Chapter 49.46 RCW
MINIMUM WAGE REQUIREMENTS AND LABOR STANDARDS
(Formerly: Minimum wage act)

Sections

Enforcement of wage claims: RCW 49.48.040.

RCW 49.46.005 Declaration of necessity and police power—Conformity to modern fair labor standards. (1) Whereas the establishment of a minimum wage for employees is a subject of vital and imminent concern to the people of this state and requires appropriate action by the legislature to establish minimum standards of employment within the state of Washington, therefore the legislature declares that in its considered judgment the health, safety and the general welfare of the citizens of this state require the enactment of this measure, and exercising its police power, the legislature endeavors by this chapter to establish a minimum wage for employees of this state to encourage employment opportunities within the state. The provisions of this chapter are enacted in the exercise of the police power of the state for the purpose of protecting the immediate and future health, safety and welfare of the people of this state.

(2) Since the enactment of Washington's original minimum wage act, the legislature and the people have repeatedly amended this chapter to establish and enforce modern fair labor standards, including periodically updating the minimum wage and establishing the forty-hour workweek and the right to overtime pay.

(3) The people hereby amend this chapter to conform to modern fair labor standards by establishing a fair minimum wage and the right to paid sick leave to protect public health and allow workers to care for the health of themselves and their families. [2017 c 2 s 2 (Initiative Measure No. 1433, approved November 8, 2016); 1961 ex.s. c 18 s 1.]

Intent—2017 c 2 (Initiative Measure No. 1433): "It is the intent of the people to establish fair labor standards and protect the rights of workers by increasing the hourly minimum wage to $11.00 (2017), $11.50 (2018), $12.00 (2019)[,] and $13.50 (2020), and requiring employers to provide employees with paid sick leave to care for the health of themselves and their families." [2017 c 2 s 1 (Initiative Measure No. 1433, approved November 8, 2016).]

Effective date—2017 c 2 (Initiative Measure No. 1433): "This act takes effect on January 1, 2017." [2017 c 2 s 14 (Initiative Measure No. 1433, approved November 8, 2016).]

RCW 49.46.010 Definitions. As used in this chapter:

(1) "Director" means the director of labor and industries;

(2) "Employ" includes to permit to work;

(3) "Employee" includes any individual employed by an employer but shall not include:

(a) Any individual (i) employed as a hand harvest laborer and paid on a piece rate basis in an operation which has been, and is generally and customarily recognized as having been, paid on a piece rate basis in the region of employment; (ii) who commutes daily from his or her permanent residence to the farm on which he or she is employed; and (iii) who has been employed in agriculture less than thirteen weeks during the preceding calendar year;

(b) Any individual employed in casual labor in or about a private home, unless performed in the course of the employer's trade, business, or profession;

(c) Any individual employed in a bona fide executive, administrative, or professional capacity or in the capacity of outside salesperson as those terms are defined and delimited by rules of the director. However, those terms shall be defined and delimited by the human resources director pursuant to chapter 41.06 RCW for employees employed under the director of personnel's jurisdiction;

(d) Any individual engaged in the activities of an educational, charitable, religious, state or local governmental body or agency, or nonprofit organization where the employer-employee relationship does not in fact exist or where the services are rendered to such organizations gratuitously. If the individual receives reimbursement in lieu of compensation for normally incurred out-of-pocket expenses or receives a nominal amount of compensation per unit of voluntary service rendered, an employer-employee relationship is deemed not to exist for the purpose of this section or for purposes of membership or qualification in any state, local government, or publicly supported retirement system other than that provided under chapter 41.24 RCW;

(e) Any individual employed full time by any state or local governmental body or agency who provides voluntary services but only with regard to the provision of the voluntary services. The voluntary services and any compensation therefor shall not affect or add to qualification, entitlement, or benefit rights under any state, local government, or publicly supported retirement system other than that provided under chapter 41.24 RCW;

(f) Any newspaper vendor, carrier, or delivery person selling or distributing newspapers on the street, to offices, to businesses, or from house to house and any freelance news correspondent or "stringer" who, using his or her own equipment, chooses to submit material for publication for free or a fee when such material is published;

(g) Any carrier subject to regulation by Part 1 of the Interstate Commerce Act;

(h) Any individual engaged in forest protection and fire prevention activities;

(i) Any individual employed by any charitable institution charged with child care responsibilities engaged primarily in the development of character or citizenship or promoting health or physical fitness or providing or sponsoring recreational opportunities or facilities for young people or members of the armed forces of the United States;

(j) Any individual whose duties require that he or she reside or sleep at the place of his or her employment or who otherwise spends a substantial portion of his or her work time subject to call, and not engaged in the performance of active duties;

(k) Any resident, inmate, or patient of a state, county, or municipal correctional, detention, treatment or rehabilitative institution;

(l) Any individual who holds a public elective or appointive office of the state, any county, city, town, municipal corporation or quasi municipal corporation, political subdivision, or any instrumentality thereof, or any employee of the state legislature;

(m) All vessel operating crews of the Washington state ferries operated by the department of transportation;

(n) Any individual employed as a seaman on a vessel other than an American vessel;

(o) Any farm intern providing his or her services to a small farm which has a special certificate issued under RCW 49.12.471;

(p) An individual who is at least 16 years old but under twenty-one years old, in his or her capacity as a player for a junior ice hockey team that is a member of a regional, national, or international league and that contracts with an arena owned, operated, or managed by a public facilities district created under chapter 36.100 RCW; or

(q) Any individual who has entered into a contract to play baseball at the minor league level and who is compensated pursuant to the terms of a collective bargaining agreement that expressly provides for wages and working conditions;

(4) "Employer" includes any individual, partnership, association, corporation, business trust, or any person or group of persons acting directly or indirectly in the interest of an employer in relation to an employee;

(5) "Occupation" means any occupation, service, trade, business, industry, or branch or group of industries or employment or class of employment in which employees are gainfully employed;

(6) "Retail or service establishment" means an establishment seventy-five percent of whose annual dollar volume of sales of goods or services, or both, is not for resale and is recognized as retail sales or services in the particular industry;

(7) "Wage" means compensation due to an employee by reason of employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to such deductions, charges, or allowances as may be permitted by rules of the director. [2024 c 132 s 1; 2023 c 269 s 3; 2020 c 212 s 3. Prior: 2015 c 299 s 3; prior: (2014 c 131 s 2 expired December 31, 2019); 2013 c 141 s 1; prior: 2011 1st sp.s. c 43 s 462; (2011 1st sp.s. c 43 s 461 expired December 31, 2011); prior: (2010 c 160 s 2 expired December 31, 2011); 2010 c 8 s 12040; 2002 c 354 s 231; 1997 c 203 s 3; 1993 c 281 s 56; 1989 c 1 s 1 (Initiative Measure No. 518, approved November 8, 1988); 1984 c 7 s 364; 1977 ex.s. c 69 s 1; 1975 1st ex.s. c 289 s 1; 1974 ex.s. c 107 s 1; 1961 ex.s. c 18 s 2; 1959 c 294 s 1.]

Findings—Effective date—2023 c 269: See notes following RCW 49.12.471.

Effective date—2020 c 212: See note following RCW 49.12.471.

Expiration date—2017 c 150: "2014 c 131 s 2 expires December 31, 2019." [2017 c 150 s 3.]

Expiration date—2017 c 150; 2014 c 131: "This act expires December 31, 2019." [2017 c 150 s 2; 2014 c 131 s 5.]

Recognition—Intent—2015 c 299: See note following RCW 49.12.005.

Effective date—2011 1st sp.s. c 43 s 462: "Section 462 of this act takes effect December 31, 2011." [2011 1st sp.s. c 43 s 484.]

Expiration date—2011 1st sp.s. c 43 s 461: "Section 461 of this act expires December 31, 2011." [2011 1st sp.s. c 43 s 483.]

Effective date—Purpose—2011 1st sp.s. c 43: See notes following RCW 43.19.003.

Expiration date—2010 c 160: "This act expires December 31, 2011." [2010 c 160 s 6.]

Short title—Headings, captions not law—Severability—Effective dates—2002 c 354: See RCW 41.80.907 through 41.80.910.

Construction—1997 c 203: See note following RCW 49.46.130.

Effective date—1993 c 281: See note following RCW 41.06.022.

Effective date—1989 c 1 (Initiative Measure No. 518, approved November 8, 1988): "This act shall take effect January 1, 1989." [1989 c 1 s 5.]

Effect of offset of military pay on status of bona fide executive, administrative, and professional employees: RCW 73.16.080.

RCW 49.46.020 Minimum hourly wage—Paid sick leave. (1)(a) Beginning January 1, 2017, and until January 1, 2018, every employer shall pay to each of his or her employees who has reached the age of eighteen years wages at a rate of not less than eleven dollars per hour.

(b) Beginning January 1, 2018, and until January 1, 2019, every employer shall pay to each of his or her employees who has reached the age of eighteen years wages at a rate of not less than eleven dollars and fifty cents per hour.

(c) Beginning January 1, 2019, and until January 1, 2020, every employer shall pay to each of his or her employees who has reached the age of eighteen years wages at a rate of not less than twelve dollars per hour.

(d) Beginning January 1, 2020, and until January 1, 2021, every employer shall pay to each of his or her employees who has reached the age of eighteen years wages at a rate of not less than thirteen dollars and fifty cents per hour.

(2)(a) Beginning on January 1, 2021, and each following January 1st as set forth under (b) of this subsection, every employer shall pay to each of his or her employees who has reached the age of eighteen years wages at a rate of not less than the amount established under (b) of this subsection.

(b) On September 30, 2020, and on each following September 30th, the department of labor and industries shall calculate an adjusted

minimum wage rate to maintain employee purchasing power by increasing the current year's minimum wage rate by the rate of inflation. The adjusted minimum wage rate shall be calculated to the nearest cent using the consumer price index for urban wage earners and clerical workers, CPI-W, or a successor index, for the twelve months prior to each September 1st as calculated by the United States department of labor. Each adjusted minimum wage rate calculated under this subsection (2)(b) takes effect on the following January 1st.

(3) An employer must pay to its employees: (a) All tips and gratuities; and (b) all service charges as defined under RCW 49.46.160 except those that, pursuant to RCW 49.46.160, are itemized as not being payable to the employee or employees servicing the customer. Tips and service charges paid to an employee are in addition to, and may not count towards, the employee's hourly minimum wage.

(4) Beginning January 1, 2018, except as provided in RCW 49.46.180, every employer must provide to each of its employees paid sick leave as provided in RCW 49.46.200 and 49.46.210.

(5) The director shall by regulation establish the minimum wage for employees under the age of eighteen years. [2019 c 236 s 2; 2017 c 2 s 3 (Initiative Measure No. 1433, approved November 8, 2016); 1999 c 1 s 1 (Initiative Measure No. 688, approved November 3, 1998); 1993 c 309 s 1; 1989 c 1 s 2 (Initiative Measure No. 518, approved November 8, 1988); 1975 1st ex.s. c 289 s 2; 1973 2nd ex.s. c 9 s 1; 1967 ex.s. c 80 s 1; 1961 ex.s. c 18 s 3; 1959 c 294 s 2.]

Findings—2019 c 236: "The legislature finds that Initiative 1433 is a good law approved by the voters to establish sick leave benefits for workers. The law creates necessary worker protections while simultaneously reducing the spread of communicable sickness and disease and addressing other public health and safety concerns.

However, the legislature finds that this new law does not provide for flexibility and portability of benefits for construction workers who may work for multiple employers and who already negotiate wages and benefits with their employers. Workers covered under a collective bargaining agreement for the construction industry should be allowed the ability to negotiate comparable benefits that ensures that eligibility can be achieved and that the benefits are portable from employer to employer." [2019 c 236 s 1.]

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

Effective date—1993 c 309: "This act shall take effect January 1, 1994." [1993 c 309 s 2.]

Effective date—1989 c 1 (Initiative Measure No. 518): See note following RCW 49.46.010.

Notification of employers: RCW 49.46.140.

RCW 49.46.040 Investigation—Services of federal agencies—Employer's records—Industrial homework. (1) The director or his or her designated representatives may investigate and gather data regarding the wages, hours, and other conditions and practices of employment in any industry subject to this chapter, and may enter and

inspect such places and such records (and make such transcriptions thereof), question such employees, and investigate such facts, conditions, practices, or matters as he or she may deem necessary or appropriate to determine whether any person has violated any provision of this chapter, or which may aid in the enforcement of the provisions of this chapter.

(2) With the consent and cooperation of federal agencies charged with the administration of federal labor laws, the director may, for the purpose of carrying out his or her functions and duties under this chapter, utilize the services of federal agencies and their employees and, notwithstanding any other provision of law, may reimburse such federal agencies and their employees for services rendered for such purposes.

(3) Every employer subject to any provision of this chapter or of any order issued under this chapter shall make, keep, and preserve such records of the persons employed by him or her and of the wages, hours, and other conditions and practices of employment maintained by him or her, and shall preserve such records for such periods of time, and shall make reports therefrom to the director as he or she shall prescribe by regulation as necessary or appropriate for the enforcement of the provisions of this chapter or the regulations thereunder.

(4) The director is authorized to make such regulations regulating, restricting, or prohibiting industrial homework as are necessary or appropriate to prevent the circumvention or evasion of and to safeguard the minimum wage rate prescribed in this chapter, and all existing regulations of the director relating to industrial homework are hereby continued in full force and effect. [2010 c 8 s 12041; 1959 c 294 s 4.]

RCW 49.46.060 Exceptions for learners, apprentices, messengers, persons with disabilities. Subject to RCW 49.46.170, the director, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations provide for (1) the employment of learners, of apprentices, and of messengers employed primarily in delivering letters and messages, under special certificates issued pursuant to regulations of the director, at such wages lower than the minimum wage applicable under RCW 49.46.020 and subject to such limitations as to time, number, proportion, and length of service as the director shall prescribe, and (2) the employment of individuals whose earning capacity is impaired by a disability, under special certificates issued by the director, at such wages lower than the minimum wage applicable under RCW 49.46.020 and for such period as shall be fixed in such certificates. [2021 c 97 s 2; 1959 c 294 s 6.]

RCW 49.46.065 Individual volunteering labor to state or local governmental agency—Amount reimbursed for expenses or received as nominal compensation not deemed salary for rendering services or affecting public retirement rights. When an individual volunteers his or her labor to a state or local governmental body or agency and receives pursuant to a statute or policy or an ordinance or resolution adopted by or applicable to the state or local governmental body or agency reimbursement in lieu of compensation at a nominal rate for normally incurred expenses or receives a nominal amount of

compensation per unit of voluntary service rendered such reimbursement or compensation shall not be deemed a salary for the rendering of services or for purposes of granting, affecting or adding to any qualification, entitlement or benefit rights under any state, local government or publicly supported retirement system other than that provided under chapter 41.24 RCW. [1977 ex.s. c 69 s 2.]

