

SENATE BILL REPORT

SB 5332

As Reported by Senate Committee On:
Commerce & Labor, February 4, 2015

Title: An act relating to state regulation of local employment laws and contracts.

Brief Description: Regulating local employment laws and contracts.

Sponsors: Senators Braun, Becker, Rivers, Schoesler, Angel, Warnick, Honeyford and Hewitt.

Brief History:

Committee Activity: Commerce & Labor: 2/02/15, 2/04/15 [DP, DNP].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Baumgartner, Chair; Braun, Vice Chair; King and Warnick.

Minority Report: Do not pass.

Signed by Senators Hasegawa, Ranking Minority Member; Conway and Keiser.

Staff: Richard Rodger (786-7461)

Background: Article 11, Section 11 of the Washington State Constitution authorizes local governments to adopt and enforce laws that are not in conflict with state laws. An ordinance is only in conflict when it allows an act prohibited under state law, when it prohibits an act allowed under state law, or where the Legislature has expressed an intention to preempt the particular area of law. The cities of SeaTac, Seattle, and Tacoma have ordinances regulating minimum wages and/or paid leave.

SeaTac's Proposition 1, Seattle's sick leave ordinance, and Tacoma's leave ordinance allow the provisions to be waived in a bona fide collective bargaining agreement, if the waiver is set forth in clear and unambiguous terms.

Summary of Bill: Any charter, ordinance, regulation, rule, or resolution adopted by a city, town, county, or port district regulating wages, hours of work, employee retention, or leave from employment must apply equally to unionized and nonunionized employees. In addition the local government provisions may not be waived in collective bargaining.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Any local government provision in conflict with the act may not be adopted or agreed to and are preempted and unenforceable.

The act does not apply to local government provisions relating to leave related to domestic violence, sexual assault, or stalking.

The act does not impair any provision of a collective bargaining agreement in effect on the effective date of the act.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The biggest challenge to small businesses is a level playing field. The operating costs for small businesses is much higher due to governmental regulations. The waiver provisions provided in the local government ordinances create incentives to unionize. The waivers allow employers to confront workers and get them to sign up without a right to vote. This is an equal protection measure that assures the law is applied equally. The bill does not prevent local governments from adoption regulations.

CON: The general principle of local control should prevail and local governments should have the freedom to design their own policies. Cities have already made these decisions and Olympia should not meddle in local issues. This bill creates a burden on the construction workforce. Many of our employees work in different cities from day to day. It would be difficult to track the hours earned in each jurisdiction and a burden on our payroll systems. We currently negotiate our own wage, sick leave, and holiday benefits.

OTHER: The bill is lacking in details and we would be concerned about it moving forward without more information.

Persons Testifying: PRO: Gary Smith, Independent Business Assn.; Maxford Nelsen, Freedom Foundation, Labor Policy Analyst.

CON: Anders Ibsen, Tacoma City Council member; Lee Newgent, WA State Building and Construction Trades.

OTHER: Larry Stevens, National Electrical Contractors Assn, Mechanical Contractors Assn.