 27 effect under RCW 49.46.020 exceeds four dollars and ninety cents per hour. The amount of tips considered as wages by an employer shall not 28 29 exceed the value of tips actually received by the employee.

30 (2) This section does not prohibit the pooling of tips among31 employees who customarily and regularly receive tips.

32 (3) For the purposes of this section, "tipped employee" means any
33 employee engaged in an occupation in which he or she customarily and
34 regularly receives more than thirty dollars a month in tips.

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