S-3801.1

SENATE BILL 6229

State of Washington 62nd Legislature 2012 Regular Session

By Senators Kohl-Welles, Conway, Keiser, Nelson, Kline, Chase, and Frockt Read first time 01/16/12. Referred to Committee on Labor, Commerce & Consumer Protection.

- 1 AN ACT Relating to establishing minimum standards for sick and safe
- 2 leave from employment; adding a new chapter to Title 49 RCW; and
- 3 prescribing penalties.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 NEW SECTION. Sec. 1. FINDINGS AND INTENT. The legislature finds that paid sick and safe leave from employment is critical to the 6 7 economic well-being of the state and workers and to public health and safety. Paid sick and safe leave helps workers maintain their own 8 9 health and the health of their families, coworkers, and members of the public. Paid sick and safe leave also helps give victims of domestic 10 11 violence, sexual assault, and stalking the financial independence necessary to leave abusive situations, achieve safety, and minimize 12 physical and emotional injuries. The legislature further finds that 13 14 paid sick and safe leave helps employers retain trained workers and 15 operate competitively as well as ensures that workers and their 16 families retain economic security.
- 17 NEW SECTION. Sec. 2. DEFINITIONS. The definitions in this

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- 1 section apply throughout this chapter unless the context clearly 2 requires otherwise.
- 3 (1) "Child," "grandparent," "parent," "parent-in-law," and "spouse" 4 have the same meanings as in RCW 49.12.265.
- 5 (2) "Department" and "director" have the same meanings as in RCW 49.12.005.

- (3) "Domestic violence" has the same meaning as in RCW 26.50.010.
- (4) "Eating or drinking establishment" means a place where food or beverages, or both, are prepared and sold at retail for immediate consumption either on or off-premise, but excludes food and beverage service sites, such as cafeterias, that are accessory to other activities and primarily serve students, patients, and/or on-site employees.
- (5) "Employee" means any individual employed by an employer, including individuals employed on a temporary and part-time basis. An individual performing less than two hundred forty hours of work in the state in a calendar year is an employee only for purposes of determining the employer tier. An individual performing services on a temporary basis and supplied by a temporary service, staffing agency, or similar entity, absent a contractual agreement stating otherwise, is an employee of the staffing agency or similar entity for purposes of sick and safe leave and an employee of the employer contracting with the staffing agency or similar entity for purposes of determining the employer tier.
 - (6)(a) "Employer" has the same meaning as in RCW 49.12.005.
- (i) "Tier one employer" means an employer that employs more than four and fewer than fifty full-time equivalents on average per calendar week.
- (ii) "Tier two employer" means an employer that employs at least fifty and fewer than two hundred fifty full-time equivalents on average per calendar week.
- (iii) "Tier three employer" means an employer that employs two hundred fifty or more full-time equivalents on average per calendar week.
- 35 (b) The employer tier for the current calendar year is determined 36 by the average number of full-time equivalents paid per calendar week 37 during the preceding calendar year for any and all weeks during which 38 at least one employee worked for compensation. To determine the number

of full-time equivalents, all compensated hours of all employees shall 1 2 be counted, including part-time employment, temporary employment, or 3 employment through the services of a staffing agency or similar entity. 4 If an employer did not employ any employees during the previous calendar year, the employer tier is determined based upon the average 5 number of full-time equivalents paid per calendar week during the first 6 7 ninety calendar days of the current year in which the employer engaged 8 in business.

