
HOUSE BILL 2478

State of Washington

69th Legislature

2026 Regular Session

By Representatives Fosse, Schmidt, Berry, Parshley, Pollet, and Davis; by request of Department of Labor & Industries

Read first time 01/14/26. Referred to Committee on Labor & Workplace Standards.

1 AN ACT Relating to adding discretion to wage enforcement actions;
2 and amending RCW 49.48.040 and 49.48.083.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 49.48.040 and 1987 c 172 s 1 are each amended to
5 read as follows:

6 (1) The department of labor and industries may:

7 (a) Upon obtaining information indicating an employer may be
8 committing a violation under this chapter and chapters 39.12(~~(r)~~) and
9 49.46(~~(r) and 49.48~~) RCW and associated rules, conduct investigations
10 to ensure compliance with this chapter and chapters 39.12(~~(r)~~) and
11 49.46(~~(r) and 49.48~~) RCW and associated rules;

12 (b) Order the payment of all (~~wages~~) amounts owed the workers
13 under this chapter and chapters 39.12 and 49.46 RCW, and associated
14 rules and institute actions necessary for the collection of the
15 (~~sums~~) amounts determined owed; and

16 (c) Take assignments of (~~wage~~) claims under this chapter and
17 chapters 39.12 and 49.46 RCW, and associated rules and prosecute
18 actions for the collection of (~~wages~~) amounts owed of persons who
19 are financially unable to employ counsel when in the judgment of the
20 director of the department the claims are valid and enforceable in
21 the courts.

1 (2) When the department orders the payment of all amounts owed
2 under subsection (1)(b) of this section in an administrative order,
3 including interest of one percent per month on all wages owed, the
4 department may also assess penalties under RCW 49.48.083(3). The
5 amounts and interest owed must be calculated from the first date
6 amounts were owed to the employee, except that the department may not
7 order the employer to pay any amounts and interest that were owed
8 more than three years before the date the department obtained
9 information indicating an employer may have committed violations
10 under this chapter and chapters 39.12 and 49.46 RCW or associated
11 rules. Appeals to administrative orders issued under this section are
12 conducted pursuant to RCW 49.48.084. Collections of the
13 administrative orders issued under this section are conducted
14 pursuant to RCW 49.48.086.

15 (3) The director of the department or any authorized
16 representative may, for the purpose of carrying out RCW 49.48.040
17 through 49.48.080: (a) Issue subpoenas to compel the attendance of
18 witnesses or parties and the production of books, papers, or records;
19 (b) administer oaths and examine witnesses under oath; (c) take the
20 verification of proof of instruments of writing; and (d) take
21 depositions and affidavits. If assignments for wage claims are taken,
22 court costs shall not be payable by the department for prosecuting
23 such suits.

24 (~~(3)~~) (4) The director shall have a seal inscribed "Department
25 of Labor and Industries—State of Washington" and all courts shall
26 take judicial notice of such seal. Obedience to subpoenas issued by
27 the director or authorized representative shall be enforced by the
28 courts in any county.

29 (~~(4)~~) (5) The director or authorized representative shall have
30 free access to all places and works of labor. Any employer or any
31 agent or employee of such employer who refuses the director or
32 authorized representative admission therein, or who, when requested
33 by the director or authorized representative, (~~(wilfully)~~) willfully
34 neglects or refuses to furnish the director or authorized
35 representative any statistics or information pertaining to his or her
36 lawful duties, which statistics or information may be in his or her
37 possession or under the control of the employer or agent, shall be
38 guilty of a misdemeanor.

1 **Sec. 2.** RCW 49.48.083 and 2023 c 243 s 1 are each amended to
2 read as follows:

3 (1) If an employee files a wage complaint with the department,
4 the department (~~(shall)~~) may investigate the wage complaint. Unless
5 otherwise resolved, when the department (~~(shall-issue)~~) accepts a
6 complaint either a citation and notice of assessment or a
7 determination of compliance shall be issued no later than 60 days
8 after the date on which the department (~~(received)~~) accepted the wage
9 complaint. The department may extend the time period by providing
10 advance written notice to the employee and the employer setting forth
11 good cause for an extension of the time period and specifying the
12 duration of the extension. The department may not investigate any
13 alleged violation of a wage payment requirement that occurred more
14 than three years before the date that the employee filed the wage
15 complaint. The department shall send the citation and notice of
16 assessment or the determination of compliance to both the employer
17 and the employee by service of process or using a method by which the
18 mailing can be tracked or the delivery can be confirmed to their last
19 known addresses.

