HB 1355 - H AMD 87 By Representative Magendanz

SCOPE AND OBJECT 03/03/2015

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On page 1, line 21, after "hour" insert ", except as provided in
 1
 2 section 2 of this act"
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       On page 2, line 4, after "hour" insert ", except as provided in
 5 section 2 of this act"
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       On page 2, line 8, after "hour" insert ", except as provided in
 8 section 2 of this act"
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       On page 2, line 12, after "hour" insert ", except as provided in
11 section 2 of this act"
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       On page 2, line 17, after "subsection" insert ", except as
14 provided in section 2 of this act"
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   On page 2, after line 30, insert the following:
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       "NEW SECTION. Sec. 2. A new section is added to chapter 49.46 RCW
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18 to read as follows:
       (1) Employers may pay employees who are at least eighteen years
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20 old but under the age of twenty-five a training wage as follows:
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22 section 1 of this act if the trainee employee is working under a

(a) A wage rate of eighty-five percent of the rate established in

- 23 training curriculum developed by the employer that meets the minimum
- 24 criteria established by the department; or
- 25 (b) If the employer does not have a curriculum meeting the
- 26 criteria established by the department, a wage rate of ninety percent
- 27 of the rate established in section 1 of this act if the employer,

- 1 before hiring the trainee employee, provides the department with a job
- 2 description listing the skills the trainee employee will be learning
- 3 through his or her employment.
- 4 (2) An employer may not pay a trainee employee the training wage 5 established in this section for more than a total of twelve months.
- 6 (3) An employer must employ the trainee employee for a minimum 7 period of eighteen consecutive months. If the employer terminates the 8 trainee employee prior to the expiration of the minimum eighteen month 9 period, the employer must pay a civil penalty to the department in the 10 amount of one-half the difference between the wages paid to the 11 trainee employee and the wages that would have been paid to the 12 trainee employee at the rate of the state minimum wage. The civil 13 penalty under this subsection does not apply if the employer 14 terminated the trainee employee for cause, including but not limited
- (4) A public employer that is subject to a collective bargaining agreement may not allow any dues, fees, assessments, or charges to be deducted under a union security provision from the pay of any trainee employee who is receiving the wage rate established under this section. The employee must receive the same representation and benefits under the collective bargaining agreement as other employees who are members of the employee organization.

15 to theft or delinquency, or if the trainee employee voluntarily leaves

16 employment before the expiration of the eighteen month period.

(5) The director must establish minimum criteria for curricula for 25 different industries. The director may consult with businesses, 26 industry associations, community and technical colleges, and other 27 entities in establishing minimum criteria for curricula.

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NEW SECTION. Sec. 3. (1) The joint legislative audit and review committee must conduct a study to determine the effects, over a five year period, of the provisions created under section 2 of this act on the unemployment rate of youth between the ages of eighteen and twenty-five. The joint legislative audit and review committee must

- 1 report back to the appropriate committees of the legislature by 2 December 1, 2021.
- 3 (2) This section expires January 1, 2021."

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5 Renumber the remaining section accordingly and correct the title.

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EFFECT: Allows employers to pay training wages to employees ages 18 to 24 years old at the following rates: (1) 85% of the minimum wage when the trainee is working under a training curriculum established by the employer that meets the criteria of the Department of Labor and Industries; or (2) 90% of the minimum wage if the employer does not have a curriculum but has submitted to the Department a job description listing the skills the trainee will be learning. Requires the Department to establish minimum criteria for training curricula for industries.

Limits the training wage period to 12 months and requires the employer to employ the trainee for a minimum of 18 months. Provides that if the employer terminates the trainee before the 18 month period expires, the employer must pay civil penalties to the Department unless the termination was for cause or the trainee employee voluntarily quit (the civil penalty is an amount equal to half the difference between the wages paid and the wages that would have been paid if the employer paid the state minimum wage rate).

Prohibits public employers who pay training wages from allowing any dues or fees to be deducted from the trainee's pay under a union security provision.

Requires the Joint Legislative Audit and Review Committee to conduct a study of the effects, over five years, of the training wage rate on youth unemployment.

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