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- (7) "Full-time equivalent" means the number of hours worked for compensation that add up to one full-time employee, based either on an eight hour day and a five day week or as full-time is defined, in writing or in practice, by the employer.
- (8) "Health care provider" means any person licensed to provide medical or emergency services and any other person as determined by the director to be capable of providing documentation under section 5(4) of this act.
 - (9) "Sexual assault" has the same meaning as in RCW 70.125.030.
- (10) "Sick and safe leave" means hours of paid time provided by an employer for use by an employee for absence from work for the purposes specified in section 4 of this act.
- (11) "Staffing agency" means any person undertaking with or without compensation to procure opportunities to work or to procure, recruit, refer, or place individuals with an employer or in employment.
 - (12) "Stalking" has the same meaning as in RCW 9A.46.110.
- NEW SECTION. Sec. 3. ACCRUAL OF SICK AND SAFE LEAVE. (1)
 Beginning January 1, 2013, an employee accrues sick and safe leave,
 which may be used as either sick leave or safe leave, as follows:
 - (a) An employee of a tier one or tier two employer must accrue at least one hour of leave for every forty hours worked.
 - (b) An employee of a tier three employer must accrue at least one hour of leave for every thirty hours worked.
 - (2) Sick and safe leave begins to accrue at the commencement of employment, except that no leave accrues before January 1, 2013.
 - (3) If an employee is exempt from overtime payment under state and federal law: (a) The employee is not entitled to accrue leave for hours worked in excess of forty hours in a work week; and (b) if the

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- employee's normal work week is less than forty hours, leave accrues based on the employee's normal work week.
 - (4) Unused sick and safe leave carries over to the following calendar year, except that an employer is not required to allow an employee to carry over sick and safe leave in excess of:
 - (a) Forty hours for a tier one employer;

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- (b) Fifty-six hours for a tier two employer; or
- 8 (c) Subject to subsection (5) of this section, seventy-two hours 9 for a tier three employer.
 - (5)(a) A tier one or tier two employer with a combined or universal paid leave policy, including but not limited to a paid time off policy, is not required to provide sick and safe leave in addition to the leave provided by that policy if:
 - (i) Paid leave under the policy may be used for the same purposes and under the same conditions as sick and safe leave may be used under section 4 of this act;
- 17 (ii) Paid leave accrues at a rate of at least one hour of leave for 18 every forty hours worked;
 - (iii) Use of paid leave within any calendar year is limited to no less than the amounts specified for tier one and tier two employers, respectively, in section 4 of this act; and
 - (iv) Any accrued but unused paid leave may be carried over to the following calendar year. However, this section does not require a tier one or tier two employer to carry over leave in excess of the leave specified in subsection (4)(a) and (b) of this section.
 - (b) A tier three employer with a combined or universal paid leave policy, including but not limited to a paid time off policy, is not required to provide sick and safe leave in addition to the leave provided by the policy if:
 - (i) Available paid leave may be used for the same purposes and under the same conditions as sick and safe leave may be used under section 4 of this act;
- (ii) Paid leave accrues at a rate of at least one hour of leave for every thirty hours worked;
- 35 (iii) Use of paid leave within any calendar year is limited to no 36 less one hundred eight hours; and
- 37 (iv) Any accrued but unused paid leave may be carried over to the

following calendar year. However, this section does not require a tier three employer to carry over unused leave in excess of one hundred eight hours.

- (6) If an employee separates from employment and the same employer rehires the employee within seven months of the separation: (a) The employer must reinstate previously accrued and unused sick and safe leave; (b) the employee is entitled to use accrued sick and safe leave immediately upon reemployment if the employee previously had been eligible to use the leave; and (c) the employee accrues additional leave immediately upon reemployment. If an employee separates from employment and the same employer rehires the employee more than seven months after the separation, this section does not require the employer to reinstate accrued sick and safe leave and the employee is considered to have newly commenced employment for purposes of sick and safe leave.
- (7) An employer may loan sick and safe leave to an employee in advance of accrual of leave by the employee. Any loan of leave is subject to the terms and conditions of the employer.
- (8) This section does not require an employer to provide financial or other reimbursement for accrued and unused sick and safe leave to any employee upon the employee's termination, resignation, retirement, or other separation from employment.
- NEW SECTION. Sec. 4. USE OF SICK AND SAFE LEAVE. (1) Except as provided in subsection (6) of this section, an employee may use accrued sick and safe leave beginning one hundred eighty days after the commencement of employment with the employer. If an employee separates from employment and is rehired by the same employer within seven months of separation, the previous period of employment is counted for purposes of meeting the one hundred eighty day requirement.
- (2) An employer must compensate an employee who uses sick and safe leave at the same hourly rate and with the same benefits, including health care benefits, as the employee would have earned during the time the leave is taken. An employer is not required to compensate an employee for lost tips or commissions and compensation is required only for hours that an employee was scheduled to work.
 - (3) An employee may use sick leave for the following reasons:
- (a) An absence resulting from an employee's mental or physical illness, injury, or health condition; to accommodate the employee's

