

# HOUSE BILL REPORT

## SB 5385

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**As Passed House:**

April 5, 2021

**Title:** An act relating to the size of the airport a municipality must control or operate for that municipality to enact minimum labor standards for employees at the airport.

**Brief Description:** Concerning the size of the airport a municipality must control or operate for that municipality to enact minimum labor standards for employees at the airport.

**Sponsors:** Senators Keiser, Saldaña and Nguyen.

**Brief History:**

**Committee Activity:**

Labor & Workplace Standards: 3/16/21, 3/19/21 [DP].

**Floor Activity:**

Passed House: 4/5/21, 57-41.

**Brief Summary of Bill**

- Includes averaging in the airport size threshold used to determine whether a controlling municipality may enact a minimum labor standard at the airport.

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### HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

**Majority Report:** Do pass. Signed by 4 members: Representatives Sells, Chair; Berry, Vice Chair; Bronoske and Ortiz-Self.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Hoff, Ranking Minority Member; Harris.

**Minority Report:** Without recommendation. Signed by 1 member: Representative Mosbrucker, Assistant Ranking Minority Member.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

**Staff:** Lily Smith (786-7175).

**Background:**

Municipal Airports.

Municipalities may establish, operate, and regulate municipal airports and other air navigational facilities. Municipal airports are under the exclusive jurisdiction, subject to state and federal law, of the municipality that controls or operates the airport. A municipality may be a county, city, town, airport district, or port district.

Minimum Wages.

Employers covered under the Minimum Wage Act must pay employees age 18 or older at least the state minimum hourly wage, which is adjusted annually by the rate of inflation. The current state minimum wage is \$13.69 per hour. Local jurisdictions are authorized to enact minimum wages and other standards more favorable to employees.

In 2013 Proposition 1 established a variety of requirements for hospitality and transportation businesses in the City of SeaTac, including a minimum wage standard of \$15 per hour, adjusted for inflation. The current minimum wage for the City of SeaTac is \$16.57 per hour.

In 2015 the Washington State Supreme Court held that Proposition 1 could be enforced at SeaTac Airport, which is owned and operated by the Port of Seattle, so long as it did not interfere with airport operations.

Engrossed Substitute Senate Bill 6217.

In the 2020 Regular Session, the Legislature authorized municipalities that control or operate an airport with more than 20 million annual commercial passenger boardings to enact a minimum labor standard for employees at the airport when all of the following conditions apply:

- the minimum labor standard meets, but does not exceed, those enacted by any other municipality in which the airport or other property is located;
- the airport is located within a city that has a local minimum labor standard that applies to certain employers at the airport;
- the labor standard only applies to employers expressly excluded from the existing local minimum wage standard due to their goods or service type; and
- the employers are both on the municipal property and within the city that has a local standard.

**Summary of Bill:**

For the purposes of whether an airport meets the size threshold for its municipality to enact a minimum labor standard for employees working at the airport, the number of annual commercial air service boardings at an airport is averaged over the most recent seven years.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) This bill responds to the volatility created by the COVID-19 pandemic and ensures that airports can calculate appropriately whether the underlying minimum labor standards provisions apply. It is supported by the Commissioners of the Port of Seattle. There is a wage imbalance between different workers at the airport, with some covered by the minimum wage established by the City of SeaTac and some not. Concerns and impacts from this disparity have deepened during the pandemic. This is a technical fix bill to ensure these workers are not left behind.

(Opposed) None.

**Persons Testifying:** Stefan Moritz, UNITE HERE! Local 8; and Stephanie Bowman and Eric Fitch, Port of Seattle.

**Persons Signed In To Testify But Not Testifying:** None.