20 (2) If the department determines that an employer has violated a
21 wage payment requirement and issues to the employer a citation and
22 notice of assessment, the department may order the employer to pay
23 employees all wages owed, including interest of one percent per month
24 on all wages owed, to the employee. The wages and interest owed must
25 be calculated from the first date wages were owed to the employee,
26 except that the department may not order the employer to pay any
27 wages and interest that were owed more than three years before the
28 date the wage complaint was filed with the department.

29 (3) If the department determines that the violation of the wage
30 payment requirement was a willful violation, the department also may
31 order the employer to pay the department a civil penalty as specified
32 in (a) of this subsection.

33 (a) A civil penalty for a willful violation of a wage payment
34 requirement shall be not less than (~~(one thousand dollars)~~) \$1,000 or
35 an amount equal to (~~(ten)~~) 10 percent of the total amount of unpaid
36 wages, whichever is greater. The maximum civil penalty for a willful
37 violation of a wage payment requirement (~~(shall be twenty thousand~~
38 ~~dollars)~~) is \$20,000.

39 (b) The department may not assess a civil penalty if the employer
40 reasonably relied on: (i) A rule related to any wage payment

1 requirement; (ii) a written order, ruling, approval, opinion, advice,
2 determination, or interpretation of the director; or (iii) an
3 interpretive or administrative policy issued by the department and
4 filed with the office of the code reviser. In accordance with the
5 department's retention schedule obligations under chapter 40.14 RCW,
6 the department shall maintain a complete and accurate record of all
7 written orders, rulings, approvals, opinions, advice, determinations,
8 and interpretations for purposes of determining whether an employer
9 is immune from civil penalties under (b) (ii) of this subsection.

10 (c) The department shall waive any civil penalty assessed against
11 an employer under this section if the employer is not a repeat
12 willful violator, and the director determines that the employer has
13 provided payment to the employee of all wages that the department
14 determined that the employer owed to the employee, including
15 interest, within (~~ten~~) 10 business days of the employer's receipt
16 of the citation and notice of assessment from the department.

17 (d) The department may waive or reduce at any time a civil
18 penalty assessed under this section if the director determines that
19 the employer paid all wages and interest owed to an employee.

20 (e) The department shall deposit civil penalties paid under this
21 section in the supplemental pension fund established under RCW
22 51.44.033.

23 (4) Upon payment by an employer, and acceptance by an employee,
24 of all wages and interest assessed by the department in a citation
25 and notice of assessment issued to the employer, the fact of such
26 payment by the employer, and of such acceptance by the employee,
27 shall: (a) Constitute a full and complete satisfaction by the
28 employer of all specific wage payment requirements addressed in the
29 citation and notice of assessment; and (b) bar the employee from
30 initiating or pursuing any court action or other judicial or
31 administrative proceeding based on the specific wage payment
32 requirements addressed in the citation and notice of assessment. The
33 citation and notice of assessment shall include a notification and
34 summary of the specific requirements of this subsection.

35 (5) The applicable statute of limitations for civil actions is
36 tolled (~~during the department's investigation of~~) for an employee's
37 wage complaint against an employer once filed with the department.
38 For the purposes of this subsection, (~~the department's investigation~~
39 ~~begins~~) a complaint is filed with the department on the date the
40 employee files the wage complaint with the department and ends when:

1 (a) The wage complaint is finally determined through a final and
2 binding citation and notice of assessment or determination of
3 compliance; ~~((or))~~ (b) the department notifies the employer and the
4 employee in writing that the wage complaint has been otherwise
5 resolved or that the employee has elected to terminate the
6 department's administrative action under RCW 49.48.085; or (c) the
7 department notifies the worker the wage complaint will not be
8 accepted.

9 (6) For all wage complaints filed on or after January 1, 2024, if
10 the department offers the employer the option to resolve a wage
11 complaint without a citation and notice of assessment, and the
12 employer chooses to accept the offer, any settlement must include
13 interest of one percent per month on all amounts owed. The employee
14 may request a waiver or reduction of interest as part of the
15 settlement process.

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