SENATE BILL 5684

State of Washington 58th Legislature 2003 Regular Session

By Senators Honeyford, T. Sheldon and Mulliken

Read first time 02/06/2003. Referred to Committee on Commerce & Trade.

1 AN ACT Relating to minimum wages; amending RCW 49.46.010 and 2 49.46.010; providing effective dates; and providing an expiration date.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 49.46.010 and 1997 c 203 s 3 are each amended to read 5 as follows:

- 6 As used in this chapter:
- 7 (1) "Director" means the director of labor and industries;

8 (2) "Wage" means compensation due to an employee by reason of employment, payable in legal tender of the United States or checks on 9 10 banks convertible into cash on demand at full face value, subject to such deductions, charges, or allowances as may be permitted by rules of 11 the director, including a deduction for the reasonable cost of the 12 13 employer providing the employee with board, lodging, or other facilities in accordance with the federal fair labor standards act (29 14 U.S.C. <u>Sec. 3(m)</u>; 15

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(3) "Employ" includes to permit to work;

(4) "Employer" includes any individual, partnership, association,corporation, business trust, or any person or group of persons acting

1 directly or indirectly in the interest of an employer in relation to an 2 employee;

3 (5) "Employee" includes any individual employed by an employer but
4 shall not include:

5 (a) Any individual (i) employed as a hand harvest laborer and paid 6 on a piece rate basis in an operation which has been, and is generally 7 and customarily recognized as having been, paid on a piece rate basis 8 in the region of employment; (ii) who commutes daily from his or her 9 permanent residence to the farm on which he or she is employed; and 10 (iii) who has been employed in agriculture less than thirteen weeks 11 during the preceding calendar year;

(b) Any individual employed in casual labor in or about a private home, unless performed in the course of the employer's trade, business, or profession;

15 (c) Any individual employed in a bona fide executive, 16 administrative, or professional capacity or in the capacity of outside 17 salesman as those terms are defined and delimited by rules of the 18 director. However, those terms shall be defined and delimited by the 19 Washington personnel resources board pursuant to chapter 41.06 RCW;

(d) Any individual engaged in the activities of an educational, 20 21 charitable, religious, state or local governmental body or agency, or 22 nonprofit organization where the employer-employee relationship does not in fact exist or where the services are rendered to such 23 24 organizations gratuitously. If the individual receives reimbursement 25 in lieu of compensation for normally incurred out-of-pocket expenses or receives a nominal amount of compensation per unit of voluntary service 26 27 rendered, an employer-employee relationship is deemed not to exist for the purpose of this section or for purposes of membership or 28 qualification in any state, local government or publicly supported 29 retirement system other than that provided under chapter 41.24 RCW; 30

(e) Any individual employed full time by any state or local governmental body or agency who provides voluntary services but only with regard to the provision of the voluntary services. The voluntary services and any compensation therefor shall not affect or add to qualification, entitlement or benefit rights under any state, local government, or publicly supported retirement system other than that provided under chapter 41.24 RCW;

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(f) Any newspaper vendor or carrier;

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(g) Any carrier subject to regulation by Part 1 of the Interstate
 Commerce Act;

3 (h) Any individual engaged in forest protection and fire prevention4 activities;

5 (i) Any individual employed by any charitable institution charged 6 with child care responsibilities engaged primarily in the development 7 of character or citizenship or promoting health or physical fitness or 8 providing or sponsoring recreational opportunities or facilities for 9 young people or members of the armed forces of the United States;

(j) Any individual whose duties require that he or she reside or sleep at the place of his or her employment or who otherwise spends a substantial portion of his or her work time subject to call, and not engaged in the performance of active duties;

14 (k) Any resident, inmate, or patient of a state, county, or 15 municipal correctional, detention, treatment or rehabilitative 16 institution;

(1) Any individual who holds a public elective or appointive office of the state, any county, city, town, municipal corporation or quasi municipal corporation, political subdivision, or any instrumentality thereof, or any employee of the state legislature;

(m) All vessel operating crews of the Washington state ferries operated by the department of transportation;

23 (n) Any individual employed as a seaman on a vessel other than an 24 American vessel;

(6) "Occupation" means any occupation, service, trade, business,
 industry, or branch or group of industries or employment or class of
 employment in which employees are gainfully employed;

28 (7) "Retail or service establishment" means an establishment 29 seventy-five percent of whose annual dollar volume of sales of goods or 30 services, or both, is not for resale and is recognized as retail sales 31 or services in the particular industry.