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need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or the employee's need for preventive medical care; or

- (b) To allow the employee to provide care for a child, grandparent, parent, parent-in-law, or spouse with a mental or physical illness, injury, or health condition; care for a child, grandparent, parent, parent-in-law, or spouse who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a child, grandparent, parent, parent-in-law, or spouse who needs preventive medical care.
 - (4) An employee may use safe leave for the following reasons:
- (a) When the employee's place of business has been closed by order of a public official to limit exposure to an infectious agent, biological toxin, or hazardous material; or to accommodate the employee's need to care for a child whose school or place of care has been closed by order of a public official to limit exposure to an infectious agent, biological toxin, or hazardous material; or
 - (b) For any of the reasons identified in RCW 49.76.030.
- (5) An employer is not required to allow an employee to use in excess of the following hours of sick and safe leave in a calendar year:
 - (a) Forty hours for a tier one employer;

- (b) Fifty-six hours for a tier two employer; or
- (c) Subject to section 3(5)(b) of this act, seventy-two hours for a tier three employer.
- 26 (6) An employee may not use leave under this section until twenty-27 four months after the hire date of the employer's first employee.
- NEW SECTION. Sec. 5. REQUESTS AND DOCUMENTATION. (1) An employer must provide sick and safe leave upon the request of an employee.
 - (2) When possible, the request must include the expected duration of the absence. An employer may require an employee to comply with the employer's usual and customary notice and procedural requirements for absences and requesting leave, as long as the requirements do not interfere with the purposes for which the leave is needed. If the leave is foreseeable, the employee must: (a) Make a reasonable effort to schedule the leave in a manner that does not unduly disrupt the operations of the employer; (b) make the request in writing; and (c)

make the request at least ten days, or as early as possible, in advance of the leave unless the employer's usual and customary notice requirements provide for less advance notice. If the leave is unforeseeable, the employee must provide notice as soon as practicable and must comply with the employer's usual and customary notice and procedural requirements for absences as long as the requirements do not interfere with the purposes for which the leave is needed.

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- (3) For employees covered by federal or state overtime requirements, sick and safe leave may be used in hourly increments, or smaller increments if an employer so designates. For employees exempt from state and federal overtime requirements, the employer may make deductions of sick and safe leave in accordance with state and federal law.
- (4) An employer may require reasonable documentation for use of more than three consecutive days of sick leave. Documentation signed by a health care provider stating that sick leave is necessary is documentation. An employer may not documentation to explain the nature of the illness, injury, or health If the employer does not offer health insurance to the condition. employee, the employer and employee must each pay one-half the cost of any out-of-pocket expense incurred by the employee in obtaining the documentation requested by the employer. Out-of-pocket expenses are limited to the costs of services provided by health care providers, services of health care facilities, testing prescribed by health care providers, and transportation to the location where the services are provided. An employee who has declined to participate in the health insurance offered by the employer is not entitled to reimbursement for out-of-pocket expenses.
- (5) An employer may require verification for use of more than three consecutive days of safe leave. For leave under section 4(4)(a) of this act, the employer may require verification of a closure order. Notice of the closure order in whatever format the employee received the notice satisfies the verification request. For leave under section 4(4)(b) of this act, the employer may require verification that the employee or employee's family member is a victim of domestic violence, sexual assault, or stalking, and that the leave taken was for one of the purposes under section 4(4)(b) of this act. An employee may satisfy the verification requirement in the same manner as provided in

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RCW 49.76.040(4) and verification does not waive or diminish the confidential or privileged nature of communications in the same manner as under RCW 49.76.040(4).

