SENATE BILL REPORT SB 5979

As Reported by Senate Committee On: Labor & Commerce, January 16, 2024

Title: An act relating to accrued leave for construction workers.

Brief Description: Concerning accrued leave for construction workers.

Sponsors: Senators Keiser, Conway, Saldaña, Randall, Kuderer, Liias, Kauffman, Van De Wege, Hasegawa, Nobles, Valdez and Wilson, C..

Brief History:

Committee Activity: Labor & Commerce: 1/15/24, 1/16/24 [DP].

Brief Summary of Bill

• Defines construction worker as a worker who performed service, maintenance, or construction work on a jobsite, in the field, or in a fabrication shop using the tools of the worker's trade or craft, for purposes of the requirement to pay the worker their accrued and unused sick leave if they have not met the 90-day eligibility.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair; Saldaña, Vice Chair; King, Ranking Member; Braun, Hansen, MacEwen and Stanford.

Staff: Susan Jones (786-7404)

Background: Paid Sick Leave. Every employer must provide each of its employees at least one hour of paid sick leave for every 40 hours worked as an employee. An employee is entitled to use accrued paid sick leave beginning on the 90th calendar day after the commencement of employment.

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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.

Accrued and unused paid sick leave carries over to the following year, except an employer is not required to allow an employee to carry over paid sick leave in excess of 40 hours. An employer is not required to provide financial or other reimbursement for accrued and unused paid sick leave to any employee upon the employee's termination, resignation, retirement, or other separation from employment. When there is a separation from employment and the employee is rehired within 12 months by the same employer, previously accrued unused paid sick leave must be reinstated and the previous period of employment counts for determining the employee's eligibility to use paid sick leave.

For workers covered under the North American industry classification system industry code 23—construction industry, except for code 236100—residential building construction, who have not met the 90th day eligibility at the time of separation, the employer must pay the former worker the balance of their accrued and unused paid sick leave at the end of the established pay period following the worker's separation.

Exceptions for Construction Workers Under a Collective Bargaining Agreement. Paid sick leave requirements do not apply to construction workers covered by a collective bargaining agreement (CBA) if:

- the union signatory to the CBA is an approved referral union program;
- the CBA establishes equivalent paid leave provisions; and
- the CBA expressly waives the sick leave requirements in clear and unambiguous terms or in an addendum to an existing agreement including an agreement open for negotiation provided the sick leave portions were previously ratified by the membership.

Equivalent sick leave must meet the requirements in state law, except the payment of leave may occur before usage.

Summary of Bill: For purposes of the requirement to pay construction workers their accrued and unused sick leave if they have not met the 90-day eligibility, the term construction worker means a worker who performed service, maintenance, or construction work on a jobsite, in the field, or in a fabrication shop using the tools of the worker's trade or craft.

Appropriation: None.

Fiscal Note: Requested on January 4, 2024.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony: PRO: There was a problem that construction

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workers did not vest in the paid sick leave. The previous legislation addressed the problem but they did not realize it applied to office workers. They tried to cover it in rulemaking but legislation is needed. The bill excludes admin workers who were not intended to be covered under these provisions.

Persons Testifying: PRO: Jerry VanderWood, AGC and WA Construction Industry Council; Michael Transue, Mechanical Contractors Association of Western WA.

Persons Signed In To Testify But Not Testifying: No one.

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