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SENATE BILL 5530

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State of Washington

65th Legislature

2017 Regular Session

By Senators Baumgartner and Braun

Read first time 01/27/17. Referred to Committee on Commerce, Labor & Sports.

1 AN ACT Relating to labor standards for employees in certain  
2 counties; amending RCW 49.46.020, 49.46.210, and 49.46.800; adding  
3 new sections to chapter 49.46 RCW; and providing an expiration date.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 49.46  
6 RCW to read as follows:

7 (1) Beginning January 1, 2017, and until January 1, 2018, every  
8 qualifying employer shall pay to each of his or her employees who has  
9 reached the age of eighteen years wages at a rate of not less than  
10 nine dollars and fifty-three cents per hour.

11 (2)(a) Beginning on January 1, 2018, and each following January  
12 1st as set forth under (b) of this subsection, every qualifying  
13 employer shall pay to each of his or her employees who has reached  
14 the age of eighteen years wages at a rate not less than the amount  
15 established under (b) of this subsection.

16 (b) On September 30, 2017, and on each following September 30th,  
17 the department of labor and industries shall calculate an adjusted  
18 minimum wage rate to maintain employee purchasing power by increasing  
19 the current year's minimum wage rate by the rate of inflation. The  
20 adjusted minimum wage rate shall be calculated to the nearest cent  
21 using the consumer price index for urban wage earners and clerical

1 workers, CPI-W, or a successor index, for the twelve months prior to  
2 each September 1st as calculated by the United States department of  
3 labor. Each adjusted minimum wage rate calculated under this  
4 subsection (2)(b) takes effect on the following January 1st.

5 (3) The provisions of RCW 49.46.020 (1) through (4), 49.46.210,  
6 and 49.46.800 do not apply to employees of a qualifying employer.

7 (4) For purposes of this section, "qualifying employer" means any  
8 employer located in a county with a population less than one million  
9 five hundred thousand people.

10 **Sec. 2.** RCW 49.46.020 and 2017 c 2 s 3 (Initiative Measure No.  
11 1433) are each amended to read as follows:

12 (1)(a) Beginning January 1, 2017, and until January 1, 2018,  
13 every employer shall pay to each of his or her employees who has  
14 reached the age of eighteen years wages at a rate of not less than  
15 eleven dollars per hour.

16 (b) Beginning January 1, 2018, and until January 1, 2019, every  
17 employer shall pay to each of his or her employees who has reached  
18 the age of eighteen years wages at a rate of not less than eleven  
19 dollars and fifty cents per hour.

20 (c) Beginning January 1, 2019, and until January 1, 2020, every  
21 employer shall pay to each of his or her employees who has reached  
22 the age of eighteen years wages at a rate of not less than twelve  
23 dollars per hour.

24 (d) Beginning January 1, 2020, and until January 1, 2021, every  
25 employer shall pay to each of his or her employees who has reached  
26 the age of eighteen years wages at a rate of not less than thirteen  
27 dollars and fifty cents per hour.

28 (2)(a) Beginning on January 1, 2021, and each following January  
29 1st as set forth under (b) of this subsection, every employer shall  
30 pay to each of his or her employees who has reached the age of  
31 eighteen years wages at a rate of not less than the amount  
32 established under (b) of this subsection.

33 (b) On September 30, 2020, and on each following September 30th,  
34 the department of labor and industries shall calculate an adjusted  
35 minimum wage rate to maintain employee purchasing power by increasing  
36 the current year's minimum wage rate by the rate of inflation. The  
37 adjusted minimum wage rate shall be calculated to the nearest cent  
38 using the consumer price index for urban wage earners and clerical  
39 workers, CPI-W, or a successor index, for the twelve months prior to

1 each September 1st as calculated by the United States department of  
2 labor. Each adjusted minimum wage rate calculated under this  
3 subsection (2)(b) takes effect on the following January 1st.

4 (3) An employer must pay to its employees: (a) All tips and  
5 gratuities; and (b) all service charges as defined under RCW  
6 49.46.160 except those that, pursuant to RCW 49.46.160, are itemized  
7 as not being payable to the employee or employees servicing the  
8 customer. Tips and service charges paid to an employee are in  
9 addition to, and may not count towards, the employee's hourly minimum  
10 wage.

11 (4) Beginning January 1, 2018, every employer must provide to  
12 each of its employees paid sick leave as provided in RCW 49.46.200  
13 and 49.46.210.

14 (5) The director shall by regulation establish the minimum wage  
15 for employees under the age of eighteen years.

16 (6) Subsections (1) through (4) of this section do not apply to  
17 employees of a qualifying employer, as defined in section 1 of this  
18 act.

19 **Sec. 3.** RCW 49.46.210 and 2017 c 2 s 5 (Initiative Measure No.  
20 1433) are each amended to read as follows:

21 (1) Beginning January 1, 2018, every employer shall provide each  
22 of its employees paid sick leave as follows:

23 (a) An employee shall accrue at least one hour of paid sick leave  
24 for every forty hours worked as an employee. An employer may provide  
25 paid sick leave in advance of accrual provided that such front-  
26 loading meets or exceeds the requirements of this section for  
27 accrual, use, and carryover of paid sick leave.

