## SUBSTITUTE HOUSE BILL 1515

State of Washington 66th Legislature 2019 Regular Session

By House Labor & Workplace Standards (originally sponsored by Representatives Riccelli, Doglio, Frame, Ormsby, Valdez, Stonier, Robinson, Cody, Pellicciotti, Peterson, Tharinger, Fitzgibbon, Sells, Reeves, Pollet, and Macri)

READ FIRST TIME 02/22/19.

AN ACT Relating to simplifying, clarifying, and making consistent employee status under industrial insurance laws, prevailing wage laws, wage deduction laws, wage payment laws, minimum wage laws, and unemployment compensation laws, and creating the employee fair classification act; creating a new section; and providing an expiration date.

## 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

- 8 <u>NEW SECTION.</u> **Sec. 1.** (1)(a) A work group on employee 9 classification is established, with members as provided in this 10 subsection, to examine questions regarding worker classifications as 11 employees, independent contractors, or exempt from coverage under 12 various laws.
- 13 (i) The president of the senate shall appoint one member from 14 each of the two largest caucuses of the senate.
- (ii) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.
- 18 (iii) The Washington state labor council and the association of 19 Washington business shall each appoint five members.
- 20 (iv) The department of labor and industries and the employment 21 security department each have one nonvoting member.

p. 1 SHB 1515

(b) The members shall select cochairs from among the work group membership. The department of labor and industries shall convene the first meeting and provide staff support for the work group.

- (2) The work group shall review the elements of classification by:
- (a) Examining ways to adopt unified employee and independent contractor definitions for purposes of fair classification under laws administered by the department of labor and industries and the employment security department. The ways identified must assure no general loss of worker rights, protections, and social insurance;
- (b) Considering the classification of specific industries as exempt under the minimum wage act, unemployment insurance, industrial insurance, and related laws the work group deems appropriate to consider;
- (c) Examining any need for changes to agency practices to ensure classifications are enforced.
  - (3) The work group shall report its findings to the appropriate committees of the legislature by November 15, 2019. The findings shall include problem statements submitted by members, options for unified employee and independent contractor definitions and exemptions, and an analysis of the impact of proposals on affected industries and specific groups of workers, and the impact of broad inclusions or exclusions of groups of workers. The work group may also submit recommendations.
  - (4) If a majority of the voting members of the work group agrees, the work group may continue its work until December 15, 2020, at which time the work group shall report additional findings and any additional recommendations.
  - (5) Legislative members of the work group are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.
    - (6) This act expires June 30, 2021.

--- END ---

p. 2 SHB 1515