RCW 49.46.070 Records of employer—Contents—Inspection—Sworn statement—Applicability. (1) Every employer subject to any provision of this chapter or of any regulation issued under this chapter shall make, and keep in or about the premises wherein any employee is employed, a record of the name, address, and occupation of each of his or her employees, the rate of pay, and the amount paid each pay period to each such employee, the hours worked each day and each workweek by such employee, and such other information as the director shall prescribe by regulation as necessary or appropriate for the enforcement of the provisions of this chapter or of the regulations thereunder. Such records shall be open for inspection or transcription by the director or his or her authorized representative at any reasonable time. Every such employer shall furnish to the director or to his or her authorized representative on demand a sworn statement of such records and information upon forms prescribed or approved by the director.

(2) Notwithstanding any other provision of this chapter, the provisions of this section apply to individuals covered by RCW 49.46.010(3)(q) with the exception of records related to the hours worked each day and each workweek by such employee or employees, the time of day and day of week each workweek begins, and any other similar information that the director shall prescribe by regulation as necessary or appropriate related to records of hours worked for such individuals. [2024 c 132 s 2; 2010 c 8 s 12042; 1959 c 294 s 7.]

RCW 49.46.080 New or modified regulations—Judicial review—Stay. (1) As new regulations or changes or modification of previously established regulations are proposed, the director shall call a public hearing for the purpose of the consideration and establishment of such regulations following the procedures used in the promulgation of standards of safety under chapter 49.17 RCW.

(2) Any interested party may obtain a review of the director's findings and order in the superior court of county of petitioners' residence by filing in such court within sixty days after the date of publication of such regulation a written petition praying that the regulation be modified or set aside. A copy of such petition shall be served upon the director. The finding of facts, if supported by evidence, shall be conclusive upon the court. The court shall determine whether the regulation is in accordance with law. If the court determines that such regulation is not in accordance with law, it shall remand the case to the director with directions to modify or revoke such regulation. If application is made to the court for leave to adduce additional evidence by any aggrieved party, such party shall show to the satisfaction of the court that such additional evidence is material, and that there were reasonable grounds for the failure to adduce such evidence before the director. If the court finds that such evidence is material and that reasonable grounds exist for failure of

the aggrieved party to adduce such evidence in prior proceedings, the court may remand the case to the director with directions that such additional evidence be taken before the director. The director may modify the findings and conclusions, in whole or in part, by reason of such additional evidence.

(3) The judgment and decree of the court shall be final except that it shall be subject to review by the supreme court or the court of appeals as in other civil cases.

(4) The proceedings under this section shall not, unless specifically ordered by the court, operate as a stay of an administrative regulation issued under the provisions of this chapter. The court shall not grant any stay of an administrative regulation unless the person complaining of such regulation shall file in the court an undertaking with a surety or sureties satisfactory to the court for the payment to the employees affected by the regulation, in the event such regulation is affirmed, of the amount by which the compensation such employees are entitled to receive under the regulation exceeds the compensation they actually receive while such stay is in effect. [1983 c 3 s 157; 1971 c 81 s 117; 1959 c 294 s 8.]

RCW 49.46.090 Payment of amounts less than chapter requirements—Employer's liability—Assignment of claim. (1) Any employer who pays any employee less than the amounts to which such employee is entitled under or by virtue of this chapter, shall be liable to such employee affected for the full amount due to such employee under this chapter, less any amount actually paid to such employee by the employer, and for costs and such reasonable attorney's fees as may be allowed by the court. Any agreement between such employee and the employer allowing the employee to receive less than what is due under this chapter shall be no defense to such action.

(2) At the written request of any employee paid less than the amounts to which he or she is entitled under or by virtue of this chapter, the director may take an assignment under this chapter or as provided in RCW 49.48.040 of such claim in trust for the assigning employee and may bring any legal action necessary to collect such claim, and the employer shall be required to pay the costs and such reasonable attorney's fees as may be allowed by the court. [2017 c 2 s 7 (Initiative Measure No. 1433, approved November 8, 2016); 2010 c 8 s 12043; 1959 c 294 s 9.]

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.100 Prohibited acts of employer—Penalty. (1) Any employer who hinders or delays the director or his or her authorized representatives in the performance of his or her duties in the enforcement of this chapter, or refuses to admit the director or his or her authorized representatives to any place of employment, or fails to make, keep, and preserve any records as required under the provisions of this chapter, or falsifies any such record, or refuses to make any record accessible to the director or his or her authorized representatives upon demand, or refuses to furnish a sworn statement of such record or any other information required for the proper enforcement of this chapter to the director or his or her authorized

representatives upon demand, or pays or agrees to pay an employee less than the employee is entitled to under this chapter, or otherwise violates any provision of this chapter or of any regulation issued under this chapter shall be deemed in violation of this chapter and shall, upon conviction therefor, be guilty of a gross misdemeanor.

(2) Any employer who discharges or in any other manner discriminates against any employee because such employee has made any complaint to his or her employer, to the director, or his or her authorized representatives that he or she has not been paid wages in accordance with the provisions of this chapter, or that the employer has violated any provision of this chapter, or because such employee has caused to be instituted or is about to cause to be instituted any proceeding under or related to this chapter, or because such employee has testified or is about to testify in any such proceeding shall be deemed in violation of this chapter and shall, upon conviction therefor, be guilty of a gross misdemeanor. [2017 c 2 s 8 (Initiative Measure No. 1433, approved November 8, 2016); 2010 c 8 s 12044; 1959 c 294 s 10.]

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.110 Collective bargaining not impaired. Nothing in this chapter shall be deemed to interfere with, impede, or in any way diminish the right of employees to bargain collectively with their employers through representatives of their own choosing in order to establish wages or other conditions of work in excess of the applicable minimum under the provisions of this chapter. [1959 c 294 s 11.]

RCW 49.46.120 Chapter establishes minimum standards and is supplementary to other laws—More favorable standards unaffected. This chapter establishes minimum standards for wages, paid sick leave, and working conditions of all employees in this state, unless exempted herefrom, and is in addition to and supplementary to any other federal, state, or local law or ordinance, or any rule or regulation issued thereunder. Any standards relating to wages, hours, paid sick leave, or other working conditions established by any applicable federal, state, or local law or ordinance, or any rule or regulation issued thereunder, which are more favorable to employees than the minimum standards applicable under this chapter, or any rule or regulation issued hereunder, shall not be affected by this chapter and such other laws, or rules or regulations, shall be in full force and effect and may be enforced as provided by law. [2017 c 2 s 9 (Initiative Measure No. 1433, approved November 8, 2016); 1961 ex.s. c 18 s 4; 1959 c 294 s 12.]

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.130 Minimum rate of compensation for employment in excess of forty hour workweek—Exceptions. (1) Except as otherwise provided in this section, no employer shall employ any of his or her

employees for a workweek longer than forty hours unless such employee receives compensation for his or her employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he or she is employed.

(2) This section does not apply to:

(a) Any person exempted pursuant to RCW 49.46.010(3). The payment of compensation or provision of compensatory time off in addition to a salary shall not be a factor in determining whether a person is exempted under RCW 49.46.010(3)(c);

(b) Employees who request compensating time off in lieu of overtime pay;

(c) Any individual employed as a seaman whether or not the seaman is employed on a vessel other than an American vessel;

(d) Seasonal employees who are employed at concessions and recreational establishments at agricultural fairs, including those seasonal employees employed by agricultural fairs, within the state provided that the period of employment for any seasonal employee at any or all agricultural fairs does not exceed fourteen working days a year;

(e) Any individual employed as a motion picture projectionist if that employee is covered by a contract or collective bargaining agreement which regulates hours of work and overtime pay;

(f) An individual employed as a truck or bus driver who is subject to the provisions of the Federal Motor Carrier Act (49 U.S.C. Sec. 3101 et seq. and 49 U.S.C. Sec. 10101 et seq.), if the compensation system under which the truck or bus driver is paid includes overtime pay, reasonably equivalent to that required by this subsection, for working longer than forty hours per week;

(g) Any individual employed as an agricultural employee. This exemption from subsection (1) of this section applies only until December 31, 2021;

(h) Any industry in which federal law provides for an overtime payment based on a workweek other than forty hours. However, the provisions of the federal law regarding overtime payment based on a workweek other than forty hours shall nevertheless apply to employees covered by this section without regard to the existence of actual federal jurisdiction over the industrial activity of the particular employer within this state. For the purposes of this subsection, "industry" means a trade, business, industry, or other activity, or branch, or group thereof, in which individuals are gainfully employed (section 3(h) of the Fair Labor Standards Act of 1938, as amended (Public Law 93-259));

(i) Any hours worked by an employee of a carrier by air subject to the provisions of subchapter II of the Railway Labor Act (45 U.S.C. Sec. 181 et seq.), when such hours are voluntarily worked by the employee pursuant to a shift-trading practice under which the employee has the opportunity in the same or in other workweeks to reduce hours worked by voluntarily offering a shift for trade or reassignment; and

(j) Any individual licensed under chapter 18.85 RCW unless the individual is providing real estate brokerage services under a written contract with a real estate firm which provides that the individual is an employee. For purposes of this subsection (2)(j), "real estate brokerage services" and "real estate firm" mean the same as defined in RCW 18.85.011.

(3) No employer shall be deemed to have violated subsection (1) of this section by employing any employee of a retail or service

establishment for a workweek in excess of the applicable workweek specified in subsection (1) of this section if:

(a) The regular rate of pay of the employee is in excess of one and one-half times the minimum hourly rate required under RCW 49.46.020; and

(b) More than half of the employee's compensation for a representative period, of not less than one month, represents commissions on goods or services.

In determining the proportion of compensation representing commissions, all earnings resulting from the application of a bona fide commission rate is to be deemed commissions on goods or services without regard to whether the computed commissions exceed the draw or guarantee.

(4) No employer of commissioned salespeople primarily engaged in the business of selling automobiles, trucks, recreational vessels, recreational vessel trailers, recreational vehicle trailers, recreational campers, manufactured housing, or farm implements to ultimate purchasers shall violate subsection (1) of this section with respect to such commissioned salespeople if the commissioned salespeople are paid the greater of:

(a) Compensation at the hourly rate, which may not be less than the rate required under RCW 49.46.020, for each hour worked up to forty hours per week, and compensation of one and one-half times that hourly rate for all hours worked over forty hours in one week; or

(b) A straight commission, a salary plus commission, or a salary plus bonus applied to gross salary.

(5) No public agency shall be deemed to have violated subsection (1) of this section with respect to the employment of any employee in fire protection activities or any employee in law enforcement activities (including security personnel in correctional institutions) if: (a) In a work period of twenty-eight consecutive days the employee receives for tours of duty which in the aggregate exceed two hundred forty hours; or (b) in the case of such an employee to whom a work period of at least seven but less than twenty-eight days applies, in his or her work period the employee receives for tours of duty which in the aggregate exceed a number of hours which bears the same ratio to the number of consecutive days in his or her work period as two hundred forty hours bears to twenty-eight days; compensation at a rate not less than one and one-half times the regular rate at which he or she is employed.

(6)(a) Beginning January 1, 2022, any agricultural employee shall not be employed for more than 55 hours in any one workweek unless the agricultural employee receives one and one-half times that agricultural employee's regular rate of pay for all hours worked over 55 in any one workweek.

(b) Beginning January 1, 2023, any agricultural employee shall not be employed for more than 48 hours in any one workweek unless the agricultural employee receives one and one-half times that agricultural employee's regular rate of pay for all hours worked over 48 in any one workweek.

(c) Beginning January 1, 2024, any agricultural employee shall not be employed for more than 40 hours in any one workweek unless the agricultural employee receives one and one-half times that agricultural employee's regular rate of pay for all hours worked over 40 in any one workweek.

(7)(a) No damages, statutory or civil penalties, attorneys' fees and costs, or other type of relief may be granted against an employer

to an agricultural or dairy employee seeking unpaid overtime due to the employee's historical exclusion from overtime under subsection (2)(g) of this section, as it existed on November 4, 2020.

(b) This subsection applies to all claims, causes of actions, and proceedings commenced on or after November 5, 2020, regardless of when the claim or cause of action arose. To this extent, this subsection applies retroactively, but in all other respects it applies prospectively.

(c) This subsection does not apply to dairy employees entitled to back pay or other relief as a result of being a member in the class of plaintiffs in *Martinez-Cuevas v. DeRuyter Bros. Dairy*, 196 Wn.2d 506 (2020).

(8) For the purposes of this section, "agricultural employee" means any individual employed: (a) On a farm, in the employ of any person, in connection with the cultivation of the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and furbearing animals and wildlife, or in the employ of the owner or tenant or other operator of a farm in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment; (b) in packing, packaging, grading, storing or delivering to storage, or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; or (c) [in] commercial canning, commercial freezing, or any other commercial processing, or with respect to services performed in connection with the cultivation, raising, harvesting, and processing of oysters or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption. An agricultural employee does not include a dairy employee.

(9) For the purposes of this section, "dairy employee" includes any employee engaged in dairy cattle and milk production activities described in code 112120 of the North American industry classification system. [2021 c 249 s 2; 2013 c 207 s 1; 2010 c 8 s 12045; 1998 c 239 s 2. Prior: 1997 c 311 s 1; 1997 c 203 s 2; 1995 c 5 s 1; 1993 c 191 s 1; 1992 c 94 s 1; 1989 c 104 s 1; prior: 1977 ex.s. c 4 s 1; 1977 ex.s. c 74 s 1; 1975 1st ex.s. c 289 s 3.]

Intent—2021 c 249: "In order to stabilize, strengthen, and protect our state's agricultural workforce and economy, it is the intent of the legislature to pass the laws necessary to protect farmworkers and to provide agricultural employers with certainty and predictability.

The legislature intends to address the historical exceptions of agricultural work from overtime standards from both the federal fair labor standards act and the state minimum wage act when they were enacted over 60 years ago. Excluded from the opportunity to earn overtime pay, farmworkers across our state remain among our state's poorest workers. A United States department of labor study in 2016 found that nationally, 30 percent of farmworker families live below the poverty line, almost double the poverty rate of American families overall. The state department of health found that the current novel coronavirus pandemic has had a significant and disproportionate impact on farmworkers. The virus' risks to essential farmworkers from

potential workplace exposures are compounded by systemic barriers to testing, prevention measures, and medical care.

