

SENATE BILL REPORT

SB 6088

As of January 23, 2024

Title: An act relating to minor league baseball players subject to the terms of a collective bargaining agreement regarding employment status.

Brief Description: Concerning minor league baseball players subject to the terms of a collective bargaining agreement regarding employment status.

Sponsors: Senators Conway, King, Lovick and Nguyen.

Brief History:

Committee Activity: Labor & Commerce: 1/23/24.

Brief Summary of Bill

- Excludes minor league baseball players covered by a collective bargaining agreement from the Minimum Wage Act and the meal and rest break requirements under the Industrial Welfare Act.

SENATE COMMITTEE ON LABOR & COMMERCE

Staff: Jarrett Sacks (786-7448)

Background: Minimum Wage Act. In general, employers must pay employees at least the minimum wage for every hour worked and pay employees who work more than 40 hours in a seven-day workweek overtime. The state paid sick leave law also applies to employees covered under the Minimum Wage Act (MWA). Collective bargaining agreements (CBA) may provide wages or other conditions of work in excess of the minimums established in the MWA. The MWA excludes various categories of employees, including certain collectively bargained employees, such as motion picture projectionists covered by a CBA, and, for the purposes of paid sick leave, certain construction workers covered by a CBA. The MWA also excludes certain junior ice hockey players, regardless of whether they are collectively bargained.

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.

The Industrial Welfare Act. The Industrial Welfare Act (IWA) 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' (L&I) rules on meals and rest breaks. In general, 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.

Rules adopted by L&I under the IWA regarding meal and rest periods as applied to employees in the construction trades may be superseded by a CBA if the CBA specifically requires rest and meal periods and prescribes requirements concerning those rest and meal periods. Employees of public employers may enter into CBAs that specifically vary from or supersede the rules adopted by L&I regarding rest and meal periods. Similar to the MWA, the IWA also has an exclusion for certain junior ice hockey players.

Fair Labor Standards Act. The federal Fair Labor Standards Act (FLSA) establishes minimum wage, overtime pay, recordkeeping, and youth employment standards affecting employees in the private sector and in federal, state, and local governments. The FLSA excludes certain baseball players from its minimum wage and overtime requirements if the employee is compensated pursuant to a contract that provides for a weekly salary for services performed during the league's championship season, but not spring training or the off season, at a rate that is not less than a weekly salary equal to the minimum wage for a 40-hour workweek.

Summary of Bill: Minimum Wage Act. Any individual who has entered a contract to play minor league baseball who is compensated under the terms of a CBA that expressly provides for wages and working conditions is not an employee under the MWA.

The recordkeeping provisions of the MWA apply to minor league baseball players covered by a CBA, except for records related to the hours worked each day and each workweek by the employee or employees, the time of day work and day of week each workweek begins, and any other similar information that L&I requires related to records of hours works.

Industrial Welfare Act. Rules adopted under the IWA regarding appropriate rest and meal periods for employees who have entered a contract to play minor league baseball may be superseded by a CBA if the terms of the CBA expressly provides for wages and working conditions.

Rules adopted by L&I under the Industrial Welfare Act regarding records of hours worked do not apply to employees who have entered a contract to play minor league baseball and

who are compensated under the terms of a CBA that expressly provides for wages and working conditions.

Appropriation: None.

Fiscal Note: Available.

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

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

Staff Summary of Public Testimony: PRO: Baseball finalized a CBA for minor league players in the spring, which impacts about 150 players in the state. The CBA covers areas that need an exception to state wage and hour laws. Labor and L&I have reviewed the bill and it is supported by both the league and the players association. The experience of minor league baseball players is unique and following state law may limit their access to facilities and training rooms. Tracking hours for baseball players is difficult and leads to absurd results. The standards for hourly workers should not apply to baseball players. Washington should follow the lead of federal law and California.

Persons Testifying: PRO: Senator Steve Conway, Prime Sponsor; Christine Brewer, Major League Baseball; Steve Gonzalez, Major League Baseball.

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