CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 5264

Chapter 155, Laws of 2002

57th Legislature 2002 Regular Session

PUBLIC EMPLOYERS--UNFAIR PRACTICES

EFFECTIVE DATE: 6/13/02

Passed by the Senate March 12, 2002 YEAS 45 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House March 8, 2002 YEAS 96 NAYS 0

CERTIFICATE

I, Tony M. Cook, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5264** as passed by the Senate and the House of Representatives on the dates hereon set forth.

FRANK CHOPP

TONY M. COOK

Speaker of the House of Representatives

Approved March 27, 2002

FILED

March 27, 2002 - 8:35 a.m.

GARY LOCKE

Governor of the State of Washington

Secretary of State State of Washington

Secretary

ENGROSSED SUBSTITUTE SENATE BILL 5264

AS AMENDED BY THE HOUSE

Passed Legislature - 2002 Regular Session

State of Washington 57th Legislature 2001 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Fraser, Patterson, Costa, Shin, Kline, Kohl-Welles, Constantine, Jacobsen, Winsley and Gardner)

READ FIRST TIME 03/08/01.

- 1 AN ACT Relating to unfair practices by public employers with
- 2 respect to eligibility for employment-based benefits; adding new
- 3 sections to chapter 49.44 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 49.44 RCW 6 to read as follows:
- 7 The legislature intends that public employers be prohibited from
- 8 misclassifying employees, or taking other action to avoid providing or
- 9 continuing to provide employment-based benefits to which employees are
- 10 entitled under state law or employer policies or collective bargaining
- 11 agreements applicable to the employee's correct classification.
- This act does not mandate that any public employer provide benefits
- 13 to actual temporary, seasonal, or part-time employees beyond the
- 14 benefits to which they are entitled under state law or employer
- 15 policies or collective bargaining agreements applicable to the
- 16 employee's correct classification. Public employers may determine
- 17 eligibility rules for their own benefit plans and may exclude
- 18 categories of workers such as "temporary" or "seasonal," so long as the
- 19 definitions and eligibility rules are objective and applied on a

- 1 consistent basis. Objective standards, such as control over the work
- 2 and the length of the employment relationship, should determine whether
- 3 a person is an employee who is entitled to employee benefits, rather
- 4 than the arbitrary application of labels, such as "temporary" or
- 5 "contractor." Common law standards should be used to determine whether
- 6 a person is performing services as an employee, as a contractor, or as
- 7 part of an agency relationship.
- 8 This act does not modify any statute or policy regarding the
- 9 employment of: Public employee retirees who are hired for
- 10 postretirement employment as provided for in chapter 41.26, 41.32,
- 11 41.35, or 41.40 RCW or who work as contractors; or enrolled students
- 12 who receive employment as student employees or as part of their
- 13 education or financial aid.
- 14 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 49.44 RCW
- 15 to read as follows:
- 16 (1) It is an unfair practice for any public employer to:
- 17 (a) Misclassify any employee to avoid providing or continuing to
- 18 provide employment-based benefits; or
- 19 (b) Include any other language in a contract with an employee that
- 20 requires the employee to forgo employment-based benefits.
- 21 (2) The definitions in this subsection apply throughout this act
- 22 unless the context clearly requires otherwise.
- 23 (a) "Employee" means a person who is providing services for
- 24 compensation to an employer, unless the person is free from the
- 25 employer's direction and control over the performance of work. This
- 26 definition shall be interpreted consistent with common law.
- 27 (b) "Employment-based benefits" means any benefits to which
- 28 employees are entitled under state law or employer policies or
- 29 collective bargaining agreements applicable to the employee's correct
- 30 classification.
- 31 (c) "Public employer" means: (i) Any unit of local government
- 32 including, but not limited to, a county, city, town, municipal
- 33 corporation, quasi-municipal corporation, or political subdivision; and
- 34 (ii) the state, state institutions, and state agencies. This
- 35 definition shall be interpreted consistent with common law.
- 36 (d) "Misclassify" and "misclassification" means to incorrectly
- 37 classify or label a long-term public employee as "temporary," "leased,"
- 38 "contract," "seasonal," "intermittent," or "part-time," or to use a

- 1 similar label that does not objectively describe the employee's actual
- 2 work circumstances.
- 3 (3) An employee deeming himself or herself harmed in violation of
- 4 subsection (1) of this section may bring a civil action in a court of
- 5 competent jurisdiction.
- 6 NEW SECTION. Sec. 3. This act shall be construed liberally for
- 7 the accomplishment of its purposes.
- 8 <u>NEW SECTION.</u> **Sec. 4.** If any provision of this act or its
- 9 application to any person or circumstance is held invalid, the
- 10 remainder of the act or the application of the provision to other
- 11 persons or circumstances is not affected.

Passed the Senate March 12, 2002.

Passed the House March 8, 2002.

Approved by the Governor March 27, 2002.

Filed in Office of Secretary of State March 27, 2002.