

FINAL BILL REPORT

ESSB 5459

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Synopsis as Enacted

Brief Description: Concerning call center retention.

Sponsors: Senate Committee on Labor & Commerce (originally sponsored by Senators Stanford, Saldaña, Conway, Hasegawa, Valdez, Nobles and Wilson, C.).

Senate Committee on Labor & Commerce
House Committee on Labor & Workplace Standards

Background: Notification of Closure or Mass Layoff. The federal Worker Adjustment and Retraining Notification (WARN) Act requires certain employers to provide employees with a 60-day advanced notification of a plant closing or mass layoff. The WARN Act applies if an employer:

- permanently or temporarily closes a facility or operating unit affecting 50 or more full-time employees at a single site of employment;
- lays off 500 or more full-time employees during a 30-day period, or lays off 50 to 499 full-time workers and the layoffs constitute 33 percent of the employer's total active workforce at a single employment site;
- extends a temporary layoff that meets either of the above criteria for longer than six months; or
- reduces the hours of 50 or more workers by 50 percent or more for each month in a six-month period.

An employer who fails to provide the required notice is subject to a civil penalty not to exceed \$500 for each day of violation.

Employers must also notify the Employment Security Department (ESD). ESD maintains a WARN Act notification page on its website that lists the businesses that have issued WARN Act notifications.

Summary: The Washington Call Center Jobs Act is created.

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.

Notification of Intent to Relocate. An employer that intends to relocate a call center, a facility within a call center comprising at least 25 percent of the call center's total volume when measured against the previous 12-month average call volume of operations, or a substantially similar operation from the state to a foreign country must notify the commissioner of ESD at least 120 days before a relocation. This notice requirement does not apply to a state agency with a facility or operation in which the primary activity or work is providing language interpretation services.

A violation subjects an employer to a civil penalty not to exceed \$10,000 for each day in violation. The ESD commissioner may reduce the amount if the Governor or the President has declared a state of emergency for the location of the call center.

The ESD commissioner must compile a semiannual list of all employers that have notified the ESD commissioner and post the list on ESD's website. The ESD commissioner must also distribute the list to all state agencies.

A call center employer that appears on the list is ineligible for any direct or indirect grants or loans awarded by a state agency for five years after the employer appears on the list. ESD, in consultation with the appropriate state agency, may waive the ineligibility if the employer applying for a grant or loan demonstrates that the lack of the grant or loan would result in substantial job loss in the state or would harm the environment. If a state agency finds that a call center employer was ineligible for a grant or loan that was awarded, the employer must immediately remit the value of the grant or loan.

State Agency Contracts. State agency contracts made after the effective date of this bill for purchases of call center services, with the exception of interpreter services, must provide that the work performed by the contractor or its agents or subcontractors be performed entirely within the United States of America.

Definitions. Call center means a facility or other operation in which the primary activity is workers making or receiving phone calls or other electronic communication for the purpose of providing customer assistance or other service.

Employer means any individual or type of organization, including a corporation, that employs, for the purposes of a call center, 50 or more workers excluding part-time workers or 50 or more workers who work at least 1500 hours per week excluding overtime.

Votes on Final Passage:

Senate	30	19	
House	85	10	
House	89	6	vote reconsidered

Effective: July 27, 2025