The legislature also intends to avoid disruptions within the state's vital agricultural sector. While Washington is well-known as the national leader in apple production, the state's agricultural sector is incredibly diverse: Over 300 crops are harvested, and a variety of livestock are raised on over 35,000 farms across the state. The robust size of our agricultural sector means our state overall ranks in the top 10 nationally in the size of our farm labor force. Agriculture is a cornerstone of our state economy. Uncertainty from recent legal decisions regarding overtime standards are compounding the pandemic's disruptions to the food chain and the safety challenges of operating during a public health crisis.

The legislature intends to provide clear overtime standards to reduce litigation between parties in this key sector of the state's economy during the challenges and additional costs brought on by the novel coronavirus and to protect the security of our food supply chain. This act's transitional approach is reasonable to achieve the legislature's purpose of increasing the safety of an at risk and essential workforce, increasing the public welfare of low-income individuals by removing a historical barrier to their earning potential, and maintaining the food security and economic security provided by a stable agricultural sector." [2021 c 249 s 1.]

Findings—Intent—1998 c 239: "The legislature finds that employees in the airline industry have a long-standing practice and tradition of trading shifts voluntarily among themselves. The legislature also finds that federal law exempts airline employees from the provisions of federal overtime regulations. This act is intended to specify that airline industry employers are not required to pay overtime compensation to an employee agreeing to work additional hours for a coemployee." [1998 c 239 s 1.]

Intent—Collective bargaining agreements—1998 c 239: "This act does not alter the terms, conditions, or practices contained in any collective bargaining agreement." [1998 c 239 s 3.]

Retroactive application—1998 c 239: "This act is remedial in nature and applies retroactively." [1998 c 239 s 4.]

Severability—1998 c 239: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1998 c 239 s 5.]

Construction—1997 c 203: "Nothing in this act shall be construed to alter the terms, conditions, or practices contained in any collective bargaining agreement in effect at the time of the effective date of this act [July 27, 1997] until the expiration date of such agreement." [1997 c 203 s 4.]

Intent—Application—1995 c 5: "This act is intended to clarify the original intent of RCW 49.46.010(5)(c). This act applies to all administrative and judicial actions commenced on or after February 1, 1995, and pending on March 30, 1995, and such actions commenced on or after March 30, 1995." [1995 c 5 s 2.]

Effective date—1995 c 5: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect immediately [March 30, 1995]." [1995 c 5 s 3.]

RCW 49.46.140 Notification of employers. The director of the department of labor and industries and the commissioner of employment security shall each notify employers of the requirements of chapter 289, Laws of 1975 1st ex. sess. through their regular quarterly notices to employers. [1975 1st ex.s. c 289 s 4.]

RCW 49.46.160 Automatic service charges. (1) An employer that imposes an automatic service charge related to food, beverages, entertainment, or porterage provided to a customer must disclose in an itemized receipt and in any menu provided to the customer the percentage of the automatic service charge that is paid or is payable directly to the employee or employees serving the customer.

(2) For purposes of this section:

(a) "Employee" means nonmanagerial, nonsupervisory workers, including but not limited to servers, busers, banquet attendant, banquet captains, bartenders, barbacks, and porters.

(b) "Employer" means employers as defined in RCW 49.46.010 that provide food, beverages, entertainment, or porterage, including but not limited to restaurants, catering houses, convention centers, and overnight accommodations.

(c) "Service charge" means a separately designated amount collected by employers from customers that is for services provided by employees, or is described in such a way that customers might reasonably believe that the amounts are for such services. Service charges include but are not limited to charges designated on receipts as a "service charge," "gratuity," "delivery charge," or "porterage charge." Service charges are in addition to hourly wages paid or payable to the employee or employees serving the customer. [2010 c 8 s 12046; 2007 c 390 s 1. Formerly RCW 19.48.130.]

RCW 49.46.170 Employment of individuals with disabilities at less than the minimum wage—State agencies prohibited. (1) Beginning July 1, 2020, no state agency may employ an individual to work under a special certificate issued under RCW 49.12.110 and 49.46.060 for the employment of individuals with disabilities at less than the minimum wage. Any special certificate issued by the director to a state agency for the employment of an individual with a disability at less than minimum wage must expire by June 30, 2020. For the purposes of this section, "state agency" means any office, department, commission, or other unit of state government.

(2) After July 31, 2023, the director may not issue any new special certificates under RCW 49.12.110 and 49.46.060 for the employment, at less than the minimum wage, of individuals with disabilities.

(3)(a) Special certificates that have not expired as of July 31, 2023, remain valid until the certificate expires.

(b) The director may extend, no more than once and for no longer than one year, the duration of a special certificate that was valid as of July 25, 2021, only under the following circumstances:

(i) The individual employed under the special certificate is an "eligible person" as defined under RCW 71A.10.020; and

(ii) The employer requests the extension of the special certificate.

(4) Ninety days before the expiration of the special certificates under this section, the director shall provide written notice to the employer, the employee, and the employee's legal guardian, legal representative as defined under RCW 71A.10.020, or other individual authorized to receive information on behalf of the employee, of the following:

(a) The expiration date of the special certificate;

(b) The employer's option to extend the special certificate if the conditions under subsection (3) of this section are met; and

(c) Upon request, the contact information for the department of social and health services and a statement that provides the supportive services available to the individual with disabilities.

(5) For the purposes of allowing the department of social and health services to prioritize services and existing individualized technical assistance to individuals advancing to at least minimum wage employment, the department of labor and industries may share information, such as individuals' contact information and expiration dates of special certificates[,] with the department of social and health services. [2021 c 97 s 3; 2019 c 374 s 1.]

RCW 49.46.180 Paid sick leave—Construction workers covered by a collective bargaining agreement excluded. (1) The sick leave provisions of RCW 49.46.200 through 49.46.830 shall not apply to construction workers covered by a collective bargaining agreement, provided:

(a) The union signatory to the collective bargaining agreement is an approved referral union program authorized under RCW 50.20.010 and in compliance with WAC 192-210-110; and

(b) The collective bargaining agreement establishes equivalent sick leave provisions, as provided in subsection (2) of this section; and

(c) The requirements of RCW 49.46.200 through 49.46.830 are expressly waived in the collective bargaining agreement in clear and unambiguous terms or in an addendum to an existing agreement including an agreement that is open for negotiation provided the sick leave portions were previously ratified by the membership.

(2) Equivalent sick leave provisions provided by a collective bargaining agreement must meet the requirements of RCW 49.46.200 through 49.46.830 and the rules adopted by the department of labor and industries, except the payment of leave at the normal hourly compensation may occur before usage and the payment of accrued and unused sick leave may be made in accordance with RCW 49.46.210. [2023 c 267 s 2; 2019 c 236 s 4.]

Effective date—2023 c 267: See note following RCW 49.46.210.

Finding—2019 c 236: See note following RCW 49.46.020.

RCW 49.46.200 Paid sick leave. The demands of the workplace and of families need to be balanced to promote public health, family stability, and economic security. It is in the public interest to provide reasonable paid sick leave for employees to care for the health of themselves and their families. Such paid sick leave shall be provided at the greater of the newly increased minimum wage or the employee's regular and normal wage. [2017 c 2 s 4 (Initiative Measure No. 1433, approved November 8, 2016).]

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.210 Paid sick leave—Authorized purposes—Limitations. ***(Effective until January 1, 2025.)*** (1) Beginning January 1, 2018, except as provided in RCW 49.46.180, every employer shall provide each of its employees paid sick leave as follows:

(a) An employee shall accrue at least one hour of paid sick leave for every forty hours worked as an employee. An employer may provide paid sick leave in advance of accrual provided that such front-loading meets or exceeds the requirements of this section for accrual, use, and carryover of paid sick leave.

(b) An employee is authorized to use paid sick leave for the following reasons:

(i) An absence resulting from an employee's mental or physical illness, injury, or health condition; to accommodate the employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care;

(ii) To allow the employee to provide care for a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care; and

(iii) When the employee's place of business has been closed by order of a public official for any health-related reason, or when an employee's child's school or place of care has been closed for such a reason.

(c) An employee is authorized to use paid sick leave for absences that qualify for leave under the domestic violence leave act, chapter 49.76 RCW.

(d) An employee is entitled to use accrued paid sick leave beginning on the ninetieth calendar day after the commencement of his or her employment.

(e) Employers are not prevented from providing more generous paid sick leave policies or permitting use of paid sick leave for additional purposes.

(f) An employer may require employees to give reasonable notice of an absence from work, so long as such notice does not interfere with an employee's lawful use of paid sick leave.

(g) For absences exceeding three days, an employer may require verification that an employee's use of paid sick leave is for an authorized purpose. If an employer requires verification, verification must be provided to the employer within a reasonable time period during or after the leave. An employer's requirements for verification may not result in an unreasonable burden or expense on the employee

and may not exceed privacy or verification requirements otherwise established by law.

(h) An employer may not require, as a condition of an employee taking paid sick leave, that the employee search for or find a replacement worker to cover the hours during which the employee is on paid sick leave.

(i) For each hour of paid sick leave used, an employee shall be paid the greater of the minimum hourly wage rate established in this chapter or his or her normal hourly compensation. The employer is responsible for providing regular notification to employees about the amount of paid sick leave available to the employee.

(j) Except as provided in (l) of this subsection, accrued and unused paid sick leave carries over to the following year, but an employer is not required to allow an employee to carry over paid sick leave in excess of 40 hours.

(k) Except as provided in (l) of this subsection, an employer is not required to provide financial or other reimbursement for accrued and unused paid sick leave to any employee upon the employee's termination, resignation, retirement, or other separation from employment. When there is a separation from employment and the employee is rehired within 12 months of separation by the same employer, whether at the same or a different business location of the employer, previously accrued unused paid sick leave shall be reinstated and the previous period of employment shall be counted for purposes of determining the employee's eligibility to use paid sick leave under subsection (1)(d) of this section. For purposes of this subsection (1)(k), "previously accrued and unused paid sick leave" does not include sick leave paid out to a construction worker under (l) of this subsection.

(l)(i) A construction industry employer must pay a construction worker, who has not met the 90th day eligibility under (d) of this subsection at the time of separation, the balance of the worker's accrued and unused paid sick leave at the end of the established pay period following the worker's separation pursuant to RCW 49.48.010(2).

(ii) The definitions in this subsection (1)(l)(ii) apply throughout this subsection (1)(l) unless the context clearly requires otherwise.

(A) "Construction worker" means a worker who performed service, maintenance, or construction work on a jobsite, in the field or in a fabrication shop using the tools of the worker's trade or craft.

(B) "Construction industry employer" means an employer in the industry described in North American industry classification system industry code 23, except for residential building construction code 2361.

(2) For purposes of this section, "family member" means any of the following:

(a) A child, including a biological, adopted, or foster child, stepchild, or a child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status;

(b) A biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child;

(c) A spouse;

(d) A registered domestic partner;

(e) A grandparent;

(f) A grandchild; or

(g) A sibling.

(3) An employer may not adopt or enforce any policy that counts the use of paid sick leave time as an absence that may lead to or result in discipline against the employee.

(4) An employer may not discriminate or retaliate against an employee for his or her exercise of any rights under this chapter including the use of paid sick leave.

(5)(a) The definitions in this subsection apply to this subsection:

(i) "Average hourly compensation" means a driver's compensation during passenger platform time from, or facilitated by, the transportation network company, during the 365 days immediately prior to the day that paid sick time is used, divided by the total hours of passenger platform time worked by the driver on that transportation network company's driver platform during that period. "Average hourly compensation" does not include tips.

(ii) "Driver," "driver platform," "passenger platform time," and "transportation network company" have the meanings provided in RCW 49.46.300.

(iii) "Earned paid sick time" is the time provided by a transportation network company to a driver as calculated under this subsection. For each hour of earned paid sick time used by a driver, the transportation network company shall compensate the driver at a rate equal to the driver's average hourly compensation.

(iv) For purposes of drivers, "family member" means any of the following:

(A) A child, including a biological, adopted, or foster child, stepchild, or a child to whom the driver stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status;

(B) A biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of a driver or the driver's spouse or registered domestic partner, or a person who stood in loco parentis when the driver was a minor child;

(C) A spouse;

(D) A registered domestic partner;

(E) A grandparent;

(F) A grandchild; or

(G) A sibling.

(b) Beginning January 1, 2023, a transportation network company must provide to each driver operating on its driver platform compensation for earned paid sick time as required by this subsection and subject to the provisions of this subsection. A driver shall accrue one hour of earned paid sick time for every 40 hours of passenger platform time worked.

(c) A driver is entitled to use accrued earned paid sick time upon recording 90 hours of passenger platform time on the transportation network company's driver platform.

(d) For each hour of earned paid sick time used, a driver shall be paid the driver's average hourly compensation.

(e) A transportation network company shall establish an accessible system for drivers to request and use earned paid sick time. The system must be available to drivers via smartphone application and online web portal.

(f) A driver may carry over up to 40 hours of unused earned paid sick time to the next calendar year. If a driver carries over unused

earned paid sick time to the following year, accrual of earned paid sick time in the subsequent year must be in addition to the hours accrued in the previous year and carried over.

(g) A driver is entitled to use accrued earned paid sick time if the driver has used the transportation network company's platform as a driver within 90 calendar days preceding the driver's request to use earned paid sick time.

(h) A driver is entitled to use earned paid sick time for the following reasons:

(i) An absence resulting from the driver's mental or physical illness, injury, or health condition; to accommodate the driver's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care;

(ii) To allow the driver to provide care for a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care;

(iii) When the driver's child's school or place of care has been closed by order of a public official for any health-related reason;

(iv) For absences for which an employee would be entitled for leave under RCW 49.76.030; and

(v) During a deactivation or other status that prevents the driver from performing network services on the transportation network company's platform, unless the deactivation or status is due to a verified allegation of sexual assault or physical assault perpetrated by the driver.

(i) If a driver does not record any passenger platform time in a transportation network company's driver platform for 365 or more consecutive days, any unused earned paid sick time accrued up to that point with that transportation network company is no longer valid or recognized.

(j) Drivers may use accrued days of earned paid sick time in increments of a minimum of four or more hours. Drivers are entitled to request four or more hours of earned paid sick time for immediate use, including consecutive days of use. Drivers are not entitled to use more than eight hours of earned paid sick time within a single calendar day.

(k) A transportation network company shall compensate a driver for requested hours or days of earned paid sick time no later than 14 calendar days or the next regularly scheduled date of compensation following the requested hours or days of earned paid sick time.

