SENATE BILL REPORT SB 5725

As Passed Senate, March 7, 2023

Title: An act relating to clarifying the application of the industrial welfare act and minimum wage act to airline cabin crews.

Brief Description: Clarifying the application of the industrial welfare act and minimum wage act to airline cabin crews.

Sponsors: Senators Keiser, Conway, Nguyen and Valdez.

Brief History:

Committee Activity: Labor & Commerce: 2/13/23, 2/16/23 [DP].

Floor Activity: Passed Senate: 3/7/23, 48-0.

Brief Summary of Bill

- Excludes cabin crews covered by certain collective bargaining agreements from the meal and rest break and wage payment interval requirements of the Industrial Welfare Act.
- Provides that, for any legal action alleging meal and rest break violations
 prior to the effective date of the bill, cabin crew employees do not have
 the right to collect fees, fines, or penalties on behalf of themselves or
 other parties and only named plaintiffs have the right to recover
 damages.
- Excludes certain hours worked by cabin crew employees subject to a collective bargaining agreement from overtime requirements.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair; Saldaña, Vice Chair; King, Ranking Member; Braun, MacEwen, Robinson, Schoesler and Stanford.

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

Staff: Jarrett Sacks (786-7448)

Background: Meal and Rest Breaks. The Industrial Welfare Act contains a number of labor standards, such as the Family Care Act and child labor laws. It is also the authority for the Department of Labor and Industries' rules on meals and rest breaks. Employees working over five hours must be allowed to take a 30-minute meal period. Meal periods may be unpaid if the employee is completely relieved from duties during the meal period. Meal periods must be paid if the employee must remain on the premises and act in the interest of the employer. An employee who is required to remain on the premises and act in the interest of the employer may have their meal period interrupted to perform tasks, but once the task is complete, the meal period continues until the employee receives 30 minutes total.

Minimum Wage Act. Generally, employers must pay their employees at least 1.5 times the employee's regular hourly rate for any hours the employee works over 40 hours in a workweek. One exception to the overtime requirements is for employees of an air carrier when the employee voluntarily works more than 40 hours in a week as a result of trading shifts or voluntarily accepting a reassignment, if the trade or reassignment gives the employee the opportunity to reduce hours in the same or other workweeks.

Summary of Bill: <u>Industrial Welfare Act.</u> Meal and rest break requirements do not apply to any cabin crew employee who is covered by a collective bargaining agreement under the Railway Labor Act if that agreement provides for rest and opportunities to eat while not interfering with federal safety duties.

In any legal action by, or on behalf of, cabin crew asserting claims alleging violations of meal and rest break requirements that occurred prior to the effective date of the bill, cabin crew employees do not have the right to collect fees, fines, or penalties on behalf of themselves or other parties. Only cabin crew who are named plaintiffs have the right to recover damages and these claims may not be pursued on a collective or certified class basis.

Retroactive to the date the employee became covered by a collective bargaining agreement, any payment interval requirement for payment of wages or other compensation to an employee does not apply to any cabin crew employee who is covered by a collective bargaining agreement under the Railway Labor Act.

Minimum Wage Act. The requirement that an employer pay overtime to employees who work more than 40 hours in a workweek does not apply to hours worked by cabin crew employees pursuant to a collective bargaining agreement under the Railway Labor Act that contains provisions for certain hours or days involuntarily worked in excess of scheduled work to be paid at premium pay at no less than 1.5 times the contractual pay rate. The exclusion is retroactive to the date the employee became covered by the collective bargaining agreement.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony: PRO: The bill resolves a conflict between Washington law and federal aviation regulations. The FAA requires employees to remain on duty while Washington law requires them to be fully off duty during rest breaks. The state overtime laws do not reflect the unique ways cabin crews are paid through their collective bargaining agreements (CBAs). The CBAs conflicting with state law exposes airlines to lawsuits and is an untenable situation.

Persons Testifying: PRO: Megan Ouellette, Alaska Airlines & Horizon Air; Cameron Cloar-Zavaleta, Alaska Airlines and Horizon Air; Papia Gambelin.

Persons Signed In To Testify But Not Testifying: No one.

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