
Commerce & Labor Committee

HB 2979

Brief Description: Addressing overtime compensation for agricultural employees.

Sponsors: Representatives Williams, Conway, Moeller and Simpson.

Brief Summary of Bill

- Requires overtime wages for certain agricultural work unless the employee is employed by the owner/operator.

Hearing Date: 1/24/08

Staff: Alison Hellberg (786-7152).

Background:

Under the state's Minimum Wage Act, employees who work longer than 40 hours in a seven day work week must generally be paid at least 1.5 the regular rate of pay. Many employees are exempt, including individuals employed in delivering to storage, or to market or to a carrier for transportation to market, any agricultural or horticultural commodity.

The Department of Labor & Industries issued a policy statement interpreting this provision as applying only to individuals who work for an employer who actually produces the products. In August 2006, however, the Washington Supreme Court, in *Cerillo v. Esparza*, held that the statute was not ambiguous and that truckers hauling agricultural commodities are exempt from the overtime requirements.

Summary of Bill:

The Minimum Wage Act overtime exemptions for individuals employed in the following activities is limited to individuals employed by the owner or operator with respect to agricultural or horticultural commodities produced by the owner or operator:

- packing, packaging, grading, storing or delivery to storage, or to market or to a carrier for transportation to market;

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- commercial canning, freezing or other processing; or
- after delivery to a terminal market for distribution.

The exemption for individuals employed in connection with the cultivation, raising, harvesting, and processing of oysters is also limited to those employed by the owner or operator with respect to oysters produced by the owner or operator.

Rules Authority: The bill does not address the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Available.

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