(l) A transportation network company shall not request or require reasonable verification of a driver's qualifying illness except as would be permitted to be requested of an employee under subsection (1)(g) of this section. If a transportation network company requires verification pursuant to this subsection, the transportation network company must compensate the driver for the requested hours or days of earned paid sick time no later than the driver's next regularly scheduled date of compensation after satisfactory verification is provided.

(m) If a driver accepts an offer of prearranged services for compensation from a transportation network company during the four-hour period or periods for which the driver requested earned paid sick time, a transportation network company may determine that the driver did not use earned paid sick time for an authorized purpose.

(n) A transportation network company shall provide each driver with:

(i) Written notification of the current rate of average hourly compensation while a passenger is in the vehicle during the most recent calendar month for use of earned paid sick time;

(ii) An updated amount of accrued earned paid sick time since the last notification;

(iii) Reduced earned paid sick time since the last notification;

(iv) Any unused earned paid sick time available for use; and

(v) Any amount that the transportation network company may subtract from the driver's compensation for earned paid sick time. The transportation network company shall provide this information to the driver no less than monthly. The transportation network company may choose a reasonable system for providing this notification, including but not limited to: A pay stub; a weekly summary of compensation information; or an online system where drivers can access their own earned paid sick time information. A transportation network company is not required to provide this information to a driver if the driver has not worked any days since the last notification.

(o) A transportation network company may not adopt or enforce any policy that counts the use of earned paid sick time as an absence that may lead to or result in any action that adversely affects the driver's use of the transportation network.

(p) A transportation network company may not take any action against a driver that adversely affects the driver's use of the transportation network due to his or her exercise of any rights under this subsection including the use of earned paid sick time.

(q) The department may adopt rules to implement this subsection. [2024 c 39 s 1; 2023 c 267 s 1; 2022 c 281 s 6; 2019 c 236 s 3; 2017 c 2 s 5 (Initiative Measure No. 1433, approved November 8, 2016).]

Effective date—2024 c 39: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [March 13, 2024]." [2024 c 39 s 2.]

Effective date—2023 c 267: "This act takes effect January 1, 2024." [2023 c 267 s 3.]

Finding—2019 c 236: See note following RCW 49.46.020.

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.210 Paid sick leave—Authorized purposes—Limitations. ***(Effective January 1, 2025.)*** (1) Beginning January 1, 2018, except as provided in RCW 49.46.180, every employer shall provide each of its employees paid sick leave as follows:

(a) An employee shall accrue at least one hour of paid sick leave for every forty hours worked as an employee. An employer may provide paid sick leave in advance of accrual provided that such front-loading meets or exceeds the requirements of this section for accrual, use, and carryover of paid sick leave.

(b) An employee is authorized to use paid sick leave for the following reasons:

(i) An absence resulting from an employee's mental or physical illness, injury, or health condition; to accommodate the employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care;

(ii) To allow the employee to provide care for a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care; and

(iii) When the employee's place of business has been closed by order of a public official for any health-related reason, or when an employee's child's school or place of care has been closed for such a health-related reason or after the declaration of an emergency by a local or state government or agency, or by the federal government.

(c) An employee is authorized to use paid sick leave for absences that qualify for leave under the domestic violence leave act, chapter 49.76 RCW.

(d) An employee is entitled to use accrued paid sick leave beginning on the ninetieth calendar day after the commencement of his or her employment.

(e) Employers are not prevented from providing more generous paid sick leave policies or permitting use of paid sick leave for additional purposes.

(f) An employer may require employees to give reasonable notice of an absence from work, so long as such notice does not interfere with an employee's lawful use of paid sick leave.

(g) For absences exceeding three days, an employer may require verification that an employee's use of paid sick leave is for an authorized purpose. If an employer requires verification, verification must be provided to the employer within a reasonable time period during or after the leave. An employer's requirements for verification may not result in an unreasonable burden or expense on the employee and may not exceed privacy or verification requirements otherwise established by law.

(h) An employer may not require, as a condition of an employee taking paid sick leave, that the employee search for or find a replacement worker to cover the hours during which the employee is on paid sick leave.

(i) For each hour of paid sick leave used, an employee shall be paid the greater of the minimum hourly wage rate established in this chapter or his or her normal hourly compensation. The employer is responsible for providing regular notification to employees about the amount of paid sick leave available to the employee.

(j) Except as provided in (l) of this subsection, accrued and unused paid sick leave carries over to the following year, but an employer is not required to allow an employee to carry over paid sick leave in excess of 40 hours.

(k) Except as provided in (l) of this subsection, an employer is not required to provide financial or other reimbursement for accrued and unused paid sick leave to any employee upon the employee's termination, resignation, retirement, or other separation from employment. When there is a separation from employment and the employee is rehired within 12 months of separation by the same employer, whether at the same or a different business location of the employer, previously accrued unused paid sick leave shall be reinstated and the previous period of employment shall be counted for

purposes of determining the employee's eligibility to use paid sick leave under (d) of this subsection. For purposes of this subsection (1)(k), "previously accrued and unused paid sick leave" does not include sick leave paid out to a construction worker under (l) of this subsection.

(l)(i) A construction industry employer must pay a construction worker, who has not met the 90th day eligibility under (d) of this subsection at the time of separation, the balance of the worker's accrued and unused paid sick leave at the end of the established pay period following the worker's separation pursuant to RCW 49.48.010(2).

(ii) The definitions in this subsection (1)(l)(ii) apply throughout this subsection (1)(l) unless the context clearly requires otherwise.

(A) "Construction worker" means a worker who performed service, maintenance, or construction work on a jobsite, in the field or in a fabrication shop using the tools of the worker's trade or craft.

(B) "Construction industry employer" means an employer in the industry described in North American industry classification system industry code 23, except for residential building construction code 2361.

(2) The definitions in this subsection apply throughout this section, except for subsection (5) of this section:

(a) "Family member" means a child, grandchild, grandparent, parent, sibling, or spouse of an employee, and also includes any individual who regularly resides in the employee's home or where the relationship creates an expectation that the employee care for the person, and that individual depends on the employee for care. "Family member" includes any individual who regularly resides in the employee's home, except that it does not include an individual who simply resides in the same home with no expectation that the employee care for the individual.

(b) "Child" means a biological, adopted, or foster child, a stepchild, a child's spouse, or a child to whom the employee stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status.

(c) "Grandchild" means a child of the employee's child.

(d) "Grandparent" means a parent of the employee's parent.

(e) "Parent" means the biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse, or an individual who stood in loco parentis to an employee when the employee was a child.

(f) "Spouse" means a husband or wife, as the case may be, or state registered domestic partner.

(3) An employer may not adopt or enforce any policy that counts the use of paid sick leave time as an absence that may lead to or result in discipline against the employee.

(4) An employer may not discriminate or retaliate against an employee for his or her exercise of any rights under this chapter including the use of paid sick leave.

(5)(a) The definitions in this subsection apply to this subsection:

(i) "Average hourly compensation" means a driver's compensation during passenger platform time from, or facilitated by, the transportation network company, during the 365 days immediately prior to the day that paid sick time is used, divided by the total hours of passenger platform time worked by the driver on that transportation

network company's driver platform during that period. "Average hourly compensation" does not include tips.

(ii) "Driver," "driver platform," "passenger platform time," and "transportation network company" have the meanings provided in RCW 49.46.300.

(iii) "Earned paid sick time" is the time provided by a transportation network company to a driver as calculated under this subsection. For each hour of earned paid sick time used by a driver, the transportation network company shall compensate the driver at a rate equal to the driver's average hourly compensation.

(iv) For purposes of drivers, the following definitions apply:

(A) "Family member" means a child, grandchild, grandparent, parent, sibling, or spouse of a driver, and also includes any individual who regularly resides in the driver's home or where the relationship creates an expectation that the driver care for the person, and that individual depends on the driver for care. "Family member" includes any individual who regularly resides in the driver's home, except that it does not include an individual who simply resides in the same home with no expectation that the driver care for the individual.

(B) "Child" means a biological, adopted, or foster child, a stepchild, a child's spouse, or a child to whom the driver stands in loco parentis, is a legal guardian, or is a de facto parent, regardless of age or dependency status.

(C) "Grandchild" means a child of the driver's child.

(D) "Grandparent" means a parent of the driver's parent.

(E) "Parent" means the biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of a driver or the driver's spouse, or an individual who stood in loco parentis to a driver when the driver was a child.

(F) "Spouse" means a husband or wife, as the case may be, or state registered domestic partner.

(b) Beginning January 1, 2023, a transportation network company must provide to each driver operating on its driver platform compensation for earned paid sick time as required by this subsection and subject to the provisions of this subsection. A driver shall accrue one hour of earned paid sick time for every 40 hours of passenger platform time worked.

(c) A driver is entitled to use accrued earned paid sick time upon recording 90 hours of passenger platform time on the transportation network company's driver platform.

(d) For each hour of earned paid sick time used, a driver shall be paid the driver's average hourly compensation.

(e) A transportation network company shall establish an accessible system for drivers to request and use earned paid sick time. The system must be available to drivers via smartphone application and online web portal.

(f) A driver may carry over up to 40 hours of unused earned paid sick time to the next calendar year. If a driver carries over unused earned paid sick time to the following year, accrual of earned paid sick time in the subsequent year must be in addition to the hours accrued in the previous year and carried over.

(g) A driver is entitled to use accrued earned paid sick time if the driver has used the transportation network company's platform as a driver within 90 calendar days preceding the driver's request to use earned paid sick time.

(h) A driver is entitled to use earned paid sick time for the following reasons:

(i) An absence resulting from the driver's mental or physical illness, injury, or health condition; to accommodate the driver's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care;

(ii) To allow the driver to provide care for a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care;

(iii) When the driver's child's school or place of care has been closed by order of a public official for any health-related reason or has been closed after the declaration of an emergency by a local or state government or agency, or by the federal government;

(iv) For absences for which an employee would be entitled for leave under RCW 49.76.030; and

(v) During a deactivation or other status that prevents the driver from performing network services on the transportation network company's platform, unless the deactivation or status is due to a verified allegation of sexual assault or physical assault perpetrated by the driver.

(i) If a driver does not record any passenger platform time in a transportation network company's driver platform for 365 or more consecutive days, any unused earned paid sick time accrued up to that point with that transportation network company is no longer valid or recognized.

(j) Drivers may use accrued days of earned paid sick time in increments of a minimum of four or more hours. Drivers are entitled to request four or more hours of earned paid sick time for immediate use, including consecutive days of use. Drivers are not entitled to use more than eight hours of earned paid sick time within a single calendar day.

(k) A transportation network company shall compensate a driver for requested hours or days of earned paid sick time no later than 14 calendar days or the next regularly scheduled date of compensation following the requested hours or days of earned paid sick time.

(l) A transportation network company shall not request or require reasonable verification of a driver's qualifying illness except as would be permitted to be requested of an employee under subsection (1)(g) of this section. If a transportation network company requires verification pursuant to this subsection, the transportation network company must compensate the driver for the requested hours or days of earned paid sick time no later than the driver's next regularly scheduled date of compensation after satisfactory verification is provided.

(m) If a driver accepts an offer of prearranged services for compensation from a transportation network company during the four-hour period or periods for which the driver requested earned paid sick time, a transportation network company may determine that the driver did not use earned paid sick time for an authorized purpose.

(n) A transportation network company shall provide each driver with:

(i) Written notification of the current rate of average hourly compensation while a passenger is in the vehicle during the most recent calendar month for use of earned paid sick time;

(ii) An updated amount of accrued earned paid sick time since the last notification;

(iii) Reduced earned paid sick time since the last notification;

(iv) Any unused earned paid sick time available for use; and

(v) Any amount that the transportation network company may subtract from the driver's compensation for earned paid sick time. The transportation network company shall provide this information to the driver no less than monthly. The transportation network company may choose a reasonable system for providing this notification, including but not limited to: A pay stub; a weekly summary of compensation information; or an online system where drivers can access their own earned paid sick time information. A transportation network company is not required to provide this information to a driver if the driver has not worked any days since the last notification.

(o) A transportation network company may not adopt or enforce any policy that counts the use of earned paid sick time as an absence that may lead to or result in any action that adversely affects the driver's use of the transportation network.

(p) A transportation network company may not take any action against a driver that adversely affects the driver's use of the transportation network due to his or her exercise of any rights under this subsection including the use of earned paid sick time.

(q) The department may adopt rules to implement this subsection. [2024 c 356 s 1; 2024 c 39 s 1; 2023 c 267 s 1; 2022 c 281 s 6; 2019 c 236 s 3; 2017 c 2 s 5 (Initiative Measure No. 1433, approved November 8, 2016).]

Reviser's note: This section was amended by 2024 c 39 s 1 and by 2024 c 356 s 1, each without reference to the other. Both amendments are incorporated in the publication of this section under RCW 1.12.025(2). For rule of construction, see RCW 1.12.025(1).

Effective date—2024 c 356: "This act takes effect January 1, 2025." [2024 c 356 s 2.]

Department of labor and industries materials and outreach—2024 c 356: "The department of labor and industries must develop materials and conduct outreach to inform individuals and businesses of the new provisions of this act." [2024 c 356 s 3.]

Effective date—2024 c 39: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [March 13, 2024]." [2024 c 39 s 2.]

Effective date—2023 c 267: "This act takes effect January 1, 2024." [2023 c 267 s 3.]

Finding—2019 c 236: See note following RCW 49.46.020.

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.300 Transportation network companies—Definitions—Driver compensation—Notice of rights—Electronic receipts—Weekly

notice, trip information—Trip fee—Driver resource center—Rules. (1) The definitions in this subsection apply throughout this section and RCW 49.46.310 through 49.46.350 unless the context clearly requires otherwise.

(a) "Account deactivation" means one or more of the following actions with respect to an individual driver or group of drivers that is implemented by a transportation network company and lasts for more than three consecutive days:

(i) Blocking access to the transportation network company driver platform;

(ii) Changing a driver's status from eligible to provide transportation network company services to ineligible; or

(iii) Any other material restriction in access to the transportation network company's driver platform.

(b) "Compensation" means payment owed to a driver by reason of providing network services including, but not limited to, the minimum payment for passenger platform time and mileage, incentives, and tips.

(c) "Department" means the department of labor and industries.

(d) "Digital network" means any online-enabled application, website, or system offered or used by a transportation network company that enables the prearrangement of rides between drivers and passengers.

(e) "Director" means the director of the department of labor and industries.

(f) "Dispatch location" means the location of the driver at the time the driver accepts a trip request through the driver platform.

(g) "Dispatch platform time" means the time a driver spends traveling from a dispatch location to a passenger pick-up location. Dispatch platform time ends when a passenger cancels a trip or the driver begins the trip through the driver platform. A driver cannot simultaneously be engaged in dispatch platform time and passenger platform time for the same transportation network company. For shared rides, dispatch platform time means the time a driver spends traveling from the first dispatch location to the first passenger pick-up location.