32 **Sec. 2.** RCW 49.46.010 and 2002 c 354 s 231 are each amended to 33 read as follows:

34 As used in this chapter:

35 (1) "Director" means the director of labor and industries;

36 (2) "Wage" means compensation due to an employee by reason of 37 employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to such deductions, charges, or allowances as may be permitted by rules of the director, including a deduction for the reasonable cost of the employer providing the employee with board, lodging, or other facilities in accordance with the federal fair labor standards act (29 U.S.C. Sec. 3(m));

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(3) "Employ" includes to permit to work;

8 (4) "Employer" includes any individual, partnership, association, 9 corporation, business trust, or any person or group of persons acting 10 directly or indirectly in the interest of an employer in relation to an 11 employee;

12 (5) "Employee" includes any individual employed by an employer but13 shall not include:

(a) Any individual (i) employed as a hand harvest laborer and paid on a piece rate basis in an operation which has been, and is generally and customarily recognized as having been, paid on a piece rate basis in the region of employment; (ii) who commutes daily from his or her permanent residence to the farm on which he or she is employed; and (iii) who has been employed in agriculture less than thirteen weeks during the preceding calendar year;

(b) Any individual employed in casual labor in or about a private home, unless performed in the course of the employer's trade, business, or profession;

24 Any individual employed in a bona fide (C) executive, 25 administrative, or professional capacity or in the capacity of outside salesman as those terms are defined and delimited by rules of the 26 27 director. However, those terms shall be defined and delimited by the director of personnel pursuant to chapter 41.06 RCW for employees 28 employed under the director of personnel's jurisdiction; 29

(d) Any individual engaged in the activities of an educational, 30 31 charitable, religious, state or local governmental body or agency, or 32 nonprofit organization where the employer-employee relationship does not in fact exist or where the services are rendered to such 33 organizations gratuitously. If the individual receives reimbursement 34 in lieu of compensation for normally incurred out-of-pocket expenses or 35 receives a nominal amount of compensation per unit of voluntary service 36 37 rendered, an employer-employee relationship is deemed not to exist for

1 the purpose of this section or for purposes of membership or 2 qualification in any state, local government or publicly supported 3 retirement system other than that provided under chapter 41.24 RCW;

4 (e) Any individual employed full time by any state or local 5 governmental body or agency who provides voluntary services but only 6 with regard to the provision of the voluntary services. The voluntary 7 services and any compensation therefor shall not affect or add to 8 qualification, entitlement or benefit rights under any state, local 9 government, or publicly supported retirement system other than that 10 provided under chapter 41.24 RCW;

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(f) Any newspaper vendor or carrier;

12 (g) Any carrier subject to regulation by Part 1 of the Interstate13 Commerce Act;

(h) Any individual engaged in forest protection and fire preventionactivities;

(i) Any individual employed by any charitable institution charged
with child care responsibilities engaged primarily in the development
of character or citizenship or promoting health or physical fitness or
providing or sponsoring recreational opportunities or facilities for
young people or members of the armed forces of the United States;

(j) Any individual whose duties require that he or she reside or sleep at the place of his or her employment or who otherwise spends a substantial portion of his or her work time subject to call, and not engaged in the performance of active duties;

(k) Any resident, inmate, or patient of a state, county, or municipal correctional, detention, treatment or rehabilitative institution;

(1) Any individual who holds a public elective or appointive office of the state, any county, city, town, municipal corporation or quasi municipal corporation, political subdivision, or any instrumentality thereof, or any employee of the state legislature;

32 (m) All vessel operating crews of the Washington state ferries33 operated by the department of transportation;

34 (n) Any individual employed as a seaman on a vessel other than an35 American vessel;

(6) "Occupation" means any occupation, service, trade, business,
 industry, or branch or group of industries or employment or class of
 employment in which employees are gainfully employed;

1 (7) "Retail or service establishment" means an establishment 2 seventy-five percent of whose annual dollar volume of sales of goods or 3 services, or both, is not for resale and is recognized as retail sales 4 or services in the particular industry.

5 <u>NEW SECTION.</u> Sec. 3. (1) Section 1 of this act takes effect 6 September 1, 2003.

- 7 (2) Section 2 of this act takes effect July 1, 2004.
 - (3) Section 1 of this act expires July 1, 2004.

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