- (6) Upon mutual consent of the employee and employer, an employee may work additional hours or shifts during the same or next pay period instead of using accrued sick and safe leave for leave taken under this section. An employer may not require the employee to work additional shifts or hours. The employer must comply with any applicable laws regarding overtime pay.
- (7) This chapter does not prohibit an employer from establishing a policy under which employees may: (a) Voluntarily exchange assigned hours or trade shifts; or (b) donate unused accrued sick and safe leave to another employee.
- (8) If an employee who works in an eating and/or drinking establishment requests sick or safe leave, the employer may offer the employee substitute hours or shifts. If the employee accepts the offer and works the substitute hours or shifts, the employer may deduct from the employee's accrued sick and safe leave the amount of leave worked during the substitute period or the amount of the sick and safe leave request, whichever is smaller. The employer must comply with any applicable laws regarding overtime pay. An employer is not required to offer, and an employee is not required to accept, substitute hours or shifts.
- NEW SECTION. Sec. 6. RECORDKEEPING. (1)(a) An employer must provide at the time wages are paid information in writing stating an updated amount of sick and safe leave available to each employee. Employers may choose a reasonable system for providing this information, including but not limited to, listing remaining available sick and safe leave on each pay stub or providing an online system where employees can access their own sick and safe leave information.
- (b) This section does not require employers to modify their recordkeeping policies as long as records reasonably indicate accrued and used sick and safe leave. When an issue arises as to the amount of accrued sick and safe leave and the employer does not maintain or retain adequate records or does not allow the department reasonable access to the records, it is presumed that the employer violated this chapter.

(2) Employers shall retain records documenting hours worked by employees and sick and safe leave taken by employees for a period of three years, and shall allow the department access to such records, with appropriate notice and at a mutually agreeable time, to investigate potential violations and to monitor compliance with this chapter.

- (3)(a) Except as provided in (b) of this subsection, an employer must maintain the confidentiality of information provided by the employee or others in support of an employee's request for sick or safe leave, including health information and the fact the employee or employee's family member is a victim of domestic violence, sexual assault, or stalking, that the employee has requested or taken leave under this chapter, and any written or oral statement, documentation, record, or corroborating evidence provided by the employee.
- (b) Information provided by an employee may be disclosed by an employer only if the disclosure is: (i) Requested or consented to by the employee; (ii) ordered by a court or administrative agency; or (iii) otherwise required by applicable federal or state law.
- NEW SECTION. Sec. 7. NOTICE OF RIGHTS. (1) Beginning January 1, 20 2013, a tier one, tier two, and tier three employer shall give notice to employees:
 - (a) That employees are entitled to sick and safe leave;
 - (b) Of the amount of sick and safe leave and the terms of its use guaranteed under this chapter;
 - (c) That retaliation against employees who request or use sick or safe leave is prohibited; and
 - (d) That an employee has the right to file a complaint or bring a civil action if sick or safe leave as required by this chapter is denied by the employer or the employee is retaliated against for requesting or taking sick or safe leave.
 - (2) An employer may comply with this section by providing the information in subsection (1) of this section in English and in any language that is the first language spoken by at least five percent of the employer's workforce: (a) On a notice to each of the employer's employees; or (b) on a poster displayed in a conspicuous and accessible place in each establishment where the employer's employees are employed.

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- 1 (3) The department must create and make available to employers 2 posters for use under subsection (2) of this section.
 - NEW SECTION. Sec. 8. RETALIATION. A tier one, tier two, or tier three employer may not discharge, threaten to discharge, demote, deny a promotion to, sanction, discipline, retaliate against, harass, or otherwise discriminate against an employee with respect to compensation, terms, conditions, or privileges of employment because the employee:
 - (1) Exercised rights under section 4 of this act;