(h) "Dispatched trip" means the provision of transportation by a driver for a passenger through the use of a transportation network company's application dispatch system.

(i) "Driver" has the same meaning as "commercial transportation services provider driver" in RCW 48.177.005. Except as otherwise specified in chapter 281, Laws of 2022, for purposes of this title and Titles 48, 50A, 50B, and 51 RCW, and any orders, regulations, administrative policies, or opinions of any state or local agency, board, division, or commission, pursuant to those titles, a driver is not an employee or agent of a transportation network company if the following factors are met:

(i) The transportation network company does not unilaterally prescribe specific dates, times of day, or a minimum number of hours during which the driver must be logged into the transportation network company's online-enabled application or platform;

(ii) The transportation network company may not terminate the contract of the driver for not accepting a specific transportation service request;

(iii) The transportation network company does not contractually prohibit the driver from performing services through other transportation network companies except while performing services

through the transportation network company's online-enabled application or platform during dispatch platform time and passenger platform time; and

(iv) The transportation network company does not contractually prohibit the driver from working in any other lawful occupation or business.

Notwithstanding any state or local law to the contrary, any party seeking to establish that the factors in this subsection (1)(i) are not met bears the burden of proof. A driver for purposes of this section shall not include any person ultimately and finally determined to be an "employee" within the meaning of section 2(3) of the national labor relations act, 29 U.S.C. Sec. 152(3).

(j) "Driver platform" means the driver-facing application dispatch system software or any online-enabled application service, website, or system, used by a driver, or which enables services to be delivered to a driver that enables the prearrangement of passenger trips for compensation.

(k) "Driver resource center" or "center" means a nonprofit organization that provides services to drivers. The nonprofit organization must be registered with the Washington secretary of state, have organizational bylaws giving drivers right to membership in the organization, and have demonstrated experience: (i) Providing services to gig economy drivers in Washington state, including representing drivers in deactivation appeals proceedings; and (ii) providing culturally competent driver representation services, outreach, and education. The administration and formation of the driver resource center may not be funded, excessively influenced, or controlled by a transportation network company.

(l) "Driver resource center fund" or "fund" means the dedicated fund created in RCW 49.46.310, the sole purpose of which is to administer funds collected from transportation network companies to provide services, support, and benefits to drivers.

(m) "Network services" means services related to the transportation of passengers through the driver platform that are provided by a driver while logged in to the driver platform, including services provided during available platform time, dispatch platform time, and passenger platform time.

(n) "Passenger" has the same meaning as "commercial transportation services provider passenger" in RCW 48.177.005.

(o) "Passenger drop-off location" means the location of a driver's vehicle when the passenger leaves the vehicle.

(p) "Passenger pick-up location" means the location of the driver's vehicle at the time the driver starts the trip in the driver platform.

(q) "Passenger platform miles" means all miles driven during passenger platform time as recorded in a transportation network company's driver platform.

(r) "Passenger platform time" means the period of time when the driver is transporting one or more passengers on a trip. For shared rides, passenger platform time means the period of time commencing when the first passenger enters the driver's vehicle until the time when the last passenger exits the driver's vehicle.

(s) "Personal vehicle" has the same meaning as "personal vehicle" in RCW 48.177.005.

(t) "Shared ride" means a dispatched trip which, prior to its commencement, a passenger requests through the transportation network company's digital network to share the dispatched trip with one or

more passengers and each passenger is charged a fare that is calculated, in whole or in part, based on the passenger's request to share all or a part of the dispatched trip with one or more passengers, regardless of whether the passenger actually shares all or a part of the dispatched trip.

(u) "Tips" means a verifiable sum to be presented by a passenger as a gift or gratuity in recognition of service performed for the passenger by the driver receiving the tip.

(v) "Transportation network company" has the same meaning as defined in RCW 46.04.652. A transportation network company does not provide for hire transportation service.

(2) A driver is only covered by this section to the extent that the driver provides network services within the state of Washington.

(3)(a) A transportation network company is covered by this section if it provides a driver platform within the state of Washington.

(b) Separate entities that form an integrated enterprise are considered a single transportation network company under this section. Separate entities will be considered an integrated enterprise and a single transportation network company where a separate entity controls the operation of another entity. Factors to consider include, but are not limited to, the degree of interrelation between the operations of multiple entities; the degree to which the entities share common management; the centralized control of labor relations; the degree of common ownership or financial control over the entities; and the use of a common brand, trade, business, or operating name.

(4)(a) Beginning December 31, 2022, a transportation network company shall ensure that a driver's total compensation is not less than the standard set forth in (a)(i), (ii), or (iii) of this subsection (4).

(i) For all dispatched trips originating in cities with a population of more than 600,000, on a per trip basis the greater of:

(A) $0.59 per passenger platform minute for all passenger platform time for that trip, and $1.38 per passenger platform mile for all passenger platform miles driven on that trip; or

(B) A minimum of $5.17 per dispatched trip.

(ii) For all other dispatched trips, the greater of:

(A) $0.34 per passenger platform minute and $1.17 per passenger platform mile; or

(B) A minimum of $3.00 per dispatched trip.

(iii) For all trips originating elsewhere and terminating in cities with a population of more than 600,000:

(A) For all passenger platform time spent within the city on that trip and for all passenger platform miles driven in the city on that trip the compensation standard under (a)(i) of this subsection applies.

(B) For all passenger platform time spent outside the city on that trip and for all passenger platform miles driven outside the city on that trip the compensation standard under (a)(ii) of this subsection applies.

(b) Beginning September 30, 2022, and on each following September 30th, the department shall calculate adjusted per mile and per minute amounts and per trip minimums by increasing the current year's per mile and per minute amounts and per trip minimums by the rate of increase of the state minimum wage, calculated to the nearest cent. The adjusted amount calculated under this section takes effect on the following January 1st.

(c) For shared rides, the per trip minimums in (a)(i) and (ii) of this subsection shall apply only to the entirety of the shared ride, and not on the basis of the individual passenger's trip within the shared ride.

(5)(a) For the purposes of this section, a dispatched trip includes:

(i) A dispatched trip in which the driver transports the passenger to the passenger drop-off location;

(ii) A dispatched trip canceled after two minutes by a passenger or the transportation network company unless cancellation is due to driver conduct, or no cancellation fee is charged to the passenger;

(iii) A dispatched trip that is canceled by the driver for good cause consistent with company policy; and

(iv) A dispatched trip where the passenger does not appear at the passenger pick-up location within five minutes.

(b) A transportation network company may exclude time and miles if doing so is reasonably necessary to remedy or prevent fraudulent use of the transportation network company's online-enabled application or platform.

(6)(a) A transportation network company shall remit to drivers all tips. Tips paid to a driver are in addition to, and may not count towards, the driver's minimum compensation under this section.

(b) Amounts charged to a passenger and remitted to the driver for tolls, fees, or surcharges incurred by a driver during a trip must not be included in calculating compensation for purposes of subsection (4) of this section.

(c)(i) Beginning January 1, 2023, except as required by law, a transportation network company may only deduct compensation when the driver expressly authorizes the deduction in writing and does so in advance for a lawful purpose. Any authorization by a driver must be voluntary and knowing.

(ii) Nothing in this section shall prohibit a transportation network company from deducting compensation as required by state or federal law or as directed by a court order.

(iii) Neither the transportation network company nor any person acting in the interest of the transportation network company may derive any financial profit or benefit from any of the deductions under this section. For the purposes of this section:

(A) Reasonable interest charged by the transportation network company or any person acting in the interest of a transportation network company, for a loan or credit extended to the driver, is not considered to be of financial benefit to the transportation network company or person acting in the interest of a transportation network company; and

(B) A deduction will be considered for financial profit or benefit only if it results in a gain over and above the fair market value of the goods or services for which the deduction was made.

(7)(a) Beginning January 1, 2023, a transportation network company shall provide each driver with a written notice of rights established by this section in a form and manner sufficient to inform drivers of their rights under this section. The notice of rights shall provide information on:

(i) The right to the applicable per minute rate and per mile rate or per trip rate guaranteed by this section;

(ii) The right to be protected from retaliation for exercising in good faith the rights protected by this section; and

(iii) The right to seek legal action or file a complaint with the department for violation of the requirements of this section, including a transportation network company's failure to pay the minimum per minute rate or per mile rate or per trip rate, or a transportation network company's retaliation against a driver or other person for engaging in an activity protected by this section.

(b) A transportation network company shall provide the notice of rights required by this section in an electronic format that is readily accessible to the driver. The notice of rights shall be made available to the driver via smartphone application or online web portal, in English and the five most common foreign languages spoken in this state.

(8) Beginning December 31, 2022, within 24 hours of completion of each dispatched trip, a transportation network company must transmit an electronic receipt to the driver that contains the following information for each unique trip, or portion of a unique trip, covered by this section:

(a) The total amount of passenger platform time;

(b) The total mileage driven during passenger platform time;

(c) Rate or rates of pay, including but not limited to the rate per minute, rate per mile, percentage of passenger fare, and any applicable price multiplier or variable pricing policy in effect for the trip;

(d) Tip compensation;

(e) Gross payment;

(f) Net payment after deductions, fees, tolls, surcharges, lease fees, or other charges; and

(g) Itemized deductions or fees, including any toll, surcharge, commission, lease fees, and other charges.

(9) Beginning January 1, 2023, a transportation network company shall make driver per trip receipts available in a downloadable format, such as a comma-separated values file or PDF file, via smartphone application or online web portal for a period of two years from the date the transportation network company provided the receipt to the driver.

(10) Beginning January 1, 2023, on a weekly basis, the transportation network company shall provide written notice to the driver that contains the following information for trips, or a portion of a trip, that is covered by this section and which occurred in the prior week:

(a) The driver's total passenger platform time;

(b) Total mileage driven by the driver during passenger platform time;

(c) The driver's total tip compensation;

(d) The driver's gross payment, itemized by: (i) Rate per minute; (ii) rate per mile; and (iii) any other method used to calculate pay including, but not limited to, base pay, percentage of passenger fare, or any applicable price multiplier or variable pricing policy in effect for the trip;

(e) The driver's net payment after deductions, fees, tolls, surcharges, lease fees, or other charges; and

(f) Itemized deductions or fees, including all tolls, surcharges, commissions, lease fees, and other charges, from the driver's payment.

(11) Beginning January 1, 2023, within 24 hours of a trip's completion, a transportation network company must transmit an electronic receipt to the passenger, for on trip time, on behalf of the driver that lists:

(a) The date and time of the trip;

(b) The passenger pick-up and passenger drop-off locations for the trip. In describing the passenger pick-up location and passenger drop-off location, the transportation network company shall describe the location by indicating the specific block (e.g. "the 300 block of Pine Street") in which the passenger pick-up and passenger drop-off occurred. A transportation network company is authorized to indicate the location with greater specificity, such as with a street address or intersection, at its discretion;

(c) The total duration and distance of the trip;

(d) The driver's first name;

(e) The total fare paid, itemizing all charges and fees; and

(f) The total passenger-paid tips.

(12)(a) Beginning July 1, 2024, transportation network companies shall collect and remit a $0.15 per trip fee to the driver resource center fund, created in RCW 49.46.310, for the driver resource center to support the driver community. The remittance under this subsection is a pass-through of passenger fares and shall not be considered a transportation network company's funding of the driver resource center. Passenger fares paid include each individual trip portion on shared trips. The remittances to the fund must be made on a quarterly basis.

(b) Beginning September 30, 2024, and on each following September 30th, the department shall calculate an adjusted per trip fee by adjusting the current amount by the rate of inflation. The adjusted amounts must be calculated to the nearest cent using the consumer price index for urban wage earners and clerical workers, CPI-W, or a successor index, for the 12 months prior to each September 1st as calculated by the United States department of labor. Each adjusted amount calculated under this subsection takes effect on the following January 1st.

(13) No later than one year after June 9, 2022, transportation network companies shall provide an opportunity for drivers to make voluntary per trip earnings deduction contributions to the driver resource center, provided that 100 or more drivers working for transportation network companies covered under this section have authorized such a deduction to the driver resource center, and subject to the following:

(a) A driver must expressly authorize the deduction in writing. Written authorization must include, at a minimum, sufficient information to identify the driver and the driver's desired per trip deduction amount. These deductions may reduce the driver's per trip earnings below the minimums set forth in this section.

(b) The transportation network company may require written authorization to be submitted in electronic format from the driver resource center.

(c) The transportation network company shall make the first deductions within 30 days of receiving a written authorization of the driver, and shall remit deductions to the driver resource center each month, with remittance due not later than 28 days following the end of the month.

(d) A driver's authorization remains in effect until the driver resource center provides an express revocation to the transportation network company.

(e) A transportation network company shall rely on information provided by the driver resource center regarding the authorization and revocation of deductions.

(f) Upon request by a transportation network company, the driver resource center shall reimburse the transportation network company for the costs associated with deduction and remittance. The department shall adopt rules to calculate the reimbursable costs.

(14) Each transportation network company shall submit to the fund, with its remittance under subsection (12) of this section, a report detailing the number of trips in the previous quarter and the total amount of the surcharge charged to customers. The first payment and accounting is due on the 30th day of the quarter following the imposition of the surcharge. Failure to remit payments by the deadlines is deemed a delinquency and the transportation network company is subject to penalties and interest provided in RCW 49.46.330.

(15)(a) The state expressly intends to displace competition with regulation allowing a transportation network company, at its own volition, to enter into an agreement with the driver resource center regarding a driver account deactivation appeals process for eligible account deactivations. It is the policy of the state to promote a fair appeals process related to eligible account deactivations that supports the rights of drivers and transportation network companies and provides fair processes related to eligible account deactivations. The state intends that any agreement under this section is immune from all federal and state antitrust laws.

(i) "Eligible account deactivation" means one or more of the following actions with respect to an individual driver that is implemented by a transportation network company:

(A) Blocking or restricting access to the transportation network company driver platform for three or more consecutive days; or

(B) Changing a driver's account status from eligible to provide transportation network company services to ineligible for three or more consecutive days.

(ii) An eligible account deactivation does not include any change in a driver's access or account status that is:

(A) Related to an allegation of discrimination, harassment, including sexual harassment or harassment due to someone's membership in a protected class, or physical or sexual assault, or willful or knowing commitment of fraud;

(B) Related to an allegation that the driver was under the influence of drugs or alcohol while a related active investigation that takes no longer than 10 business days is under way; or

(C) Any other categories the transportation network company and the driver resource center may agree to as part of the agreement under this subsection.