28 (b) An employee is authorized to use paid sick leave for the  
29 following reasons:

30 (i) An absence resulting from an employee's mental or physical  
31 illness, injury, or health condition; to accommodate the employee's  
32 need for medical diagnosis, care, or treatment of a mental or  
33 physical illness, injury, or health condition; or an employee's need  
34 for preventive medical care;

35 (ii) To allow the employee to provide care for a family member  
36 with a mental or physical illness, injury, or health condition; care  
37 of a family member who needs medical diagnosis, care, or treatment of  
38 a mental or physical illness, injury, or health condition; or care  
39 for a family member who needs preventive medical care; and

1 (iii) When the employee's place of business has been closed by  
2 order of a public official for any health-related reason, or when an  
3 employee's child's school or place of care has been closed for such a  
4 reason.

5 (c) An employee is authorized to use paid sick leave for absences  
6 that qualify for leave under the domestic violence leave act, chapter  
7 49.76 RCW.

8 (d) An employee is entitled to use accrued paid sick leave  
9 beginning on the ninetieth calendar day after the commencement of his  
10 or her employment.

11 (e) Employers are not prevented from providing more generous paid  
12 sick leave policies or permitting use of paid sick leave for  
13 additional purposes.

14 (f) An employer may require employees to give reasonable notice  
15 of an absence from work, so long as such notice does not interfere  
16 with an employee's lawful use of paid sick leave.

17 (g) For absences exceeding three days, an employer may require  
18 verification that an employee's use of paid sick leave is for an  
19 authorized purpose. If an employer requires verification,  
20 verification must be provided to the employer within a reasonable  
21 time period during or after the leave. An employer's requirements for  
22 verification may not result in an unreasonable burden or expense on  
23 the employee and may not exceed privacy or verification requirements  
24 otherwise established by law.

25 (h) An employer may not require, as a condition of an employee  
26 taking paid sick leave, that the employee search for or find a  
27 replacement worker to cover the hours during which the employee is on  
28 paid sick leave.

29 (i) For each hour of paid sick leave used, an employee shall be  
30 paid the greater of the minimum hourly wage rate established in this  
31 chapter or his or her normal hourly compensation. The employer is  
32 responsible for providing regular notification to employees about the  
33 amount of paid sick leave available to the employee.

34 (j) Unused paid sick leave carries over to the following year,  
35 except that an employer is not required to allow an employee to carry  
36 over paid sick leave in excess of forty hours.

37 (k) This section does not require an employer to provide  
38 financial or other reimbursement for accrued and unused paid sick  
39 leave to any employee upon the employee's termination, resignation,  
40 retirement, or other separation from employment. When there is a

1 separation from employment and the employee is rehired within twelve  
2 months of separation by the same employer, whether at the same or a  
3 different business location of the employer, previously accrued  
4 unused paid sick leave shall be reinstated and the previous period of  
5 employment shall be counted for purposes of determining the  
6 employee's eligibility to use paid sick leave under subsection (1)(d)  
7 of this section.

8 (2) For purposes of this section, "family member" means any of  
9 the following:

10 (a) A child, including a biological, adopted, or foster child,  
11 stepchild, or a child to whom the employee stands in loco parentis,  
12 is a legal guardian, or is a de facto parent, regardless of age or  
13 dependency status;

14 (b) A biological, adoptive, de facto, or foster parent,  
15 stepparent, or legal guardian of an employee or the employee's spouse  
16 or registered domestic partner, or a person who stood in loco  
17 parentis when the employee was a minor child;

18 (c) A spouse;

19 (d) A registered domestic partner;

20 (e) A grandparent;

21 (f) A grandchild; or

22 (g) A sibling.

23 (3) An employer may not adopt or enforce any policy that counts  
24 the use of paid sick leave time as an absence that may lead to or  
25 result in discipline against the employee.

26 (4) An employer may not discriminate or retaliate against an  
27 employee for his or her exercise of any rights under this chapter  
28 including the use of paid sick leave.

29 (5) This section does not apply to employees of a qualifying  
30 employer, as defined in section 1 of this act.

31 **Sec. 4.** RCW 49.46.800 and 2017 c 2 s 6 (Initiative Measure No.  
32 1433) are each amended to read as follows:

33 (1) Beginning January 1, 2017, all existing rights and remedies  
34 available under state or local law for enforcement of the minimum  
35 wage shall be applicable to enforce all of the rights established  
36 under chapter 2, Laws of 2017.

37 (2) The state shall pay individual providers, as defined in RCW  
38 74.39A.240, in accordance with the minimum wage, overtime, and paid  
39 sick leave requirements of this chapter.

1        (3) This section does not apply to employees of a qualifying  
2 employer, as defined in section 1 of this act.

3        NEW SECTION.    **Sec. 5.**    A new section is added to chapter 49.46  
4 RCW to read as follows:

5        Chapter . . . , Laws of 2017 (this act) applies retroactively to  
6 January 1, 2017.

7        NEW SECTION.    **Sec. 6.**    This act expires January 1, 2019.

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