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- 10 (2) Filed or communicated to the employer an intent to file a 11 complaint under section 9 or 10 of this act; or
- 12 (3) Participated or assisted, as a witness or otherwise, in another 13 employee's attempt to exercise rights under section 4, 9, or 10 of this 14 act.
- NEW SECTION. Sec. 9. ADMINISTRATIVE ENFORCEMENT. (1) The director may investigate to determine if there has been compliance with this chapter and the rules adopted under this chapter. If the director determines that a violation has occurred, a hearing must be held in accordance with chapter 34.05 RCW. The director must issue a written determination including his or her findings after the hearing. The director may order appropriate relief. The relief may include:
- (a) Damages, including back pay, payment of any sick or safe leave unlawfully withheld, and interest on the damages at the prevailing rate;
 - (b) If any sick or safe leave was unlawfully withheld, liquidated damages of three times the dollar amount of leave withheld, or two hundred fifty dollars, whichever is greater;
 - (c) If a violation resulted in other harm to the employee or any other person, such as discharge from employment, or otherwise violated the rights of employees or other persons, such as a failure to provide notice to employees or a prohibited act of retaliation, liquidated damages of fifty dollars to each employee or person whose rights were violated for each day or portion of each day that the violation occurred or continued;
- 35 (d) To compensate the department for the costs of investigating or

remedying the violation, not more than fifty dollars for each day or portion of each day and for each person or employee as to whom the violation occurred or continued;

(e) Attorneys' fees and costs; and

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- (f) Equitable relief, including reinstatement.
- (2) In addition to any other remedies, if the director finds that an employer has willfully violated the notice and posting requirements of section 7 of this act, the director may issue a notice of infraction and impose a civil penalty not to exceed one hundred twenty-five dollars for the first violation and two hundred fifty dollars for subsequent violations.
- (3) A judicial appeal from the director's determination may be taken in accordance with chapter 34.05 RCW, and an aggrieved employee who prevails and a person awarded liquidated damages who prevails are entitled to attorneys' fees and costs.
- NEW SECTION. Sec. 10. CIVIL ENFORCEMENT. (1) The department and any person aggrieved by a violation of this chapter, any entity a member of which is aggrieved by a violation of this chapter, or any other person or entity acting on behalf of the public health and welfare may bring a civil action in a court of competent jurisdiction against any person who violates this chapter. The court may order appropriate relief including the relief specified in section 9 of this act, except that any person or entity enforcing this chapter on behalf of the public health and welfare is not entitled to liquidated damages. In addition, the court shall award reasonable attorneys' fees and costs to the party bringing the civil action if the party prevails.
- 27 (2) Exhaustion of administrative remedies is not required before 28 filing a civil action.
- 29 (3) The remedies in this section are in addition to any common law 30 or other remedies that may be available.
- NEW SECTION. Sec. 11. MORE GENEROUS POLICIES. This chapter provides minimum requirements pertaining to sick and safe leave and is not intended to discourage and does not prohibit an employer from adopting or retaining a sick and safe leave policy more generous than any policies that comply with the requirements under this chapter, or as diminishing the obligation of any employer to comply with any

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- 1 contract, collective bargaining agreement, employment benefit plan, or
- 2 other agreement providing more generous sick and safe leave than
- 3 required under this chapter.
- 4 <u>NEW SECTION.</u> **Sec. 12.** RELATIONSHIP TO OTHER LAWS. This chapter
- 5 does not preempt, limit, or otherwise affect the applicability of any
- 6 other law, regulation, requirement, policy, or standard that provides
- 7 for greater accrual or use by employees of sick or safe leave, whether
- 8 paid or unpaid, or that extends other protections to employees.
- 9 <u>NEW SECTION.</u> **Sec. 13.** WAIVER. (1) The requirements of this
- 10 chapter do not apply to any employees covered by a bona fide collective
- 11 bargaining agreement to the extent that the requirements are expressly
- 12 waived in the collective bargaining agreement in clear and unambiguous
- 13 terms.
- 14 (2) Any waiver by an employee of any requirements of this chapter
- is contrary to public policy and is void and unenforceable.
- 16 <u>NEW SECTION.</u> **Sec. 14.** The department may adopt rules to implement
- 17 this chapter.
- 18 NEW SECTION. Sec. 15. Sections 1 through 14 of this act
- 19 constitute a new chapter in Title 49 RCW.
- 20 NEW SECTION. Sec. 16. If any provision of this act or its
- 21 application to any person or circumstance is held invalid, the
- 22 remainder of the act or the application of the provision to other
- 23 persons or circumstances is not affected.

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