(iii) A transportation network company shall enter into an agreement with the driver resource center regarding the driver account deactivation appeals process for eligible account deactivations. Any agreement must be approved by the department. The department may approve an agreement only if the agreement contains the provisions in (a)(iv) of this subsection.

(iv) The agreement must provide an appeals process for drivers whose account has been subject to an eligible account deactivation. The appeals process must include the following protections:

(A) Opportunity for a driver representative to support a driver, upon the driver's request, throughout the account deactivation appeals process for eligible account deactivations;

(B) Notification, as required by (d) of this subsection, to drivers of their right to representation by the driver resource center at the time of the eligible account deactivation;

(C) Within 30 calendar days of a request, furnishing to the driver resource center an explanation and information the transportation network company may have relied upon in making the deactivation decision, excluding confidential, proprietary, or otherwise privileged communications, provided that personal identifying information and confidential information is redacted to address reasonable privacy and confidentiality concerns;

(D) A good faith, informal resolution process that is committed to efficient resolution of conflicts regarding eligible account deactivations within 30 days of the transportation network company being notified that the driver contests the explanation offered by the company;

(E) A formal process that includes a just cause standard, with deadlines for adjudication of an appeal of an eligible account deactivation by a panel that includes a mutually agreed-upon neutral third party with experience in dispute resolution. The panel has the authority to make binding decisions within the confines of the law and make-whole monetary awards, including back pay, based on an agreed-upon formula for cases not resolved during the informal process;

(F) Agreement by the transportation network company to use the process set forth in this subsection to resolve disputes over eligible account deactivation appeals as an alternative to private arbitration with regard to such a dispute, should the driver and transportation network company so choose; and

(G) Agreement by the transportation network company that, for eligible account deactivations in which the driver or transportation network company elect private arbitration in lieu of the formal process outlined in (a)(iv)(E) of this subsection (15), the transportation network company shall offer the driver the opportunity to have the eligible deactivation adjudicated under the just cause standard outlined in (a)(iv)(E) of this subsection.

(b) A transportation network company that enters into an agreement with the driver resource center shall reach agreement through the following steps:

(i)(A) For a transportation network company operating a digital network in the state of Washington as of June 9, 2022, the driver resource center and transportation network company must make good faith efforts to reach an agreement within 120 days of an organization being selected as the driver resource center under RCW 49.46.310.

(B) For a transportation network company who begins operating a digital network in the state of Washington after an organization has been selected as the driver resource center under RCW 49.46.310, the driver resource center and transportation network company must make good faith efforts to reach an agreement within 120 days of the transportation network company beginning operation of a digital network in the state of Washington.

(ii) If the driver resource center and transportation network company cannot reach an agreement, then they are required to submit issues of dispute before a jointly agreed-upon mediator.

(iii) After mediation lasting no more than two months has been exhausted and no resolution has been reached, then the parties will proceed to binding arbitration before a panel of arbitrators consisting of one arbitrator selected by the driver resource center, one arbitrator selected by the transportation network company, and a

third arbitrator selected by the other two. If the two selected arbitrators cannot agree to the third arbitrator within 10 days, then the third arbitrator shall be determined from a list of seven arbitrators with experience in labor disputes or interest arbitration designated by the American arbitration association. A coin toss shall determine which side strikes the first name. Thereafter the other side shall strike a name. The process will continue until only one name remains, who shall be the third arbitrator. Alternatively, the driver resource center and the transportation network company may agree to a single arbitrator.

(iv) The arbitrators must submit their decision, based on majority rule, within 60 days of the panel or arbitrator being chosen.

(v) The decision of the majority of arbitrators is final and binding and will then be submitted to the director of the department for final approval.

(c) In reviewing any agreement between a transportation network company and the driver resource center, under (a) of this subsection, the department shall review the agreement to ensure that its content is consistent with this subsection and the public policy goals set forth in this subsection. The department shall consider in its review both qualitative and quantitative effects of the agreement and how the agreement comports with the state policies set forth in this section. In conducting a review, the record shall not be limited to the submissions of the parties nor to the terms of the proposed agreement and the department shall have the right to conduct public hearings and request additional information from the parties, provided that such information: (i) Is relevant for determining whether the agreement complies with this subsection; and (ii) does not contain either parties' confidential, proprietary, or privileged information, or any individual's personal identifying information from the parties. The department may approve or reject a proposed agreement, and may require the parties to submit a revised proposal on all or particular parts of the proposed agreement. If the department rejects an agreement, it shall set forth its reasoning in writing and shall suggest ways the parties may remedy the failures. Absent good cause, the department shall issue a written determination regarding its approval or rejection within 60 days of submission of the agreement.

(d)(i) For any account deactivation, the transportation network company shall provide notification to the driver, at the time of deactivation, that the driver may have the right to representation by the driver resource center to appeal the account deactivation.

(ii) A transportation network company must provide any driver whose account is subject to an account deactivation between June 9, 2022, and the effective date of the agreement the contact information of the driver resource center and notification that the driver may have the right to appeal the account deactivation with representation by the driver resource center.

(16) The department may adopt rules to implement this section. [2022 c 281 s 1.]

RCW 49.46.310 Transportation network companies—Driver resource center fund—Selection of driver resource center—Intent. (1) The legislature recognizes that providing education and outreach to drivers regarding their rights and obligations furthers the state's interest in having a vibrant knowledgeable work force and safe and

satisfied consumers. The legislature therefore intends to create a way of providing education, outreach, and support to workers who, because of the nature of their work, do not have access to such support through traditional avenues.

(2) The driver resource center fund is created in the custody of the state treasurer. All moneys received from the remittance in RCW 49.46.300(12) must be deposited into the fund.

(3) Only the director of the department of labor and industries or the director's designee may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(4) The department may make expenditures from the fund for the following purposes:

(a) Services provided by the driver resource center, as defined in RCW 49.46.300, to drivers and administrative costs of providing such support. The department must distribute funding received by the account, exclusive of the department's administrative costs deducted under (b) of this subsection, to the center on a quarterly basis; and

(b) The department's costs of administering the fund and its duties under RCW 49.46.300, not to exceed 10 percent of revenues to the fund.

(5) Within four months of June 9, 2022, the director of the department or the director's designee shall, through a competitive process, select and contract with a qualified nonprofit organization to be the driver resource center. [2022 c 281 s 2.]

RCW 49.46.320 Transportation network companies—Department investigation of compensation-related complaints—Penalties—Appeals—Orders—Private right of action. (1)(a) If a driver files a complaint with the department alleging that a transportation network company failed to provide any compensation amounts due to the driver under RCW 49.46.300, the department shall investigate the complaint under this section. Unless otherwise resolved, the department shall issue either a citation and notice of assessment or a determination of compliance no later than 60 days after the date on which the department received the compensation-related complaint. The department may extend the time period by providing advance written notice to the driver and the transportation network company setting forth good cause for an extension of the time period and specifying the duration of the extension.

(b) The department may not investigate any alleged compensation-related violation that occurred more than three years before the date that the driver filed the compensation-related complaint.

(c) The department shall send the citation and notice of assessment or the determination of compliance to both the transportation network company and the driver by service of process or using a method by which the mailing can be tracked or the delivery can be confirmed to their last known addresses. A transportation network company may designate a mailing address of record for service, and additionally may provide an email address to which the department shall direct electronic courtesy copies of mailed correspondence, if such email address is provided.

(2) If the department determines that a transportation network company has violated a compensation requirement in RCW 49.46.300 and issues to the transportation network company a citation and notice of

assessment, the department may order the transportation network company to pay drivers all compensation owed, including interest of one percent per month on all compensation owed, to the driver. The compensation and interest owed must be calculated from the first date compensation was owed to the driver, except that the department may not order the transportation network company to pay any compensation and interest that were owed more than three years before the date the complaint was filed with the department.

(3) If the department determines that the compensation-related violation was a willful violation, and the transportation network company fails to take corrective action, the department also may order the transportation network company to pay the department a civil penalty as specified in (a) of this subsection.

(a) A civil penalty for a willful violation shall be not less than $1,000 or an amount equal to 10 percent of the total amount of unpaid compensation per claimant, whichever is greater. The maximum civil penalty for a willful violation of requirements in RCW 49.46.300 shall be $20,000 per claimant.

(b) The department may not assess a civil penalty if the transportation network company reasonably relied on: (i) A rule related to any requirements in this section; (ii) a written order, ruling, approval, opinion, advice, determination, or interpretation of the director; or (iii) an interpretive or administrative policy issued by the department and filed with the office of the code reviser. In accordance with the department's retention schedule obligations under chapter 40.14 RCW, the department shall maintain a complete and accurate record of all written orders, rulings, approvals, opinions, advice, determinations, and interpretations for purposes of determining whether a transportation network company is immune from civil penalties under this subsection (3)(b).

(c) The department shall waive any civil penalty assessed against a transportation network company under this section if the transportation network company is not a repeat willful violator, and the director determines that the transportation network company has provided payment to the driver of all compensation that the department determined that the transportation network company owed to the driver, including interest, within 30 days of the transportation network company's receipt of the citation and notice of assessment from the department.

(d) The department may waive or reduce at any time a civil penalty assessed under this section if the director determines that the transportation network company paid all compensation and interest owed to a driver.

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

(4) Upon payment by a transportation network company, and acceptance by a driver, of all compensation and interest assessed by the department in a citation and notice of assessment issued to the transportation network company, the fact of such payment by the transportation network company, and of such acceptance by the driver, shall: (a) Constitute a full and complete satisfaction by the transportation network company of all specific requirements of RCW 49.46.300 addressed in the citation and notice of assessment; and (b) bar the driver from initiating or pursuing any court action or other judicial or administrative proceeding, including arbitration, based on the specific requirements addressed in the citation and notice of

assessment. The citation and notice of assessment shall include a notification and summary of the specific requirements of RCW 49.46.300.

(5) The applicable statute of limitations for civil actions is tolled during the department's investigation of a driver's complaint against a transportation network company. For the purposes of this subsection, the department's investigation begins on the date the driver files the complaint with the department and ends when: (a) The complaint is finally determined through a final and binding citation and notice of assessment or determination of compliance; or (b) the department notifies the transportation network company and the driver in writing that the complaint has been otherwise resolved or that the driver has elected to terminate the department's administrative action under subsection (12) of this section.

(6) A person, firm, or corporation aggrieved by a citation and notice of assessment or a determination of compliance issued by the department under this section or the assessment of a civil penalty due to a determination of status as a repeat willful violator may appeal the citation and notice of assessment, the determination of compliance, or the assessment of a civil penalty to the director by filing a notice of appeal with the director within 30 days of the department's service, as provided in subsection (1) of this section, on the aggrieved party of the citation and notice of assessment, the determination of compliance, or the assessment of a civil penalty. A citation and notice of assessment, a determination of compliance, or an assessment of a civil penalty not appealed within 30 days is final and binding, and not subject to further appeal.

(7) A notice of appeal filed with the director under this section shall stay the effectiveness of the citation and notice of assessment, the determination of compliance, or the assessment of a civil penalty pending final review of the appeal by the director as provided for in chapter 34.05 RCW.

(8) Upon receipt of a notice of appeal, the director shall assign the hearing to an administrative law judge of the office of administrative hearings to conduct the hearing and issue an initial order. The hearing and review procedures shall be conducted in accordance with chapter 34.05 RCW, and the standard of review by the administrative law judge of an appealed citation and notice of assessment, an appealed determination of compliance, or an appealed assessment of a civil penalty shall be de novo. Any party who seeks to challenge an initial order shall file a petition for administrative review with the director within 30 days after service of the initial order. The director shall conduct administrative review in accordance with chapter 34.05 RCW.

(9) The director shall issue all final orders after appeal of the initial order. The final order of the director is subject to judicial review in accordance with chapter 34.05 RCW.

(10) Orders that are not appealed within the time period specified in this section and chapter 34.05 RCW are final and binding, and not subject to further appeal.

(11) Absent good cause, a transportation network company that fails to allow adequate inspection of records in an investigation by the department under this chapter within a reasonable time period may not use such records in any appeal under this section to challenge the correctness of any determination by the department of wages owed or penalties assessed.

(12) A driver who has filed a complaint under this section with the department may elect to terminate the department's administrative action, thereby preserving any private right of action, if any exists, by providing written notice to the department within 10 business days after the driver's receipt of the department's citation and notice of assessment.

(13) If the driver elects to terminate the department's administrative action: (a) The department shall immediately discontinue its action against the transportation network company; (b) the department shall vacate a citation and notice of assessment already issued by the department to the transportation network company; and (c) the citation and notice of assessment, and any related findings of fact or conclusions of law by the department, and any payment or offer of payment by the transportation network company of the compensation, including interest, assessed by the department in the citation and notice of assessment, shall not be admissible in any court action or other judicial or administrative proceeding.

(14) Nothing in this section shall be construed to limit or affect: (a) The right of any driver to pursue any judicial, administrative, or other action available with respect to a transportation network company; (b) the right of the department to pursue any judicial, administrative, or other action available with respect to a driver that is identified as a result of a complaint for a violation of RCW 49.46.300; or (c) the right of the department to pursue any judicial, administrative, or other action available with respect to a transportation network company in the absence of a complaint for a violation of RCW 49.46.300. For purposes of this subsection, "driver" means a driver other than a driver who has filed a complaint with the department and who thereafter has elected to terminate the department's administrative action as provided in subsection (1) of this section.

(15) After a final order is issued under this section, and served as provided in subsection (1) of this section, if a transportation network company defaults in the payment of: (a) Any compensation determined by the department to be owed to a driver, including interest; or (b) any civil penalty ordered by the department under this section, the director may file with the clerk of any county within the state a warrant in the amount of the payment plus any filing fees. The clerk of the county in which the warrant is filed shall immediately designate a superior court cause number for the warrant, and the clerk shall cause to be entered in the judgment docket under the superior court cause number assigned to the warrant, the name of the transportation network company mentioned in the warrant, the amount of payment due plus any filing fees, and the date when the warrant was filed. The aggregate amount of the warrant as docketed becomes a lien upon the title to, and interest in, all real and personal property of the transportation network company against whom the warrant is issued, the same as a judgment in a civil case docketed with the superior court clerk. The sheriff shall proceed upon the warrant in all respects and with like effect as prescribed by law with respect to execution or other process issued against rights or property upon judgment in a court of competent jurisdiction. The warrant so docketed is sufficient to support the issuance of writs of garnishment in favor of the state in a manner provided by law in case of judgment, wholly or partially unsatisfied. The clerk of the court is entitled to a filing fee which will be added to the amount of the warrant. A copy of the warrant shall be served on the transportation

network company, as provided in subsection (1) of this section, within three days of filing with the clerk.

