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## SUBSTITUTE SENATE BILL 5583

State of Washington 56th Legislature 1999 Regular Session

By Senate Committee on Labor & Workforce Development (originally sponsored by Senators Franklin, Fairley and Kline)

Read first time 02/16/1999.

- 1 AN ACT Relating to unfair practices with respect to eligibility for
- 2 employment-based benefits; adding a new section to chapter 49.44 RCW;
- 3 and creating new sections.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** LEGISLATIVE FINDINGS. The legislature finds
  - that part-time, temporary, leased, and other contingent workers are
- 7 increasing in numbers. Under state laws and employer policies, these
- 8 contingent workers are less likely than other workers to receive
- 9 employment-based benefits. Consequently, employers may terminate
- 10 employees, misclassify employees, limit contract terms, or take other
- 11 action solely to avoid providing or continuing to provide employment-
- 12 based benefits.

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- 13 <u>NEW SECTION.</u> **Sec. 2.** LEGISLATIVE INTENT. The legislature intends
- 14 that the purpose of this act is to prohibit employers from terminating
- 15 employees, misclassifying employees, limiting their contracts, or
- 16 taking other action solely to avoid providing or continuing to provide
- 17 employment-based benefits to which employees are entitled under state
- 18 law or employer policies. It is not the intent of the legislature that

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- 1 this act relate to or affect employment-based benefits subject to the
- 2 federal employee retirement income security act.

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- NEW SECTION. Sec. 3. A new section is added to chapter 49.44 RCW 4 to read as follows:
  - (1) It is an unfair practice for any employer to:
- 6 (a) Terminate any employee solely to avoid providing or continuing 7 to provide employment-based benefits to which the employee would become 8 or is entitled under any state law or any employer policy;
- 9 (b) Misclassify any employee with the intent to avoid providing or 10 continuing to provide employment-based benefits to which the employee 11 would become or is entitled under any state law or any employer policy;
  - (c) Limit the term of a contract with an employee with the intent to avoid providing employment-based benefits to which the employee would become entitled under any state law or any employer policy;
- (d) Include any other language in a contract with an employee that requires the employee to forego employment-based benefits to which the employee would become or is entitled under any state law or any employer policy; or
- 19 (e) Terminate or in any manner discriminate against an employee 20 because the employee has filed or communicated to the employer an 21 intent to file an action alleging a violation of this subsection.
- 22 (2) The definitions in this subsection apply throughout this 23 section unless the context clearly requires otherwise.
- (a) "Employee" means a person who is providing services for compensation to an employer, unless the person is free from the employer's direction and control over the performance of work. This definition shall be interpreted consistent with common law.
- (b) "Employer" means: (i) Any person, firm, corporation, partnership, business trust, legal representative or other business entity which engages in any business, industry, profession, or activity; (ii) any unit of local government including, but not limited to, a county, city, town, municipal corporation, quasi-municipal corporation, or political subdivision; and (iii) the state, state institutions, and state agencies.
- 35 (c) "Employment-based benefits" means any benefits to which an 36 employee may become or is entitled under any state law or any employer 37 policy.

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- 1 (3) Any employee deeming himself or herself terminated or otherwise 2 harmed in violation of subsection (1) of this section may bring a civil 3 action in a court of competent jurisdiction. If the employee prevails, 4 he or she shall be awarded:
- 5 (a) Either six months' wages or treble the actual damages sustained 6 by the employee as a result of being terminated or otherwise harmed in 7 violation of subsection (1) of this section, whichever is greater;
  - (b) Costs of suit or arbitration; and
- 9 (c) Reasonable attorneys' fees.

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- NEW SECTION. Sec. 4. This act shall be construed liberally for the accomplishment of the purposes thereof.
- NEW SECTION. Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.
- NEW SECTION. Sec. 6. Captions used in this act are not any part of the law.

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