SENATE BILL 5459

State of Washington 69th Legislature 2025 Regular Session

By Senators Stanford, Saldaña, Conway, Hasegawa, Valdez, Nobles, and C. Wilson

Read first time 01/23/25. Referred to Committee on Labor & Commerce.

AN ACT Relating to call center retention; adding a new section to chapter 39.26 RCW; adding a new chapter to Title 50 RCW; and prescribing penalties.

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

5 <u>NEW SECTION.</u> Sec. 1. The definitions in this section apply 6 throughout this chapter unless the context clearly requires 7 otherwise.

8 (1) "Call center" means a facility or other operation in which 9 the primary activity is workers making or receiving phone calls or 10 other electronic communication for the purpose of providing customer 11 assistance or other service.

12 (2) "Employer" means any employer as defined in RCW 50.04.080 13 that employs, for purposes of a call center: (a) 50 or more workers, 14 excluding part-time workers; or (b) 50 or more workers who in the 15 aggregate work at least 1,500 hours per week, excluding overtime.

16 (3) "Part-time worker" means an individual who works for an 17 average of fewer than 20 hours per week or who has worked for fewer 18 than six of the 12 months preceding the date on which notice is 19 required under section 2 of this act.

(4) "State agency" means any state department, office, division,board, commission, or higher education institution.

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1 (5) "Work" means personal service, of whatever nature, performed 2 by an employee or contractor for a wage or under any contract calling 3 for the performance of personal services, written or oral, express or 4 implied.

5 <u>NEW SECTION.</u> Sec. 2. (1) An employer that intends to relocate a 6 call center, or one or more facilities or operating units within a 7 call center comprising at least 25 percent of the call center's or 8 operating unit's total volume when measured against the previous 12-9 month average call volume of operations or substantially similar 10 operations from the state to a foreign country must notify the 11 commissioner at least 120 days before such relocation.

12 (2) An employer that violates subsection (1) of this section is 13 subject to a civil penalty not to exceed \$10,000 for each day of such 14 violation, except that the commissioner may reduce such amount if the 15 governor or the president has declared a state of emergency for the 16 location of the call center.

17 (3) The commissioner must compile a semiannual list of all 18 employers that have notified the commissioner under subsection (1) of 19 this section and post the list on the employment security 20 department's website. The commissioner must also distribute the list 21 to all state agencies.

22 <u>NEW SECTION.</u> Sec. 3. (1) A call center employer that appears on 23 the list specified in section 2 of this act is ineligible for the tax 24 deferral under chapter 82.63 RCW for five years after the employer 25 appears on the list.

(2) A call center employer must repay any deferred taxes if the
 employer appears on the list specified in section 2 of this act while
 receiving the tax deferral under chapter 82.63 RCW.

29 <u>NEW SECTION.</u> Sec. 4. (1) A call center employer that appears on the list specified in section 2 of this act is ineligible for any 30 direct or indirect grants or loans awarded by a state agency for five 31 32 years after the employer appears on the list. The employment security 33 department, in consultation with the appropriate state agency, may waive the ineligibility if the employer applying for a grant or loan 34 demonstrates that the lack of the grant or loan would result in 35 36 substantial job loss in the state or would harm the environment.

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1 (2) If a state agency finds that a call center employer was 2 ineligible under this section for a grant or loan that was awarded 3 after the effective date of this section, the employer must 4 immediately remit the value of the grant or loan.

5 <u>NEW SECTION.</u> Sec. 5. State agency contracts for purchases of call center services must provide that the work performed by the 6 contractor or its agents or subcontractors be performed entirely 7 within the state. Contractors or their agents or subcontractors who 8 are performing such work on the effective date of this section must 9 10 comply with this section within two years of the effective date of this section, except that any call center workers hired after the 11 12 effective date of this section must perform the work within the 13 state.

14 <u>NEW SECTION.</u> Sec. 6. This chapter does not permit withholding 15 or denial of any payments or benefits under any other law to workers 16 that relocate to a foreign country.

17 <u>NEW SECTION.</u> Sec. 7. This chapter may be known and cited as the 18 Washington call center jobs act.

19 <u>NEW SECTION.</u> Sec. 8. A new section is added to chapter 39.26
20 RCW to read as follows:

Agency contracts for purchases of call center services must provide that the work be performed in the state as provided in section 5 of this act.

24 <u>NEW SECTION.</u> Sec. 9. Sections 1 through 7 of this act 25 constitute a new chapter in Title 50 RCW.

26 <u>NEW SECTION.</u> Sec. 10. If any provision of this act or its 27 application to any person or circumstance is held invalid, the 28 remainder of the act or the application of the provision to other 29 persons or circumstances is not affected.

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