(16)(a) The director may issue to any person, firm, corporation, other entity, municipal corporation, political subdivision of the state, public corporation, or any agency of the state, a notice and order to withhold and deliver property of any kind when he or she has reason to believe that there is in the possession of the person, firm, corporation, other entity, municipal corporation, political subdivision of the state, public corporation, or agency of the state, property that is or will become due, owing, or belonging to a transportation network company upon whom a notice of assessment has been served by the department for payments or civil penalties due to the department. The effect of a notice and order is continuous from the date the notice and order is first made until the liability out of which the notice and order arose is satisfied or becomes unenforceable because of lapse of time. The department shall release the notice and order when the liability out of which the notice and order arose is satisfied or becomes unenforceable by reason of lapse of time and shall notify the person against whom the notice and order was made that the notice and order has been released.

(b) The notice and order to withhold and deliver must be served by the sheriff of the county or by the sheriff's deputy, by certified mail, return receipt requested, or by the director. A person, firm, corporation, other entity, municipal corporation, political subdivision of the state, public corporation, or agency of the state upon whom service has been made shall answer the notice within 20 days exclusive of the day of service, under oath and in writing, and shall make true answers to the matters inquired of in the notice and order. Upon service of the notice and order, if the party served possesses any property that may be subject to the claim of the department, the party shall promptly deliver the property to the director. The director shall hold the property in trust for application on the transportation network company's indebtedness to the department, or for return without interest, in accordance with a final determination of a petition for review. In the alternative, the party shall furnish a good and sufficient surety bond satisfactory to the director conditioned upon final determination of liability. If a party served and named in the notice fails to answer the notice within the time prescribed in this section, the court may render judgment by default against the party for the full amount claimed by the director in the notice, together with costs. If a notice is served upon a transportation network company and the property subject to it is compensation, the transportation network company may assert in the answer all exemptions provided for by chapter 6.27 RCW to which the compensation earner is entitled.

(c) As an alternative to the methods of service described in this section, the department may electronically serve a financial institution with a notice and order to withhold and deliver by providing a list of its outstanding warrants, except those for which a payment agreement is in good standing, to the department of revenue. The department of revenue may include the warrants provided by the department in a notice and order to withhold and deliver served under RCW 82.32.235(3). A financial institution that is served with a notice and order to withhold and deliver under this subsection (16)(c) must answer the notice within the time period applicable to service under RCW 82.32.235(3). The department and the department of revenue may adopt rules to implement this subsection (16)(c).

(17)(a) In addition to the procedure for collection of compensation owed, including interest, and civil penalties as set forth in this section, the department may recover compensation owed, including interest, and civil penalties assessed under RCW 49.48.083 in a civil action brought in a court of competent jurisdiction of the county where the violation is alleged to have occurred.

(b) The department may use the procedures under this section to foreclose compensation liens established under chapter 60.90 RCW. When the department is foreclosing on a compensation lien, the date the compensation lien was originally filed shall be the date by which priority is determined, regardless of the date the warrant is filed under this section.

(18) Whenever any transportation network company quits business, sells out, exchanges, or otherwise disposes of the transportation network company's business or stock of goods, any person who becomes a successor to the business becomes liable for the full amount of any outstanding citation and notice of assessment or penalty against the transportation network company's business under this chapter if, at the time of the conveyance of the business, the successor has: (a) Actual knowledge of the fact and amount of the outstanding citation and notice of assessment; or (b) a prompt, reasonable, and effective means of accessing and verifying the fact and amount of the outstanding citation and notice of assessment from the department. If the citation and notice of assessment or penalty is not paid in full by the transportation network company within 10 days of the date of the sale, exchange, or disposal, the successor is liable for the payment of the full amount of the citation and notice of assessment or penalty, and payment thereof by the successor must, to the extent thereof, be deemed a payment upon the purchase price. If the payment is greater in amount than the purchase price, the amount of the difference becomes a debt due the successor from the transportation network company.

(19) This section does not affect other collection remedies that are otherwise provided by law. [2022 c 281 s 3.]

RCW 49.46.330 Transportation network companies—Department investigation of noncompensation requirements—Penalties—Appeals—Orders. (1) If a driver files a complaint with the department alleging a violation of any noncompensation requirement of RCW 49.46.300 (7) through (10) and (12) through (14), the department shall investigate the complaint under this section.

(a) The department may not investigate any such alleged violation that occurred more than three years before the date that the driver filed the complaint or prior to this law going into effect.

(b) If a driver files a timely complaint with the department, the department will investigate the complaint and issue either a citation assessing a civil penalty or a closure letter within 60 days after the date on which the department received the complaint, unless the complaint is otherwise resolved. The department may extend the period by providing advance written notice to the driver and the transportation network company setting forth good cause for an extension of the period, and specifying the duration of the extension.

(c) The department shall send notice of either a citation and notice of assessment or a citation assessing a civil penalty or the closure letter to both the transportation network company and the

driver by service of process or by United States mail using a method by which delivery of such written notice to the transportation network company can be tracked and confirmed. A transportation network company may designate a mailing address of record for service, and additionally may provide an email address to which the department shall direct electronic courtesy copies of mailed correspondence, if such email address is provided.

(2) If the department's investigation finds that the driver's allegation cannot be substantiated, the department shall issue a closure letter to the driver and the transportation network company detailing such finding.

(3) If the department determines that the violation was a willful violation, and the transportation network company fails to take corrective action, the department may order the transportation network company to pay the department a civil penalty as specified in (a) of this subsection.

(a) A citation assessing a civil penalty for a willful violation will be $1,000 for each willful violation. For a repeat willful violator, the citation assessing a civil penalty will not be less than $2,000 for each repeat willful violation per claimant, but no greater than $20,000 for each repeat willful violation per claimant.

(b) The department may not issue a citation assessing a civil penalty if the transportation network company reasonably relied on: (i) A written order, ruling, approval, opinion, advice, determination, or interpretation of the director; or (ii) an interpretive or administrative policy issued by the department and filed with the office of the code reviser. In accordance with the department's retention schedule obligations under chapter 40.14 RCW, the department shall maintain a complete and accurate record of all written orders, rulings, approvals, opinions, advice, determinations, and interpretations for purposes of determining whether a transportation network company is immune from civil penalties under this subsection (3)(b).

(c) The department may, at any time, waive or reduce a civil penalty assessed under this section if the director determines that the transportation network company has taken corrective action to resolve the violation.

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

(e) If the department determines that a transportation network company has violated RCW 49.46.300(12), and issues to the transportation network company a citation and notice of assessment, the department may order the transportation network company to pay all owed remittance payments as required under RCW 49.46.300(12). The department shall deposit all owed remittance payments in the driver resource center fund.

(4) For purposes of this section, the following definitions apply:

(a) "Repeat willful violator" means any transportation network company that has been the subject of a final and binding citation for a willful violation of one or more rights under this chapter and all applicable rules, within three years of the date of issuance of the most recent citation for a willful violation of one or more such rights.

(b) "Willful" means a knowing and intentional action that is neither accidental nor the result of a bona fide dispute.

(5) A person, firm, or corporation aggrieved by a citation assessing a civil penalty issued by the department under this section may appeal the citation assessing a civil penalty to the director by filing a notice of appeal with the director within 30 days of the department's issuance of the citation assessing a civil penalty. A citation assessing a civil penalty not appealed within 30 days is final and binding, and not subject to further appeal.

(6) A notice of appeal filed with the director under this section stays the effectiveness of the citation assessing a civil penalty pending final review of the appeal by the director as provided for in chapter 34.05 RCW.

(7) Upon receipt of a notice of appeal, the director shall assign the hearing to an administrative law judge of the office of administrative hearings to conduct the hearing and issue an initial order. The hearing and review procedures must be conducted in accordance with chapter 34.05 RCW, and the standard of review by the administrative law judge of an appealed citation assessing a civil penalty must be de novo. Any party who seeks to challenge an initial order shall file a petition for administrative review with the director within 30 days after service of the initial order. The director shall conduct administrative review in accordance with chapter 34.05 RCW.

(8) The director shall issue all final orders after appeal of the initial order. The final order of the director is subject to judicial review in accordance with chapter 34.05 RCW.

(9) Orders that are not appealed within the period specified in this section and chapter 34.05 RCW are final and binding, and not subject to further appeal.

(10) Absent good cause, a transportation network company that fails to allow adequate inspection of records in an investigation by the department under this section within a reasonable time period may not use such records in any appeal under such rules to challenge the correctness of any determination by the department of penalties assessed.

(11) Collections of unpaid citations assessing civil penalties will be handled pursuant to the procedures outlined in RCW 49.48.086.

(12) If the department determines that a transportation network company has violated the requirements in RCW 49.46.300(12) to collect and remit the established fee, and issues to the transportation network company a citation and notice of assessment, the department may order the transportation network company to pay all owed remittance payments as required under RCW 49.46.300(12). The department shall deposit all unpaid remittance amounts into the driver resource center fund established in RCW 49.46.310. [2022 c 281 s 4.]

RCW 49.46.340 Transportation network companies—Unlawful practices—Retaliation—Penalties—Request for reconsideration—Appeals. (1) It is unlawful for a transportation network company to interfere with, restrain, or deny the exercise of any driver right provided under or in connection with RCW 49.46.300 and 49.46.210(5). This means a transportation network company may not use a driver's exercise of any of the rights provided under RCW 49.46.300 and 49.46.210(5) as a factor in any action that adversely affects the driver's use of the transportation network.

(2) It is unlawful for a transportation network company to adopt or enforce any policy that counts the use of earned paid sick time for a purpose authorized under RCW 49.46.210(1) (b) and (c) as time off the platform that may lead to or result in temporary or permanent deactivation by the transportation network company against the driver.

(3) It is unlawful for a transportation network company to take any adverse action against a driver because the driver has exercised their rights provided under RCW 49.46.300 and 49.46.210(5). Such rights include, but are not limited to: Filing an action, or instituting or causing to be instituted any proceeding under or related to RCW 49.46.300 and 49.46.210(5), or testifying or intending to testify in any such proceeding related to any rights provided under RCW 49.46.300 and 49.46.210(5).

(4) Adverse action means any action taken or threatened by a transportation network company against a driver for the driver's exercise of rights under RCW 49.46.300 and 49.46.210(5).

(5) A driver who believes that he or she was subject to retaliation by a transportation network company for the exercise of any driver right under RCW 49.46.300 and 49.46.210(5) may file a complaint with the department within 180 days of the alleged retaliatory action. The department may, at its discretion, extend the 180-day period on recognized equitable principles or because of extenuating circumstances beyond the control of the department. The department may extend the 180-day period when there is a preponderance of evidence that the transportation network company has concealed or misled the driver regarding the alleged retaliatory action.

(6) If a driver files a timely complaint with the department alleging retaliation, the department shall investigate the complaint and issue either a citation and notice of assessment or a determination of compliance within 90 days after the date on which the department received the complaint, unless the complaint is otherwise resolved. The department may extend the period by providing advance written notice to the driver and the transportation network company setting forth good cause for an extension of the period, and specifying the duration of the extension.

(7) The department may consider a complaint to be otherwise resolved when the driver and the transportation network company reach a mutual agreement to remedy any retaliatory action, or the driver voluntarily and on the driver's own initiative withdraws the complaint.

(8) If the department's investigation finds that the driver's allegation of retaliation cannot be substantiated, the department shall issue a determination of compliance to the driver and the transportation network company detailing such finding.

(9) If the department's investigation finds that the transportation network company retaliated against the driver, and the complaint is not otherwise resolved, the department may, at its discretion, notify the transportation network company that the department intends to issue a citation and notice of assessment, and may provide up to 30 days after the date of such notification for the transportation network company to take corrective action to remedy the retaliatory action. If the complaint is not otherwise resolved, then the department shall issue a citation and notice of assessment. The department's citation and notice of assessment may:

(a) Order the transportation network company to make payable to the driver earnings that the driver did not receive due to the transportation network company's retaliatory action, including

interest of one percent per month on all earnings owed. The earnings and interest owed will be calculated from the first date earnings were owed to the driver;

(b) Order the transportation network company to restore the contract of the driver, unless otherwise prohibited by law;

(c) Order the transportation network company to cease using any policy that counts the use of earned paid sick time as time off the platform or an adverse action against the driver;

(d) For the first violation, order the transportation network company to pay the department a civil penalty established in subsection (15) of this section; and

(e) For a repeat violation, order the transportation network company to pay the department up to double the civil penalty established in subsection (15) of this section.

(10) The department shall send the citation and notice of assessment or determination of compliance to both the transportation network company and driver by service of process or using a method by which the mailing can be tracked or the delivery can be confirmed to their last known addresses. A transportation network company may designate a mailing address of record for service, and additionally may provide an email address to which the department shall direct electronic courtesy copies of mailed correspondence, if such email address is provided.

(11) During an investigation of the driver's retaliation complaint, if the department discovers information suggesting alleged violations by the transportation network company of the driver's other rights under this chapter, and all applicable rules, the department may investigate and take appropriate enforcement action without requiring the driver to file a new or separate complaint. In the event the department so expands an investigation, it shall provide reasonable notice to the transportation network company that it is doing so. If the department determines that the transportation network company violated additional rights of the driver under this chapter, and all applicable rules, the transportation network company may be subject to additional enforcement actions for the violation of such rights. If the department discovers information alleging the transportation network company retaliated against or otherwise violated rights of other drivers under this chapter, and all applicable rules, the department may launch further investigation under this chapter, and all applicable rules, without requiring additional complaints to be filed.

(12) The department may prioritize retaliation investigations as needed to allow for timely resolution of complaints.

(13) Nothing in this section impedes the department's ability to investigate under the authority prescribed in RCW 49.48.040.

(14) Nothing in this section precludes a driver's right to pursue private legal action, if any exists.

(15) If the department's investigation finds that a transportation network company retaliated against a driver, pursuant to the procedures outlined in this section, the department may order the transportation network company to pay the department a civil penalty. A civil penalty for a transportation network company's retaliatory action will not be less than $1,000 or an amount equal to 10 percent of the total amount of unpaid earnings attributable to the retaliatory action per claimant, whichever is greater. The maximum civil penalty for a transportation network company's retaliatory

action shall be $20,000 per claimant for the first violation, and $40,000 for each repeat violation.

(16) The department may, at any time, waive or reduce any civil penalty assessed against a transportation network company under this section if the department determines that the transportation network company has taken corrective action to remedy the retaliatory action.

(17) The department will deposit civil penalties paid under this section in the supplemental pension fund established under RCW 51.44.033.

(18) Collections of amounts owed for unpaid citations and notices of assessment, as detailed in this section, will be handled pursuant to the procedures outlined in RCW 49.48.086.

(19) A person, firm, or corporation aggrieved by a citation and notice of assessment or a determination of compliance may, within 30 days after the date of such determination, submit a request for reconsideration to the department setting forth the grounds for seeking such reconsideration, or submit an appeal to the director pursuant to the procedures outlined in subsection (22) of this section. If the department receives a timely request for reconsideration, the department shall either accept the request or treat the request as a notice of appeal.

(20) If a request for reconsideration is accepted, the department shall send notice of the request for reconsideration to the transportation network company and the driver. The department shall determine if there are any valid reasons to reverse or modify the department's original decision to issue a citation and notice of assessment or determination of compliance within 30 days of receipt of such request. The department may extend this period by providing advance written notice to the driver and transportation network company setting forth good cause for an extension of the period, and specifying the duration of the extension. After reviewing the reconsideration, the department shall either:

(a) Notify the driver and the transportation network company that the citation and notice of assessment or determination of compliance is affirmed; or

(b) Notify the driver and the transportation network company that the citation and notice of assessment or determination of compliance has been reversed or modified.

(21) A request for reconsideration submitted to the department shall stay the effectiveness of the citation and notice of assessment or the determination of compliance pending the reconsideration decision by the department.

(22)(a) Within 30 days after the date the department issues a citation and notice of assessment or a determination of compliance, or within 30 days after the date the department issues its decision on the request for reconsideration, a person, firm, or corporation aggrieved by a citation and notice of assessment or a determination of compliance may file with the director a notice of appeal.

(b) A notice of appeal filed with the director under this section shall stay the effectiveness of the citation and notice of assessment or the determination of compliance pending final review of the appeal by the director as provided for in chapter 34.05 RCW.

(c) Upon receipt of a notice of appeal, the director shall assign the hearing to an administrative law judge of the office of administrative hearings to conduct the hearing and issue an initial order. The hearing and review procedures shall be conducted in accordance with chapter 34.05 RCW, and the standard of review by the

administrative law judge of an appealed citation and notice of assessment or determination of compliance shall be de novo. Any party who seeks to challenge an initial order shall file a petition for administrative review with the director within 30 days after service of the initial order. The director shall conduct administrative review in accordance with chapter 34.05 RCW.

(23) If a request for reconsideration is not submitted to the department within 30 days after the date of the original citation and notice of assessment or determination of compliance, and a person, firm, or corporation aggrieved by a citation and notice of assessment or determination of compliance did not submit an appeal to the director, then the citation and notice of assessment or determination of compliance is final and binding, and not subject to further appeal.

(24) The director shall issue all final orders after appeal of the initial order. The final order of the director is subject to judicial review in accordance with chapter 34.05 RCW.

(25) The director's orders that are not appealed within the time period specified in this section and chapter 34.05 RCW are final and binding, and not subject to further appeal.

(26) Absent good cause, a transportation network company that fails to allow adequate inspection of records in an investigation by the department under this section within a reasonable time period may not use such records in any appeal under such rules to challenge the correctness of any determination by the department. [2022 c 281 s 5.]

RCW 49.46.350 Transportation network companies—Paid sick time—Department investigation—Notice of assessment—Rules. (1) If a driver files a complaint with the department alleging that the transportation network company failed to provide the driver with earned paid sick time as provided in RCW 49.46.210, the department shall investigate the complaint as an alleged violation of a compensation-related requirement of RCW 49.46.300.

(2) When the department's investigation results in a finding that the transportation network company failed to provide the driver with earned paid sick time accrual, use, or carryover during an ongoing contractual relationship, the driver may elect to:

(a) Receive full access to the balance of accrued earned paid sick time hours unlawfully withheld by the transportation network company, based on a calculation of one hour of earned paid sick time for every 40 hours of passenger platform time worked; or

(b) Receive payment from the transportation network company at their average hourly compensation for each hour of earned paid sick time that the driver would have used or been reasonably expected to use, whichever is greater, during the period of noncompliance, not to exceed an amount the driver would have otherwise accrued. The driver will receive full access to the balance of accrued earned paid sick time unlawfully withheld by the transportation network company, less the number of earned paid sick time paid out to the driver pursuant to this subsection.

(3) For a driver whose contract with the transportation network company is terminated or who has not recorded passenger platform time on the transportation network company's driver platform for 365 days or more, when the department's investigation results in a finding that the transportation network company failed to provide the driver with earned paid sick time accrual, use, or carryover, the driver may elect

to receive payment at their average hourly compensation for earned paid sick time that the driver would have earned or been reasonably expected to use, whichever is greater, during the period of noncompliance, receive reinstatement of the balance of earned paid sick time, or receive a combination of payment and reinstatement from the transportation network company for all earned paid sick time that would have accrued during the period of noncompliance, unless such reinstatement is prohibited by law.

(4) The department's notice of assessment, pursuant to RCW 49.48.083, may order the transportation network company to provide the driver any combination of reinstatement and payment of accrued, unused earned paid sick time assessed pursuant to subsection (2) or (3) of this section, unless such reinstatement is prohibited by law.

(5) For purposes of this section, a transportation network company found to be in noncompliance cannot cap the driver's carryover of earned paid sick time at 40 hours to the following year for each year of noncompliance.

(6) The department may promulgate rules and regulations in accordance with this section. [2022 c 281 s 7.]

RCW 49.46.360 Adult entertainment establishments—Age restrictions—Fees—Tips—Notice of reason for termination—Enforcement—Definitions. ***(Effective January 1, 2025.)*** (1) No adult entertainment establishment may allow any person under the age of 18 on the premises. If an establishment serves alcohol, the establishment may not allow any person under the age of 21 on the premises. This includes, but is not limited to, any employee, entertainer, contractor, or customer.

(2) Any leasing fee or other fee charged by an establishment to an entertainer must:

(a) Apply equally to all entertainers in a given establishment;

(b) Be stated in a written contract; and

(c) Continue to apply for a period of not less than three months with effective dates.

(3) An establishment may not charge an entertainer:

(a) Any fees or interest for late payment or nonpayment of any fee;

(b) A fee for failure to appear at a scheduled time;

(c) Any fees or interest that result in the entertainer carrying forward an unpaid balance from any previously incurred leasing fee;

(d) Any leasing fee in an amount greater than the entertainer receives during the applicable period of access to or usage of the establishment premises; or

(e)(i) Within an eight-hour period, any leasing fee that exceeds:

(A) The lesser of $150 or 30 percent of amounts collected by the entertainer, excluding amounts collected for adult entertainment provided in a private performance area; and

(B) 30 percent of amounts collected by the entertainer for adult entertainment provided in a private performance area.

(ii) If an establishment charges an entertainer a leasing fee, the contract must include a method for estimating the total amount collected by the entertainer in any eight-hour period for the purposes of this subsection [(3)](e).

(4) This section does not prevent an establishment from providing leasing discounts or credits to encourage scheduling or charge leasing fees that vary based on the time of day.

(5) All establishments must display signage in areas designated for entertainers that entertainers are not required to surrender any tips or gratuities and an establishment may not take adverse action against an entertainer in response to the entertainer's use or collection of tips or gratuities.

(6) No establishment may refuse to provide an entertainer with written notice of the reason or reasons for any termination or refusal to rehire the entertainer. Such notice must be provided within 10 business days of the termination or refusal to rehire the entertainer.

(7) The department may enforce subsections (2) through (6) of this section under the provisions of this chapter and any applicable rules. Any amounts owed to an entertainer under this section may be enforced as a wage payment requirement under RCW 49.48.082. Any other violation may be enforced as an administrative violation under this chapter and any applicable rules. The department must share information regarding violations of this section with the liquor and cannabis board.

(8) The department may adopt rules to implement this chapter.

(9) The department must adjust the dollar amount in subsection (3)(e) of this section every two years, beginning January 1, 2027, based upon changes in the consumer price index during that time period.

(10) For purposes of this section:

(a) "Adult entertainment" has the same meaning as in RCW 49.17.470.

(b) "Adult entertainment establishment" or "establishment" has the same meaning as in RCW 49.17.470.

(c) "Entertainer" means any person who provides adult entertainment within an adult entertainment establishment, whether or not a fee is charged or accepted for entertainment and whether or not the person is an employee under RCW 49.46.010.

(d) "Leasing fee" means a fee, charge, or other request for money from an entertainer by an establishment in exchange for the entertainer's access or use of the establishment premises or for allowing an entertainer to conduct entertainment on the premises. [2024 c 250 s 2.]

Effective date—2024 c 250 ss 1 and 2: See note following RCW 49.17.470.

Rule repeal—2024 c 250: See note following RCW 66.24.720.

RCW 49.46.800 Rights and remedies—Long-term care individual providers covered under this chapter—Definitions—Compensable hours. (1) All existing rights and remedies available under state or local law for enforcement of the minimum wage shall be applicable to enforce all of the rights established under chapter 2, Laws of 2017.

(2)(a) If the department of social and health services contracts with an individual provider for personal care services or respite care services, the state shall pay individual providers, as defined in RCW 74.39A.240, in accordance with the minimum wage, overtime, and paid

sick leave requirements of this chapter, except as provided in subsection (4) of this section.

(b) A consumer directed employer contracting with the state is an employer of individual providers for the purposes of this chapter. Individual providers are employees of the consumer directed employer.

(c) Neither the department of social and health services nor the consumer directed employer may avail itself of any state law minimum wage or overtime exemption, except as provided in subsection (4) of this section.

(3) The definitions in this subsection apply to this section:

(a) "Authorized hours" means the number of paid hours of care included in the client's plan of care as determined by the department of social and health services.

(b) "Client" has the same meaning as in RCW 74.39A.009.

(c) "Consumer directed employer" has the same meaning as in RCW 74.39A.009.

(d) "Family member" includes, but is not limited to, a parent, child, sibling, aunt, uncle, niece, nephew, cousin, grandparent, grandchild, grandniece, grandnephew, or such relatives when related by marriage, adoption, or domestic partnership.

(e) "Household member" means an individual provider who lives with the client and did so before the employment relationship between the client and individual provider began.

(f) "Individual provider" has the same meaning as in RCW 74.39A.240.

(g) "Personal care services" has the same meaning as in RCW 74.39A.009.

(4)(a) Hours worked by an individual provider in excess of the number of authorized hours in the client's plan of care are not compensable if:

(i) The individual provider is a family member or household member of the client, as defined by this section; and

(ii) The client's plan of care is reasonable.

(b) This subsection (4) does not apply to hours worked to address temporary emergencies or an unexpected health or safety event of the client that cannot be postponed.

(c) A client's plan of care is reasonable under (a)(ii) of this subsection if all of the following are true:

(i) The plan of care includes the same number of paid hours it would have if the individual provider were not a family member or household member of the client;

(ii) The plan of care does not reflect unequal treatment of an individual provider or their client because of their familial or household relationship. Unequal treatment includes the plan of care including fewer paid hours than it would have if the client's individual provider were not a family or household member of the client; the plan of care including fewer paid hours because the client's individual provider shares in the benefit of a personal care service or task provided to the client; the plan of care including fewer paid hours because the client lives in a multiclient household and two or more clients benefit from the same personal care service or task being performed; or the plan of care including fewer paid hours because of paid or unpaid assistance provided to a client by that client's paid provider; and

(iii) The department of social and health services does not otherwise require an increase in the hours of unpaid services

performed by the family or household member individual provider in order to reduce the number of hours of paid services.

(d) A determination that a plan of care is reasonable for purposes of this section does not mean that the amount or type of services or paid hours to be provided are or are not appropriate for the client under chapter 74.39A RCW.

(5) The department of social and health services retains its core responsibility to manage long-term in-home care services under chapters 74.39A and 74.41 RCW and its authority to set a client's benefit level as required by RCW 74.09.520(3). However, to limit an individual provider's compensable hours as described in subsection (4)(a) of this section, a plan of care must satisfy the requirements of subsection (4)(a) and (c) of this section.

(6) The director of labor and industries may adopt rules to implement this section. [2024 c 224 s 1; 2017 c 2 s 6 (Initiative Measure No. 1433, approved November 8, 2016).]

Retroactive application—Applicability—2024 c 224: "(1) This act is curative and remedial. It applies retroactively and prospectively to all actions filed under RCW 49.46.800, regardless of when they were filed, except for the actions referenced in subsection (2) of this section.

(2) Subsection (1) of this section does not apply to the following actions: Liang v. State of Washington, No. 20-2-02506-34 (Thurston Cnty. Superior Court); SEIU 775 v. Washington State Dep't of Soc. And Health Servs., No. 97216-8 (Washington Supreme Court); or SEIU 775 v. Washington State Dep't of Soc. And Health Servs., No. 99659-8 (Washington Supreme Court)." [2024 c 224 s 2.]

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.810 Adoption, implementation of rules. The state department of labor and industries must adopt and implement rules to carry out and enforce chapter 2, Laws of 2017, including but not limited to procedures for notification to employees and reporting regarding sick leave, and protecting employees from retaliation for the lawful use of sick leave and exercising other rights under this chapter. The department's rules for enforcement of rights under chapter 2, Laws of 2017 shall be at least equal to enforcement of the minimum wage. [2017 c 2 s 10 (Initiative Measure No. 1433, approved November 8, 2016).]

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.820 Chapter 2, Laws of 2017 to be liberally construed—Local jurisdictions may adopt more favorable labor standards. The provisions of chapter 2, Laws of 2017 are to be liberally construed to effectuate the intent, policies, and purposes of chapter 2, Laws of 2017. Nothing in chapter 2, Laws of 2017 precludes local jurisdictions from enacting additional local fair labor standards that are more favorable to employees, including but not limited to more generous

minimum wage or paid sick leave requirements. [2017 c 2 s 11 (Initiative Measure No. 1433, approved November 8, 2016).]

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.830 Chapter 2, Laws of 2017 subject to investigation and recordkeeping provisions. Chapter 2, Laws of 2017 shall be codified in chapter 49.46 RCW and is subject to RCW 49.46.040 (Investigation, etc.) and RCW 49.46.070 (Recordkeeping). [2017 c 2 s 12 (Initiative Measure No. 1433, approved November 8, 2016).]

Intent—Effective date—2017 c 2 (Initiative Measure No. 1433): See notes following RCW 49.46.005.

RCW 49.46.910 Short title. This chapter may be known and cited as the "Washington Minimum Wage Act." [1961 ex.s. c 18 s 6; 1959 c 294 s 14.]

RCW 49.46.920 Effective date—1975 1st ex.s. c 289. This 1975 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect September 1, 1975. [1975 1st ex.s. c 289 s 5.]