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**Labor & Workforce Development  
Committee**

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**HB 1258**

**Brief Description:** Allowing employers to pay a training wage for a specified period of time.

**Sponsors:** Representatives Condotta, Shea, Chandler, Taylor, Short and Warnick.

**Brief Summary of Bill**

- Allows employers to pay a training wage for a specified period of time.

**Hearing Date:** 1/21/11

**Staff:** Alison Hellberg (786-7152).

**Background:**

Initiative 688 (approved by voters in 1998) directs the Department of Labor and Industries (Department) to increase the state minimum wage rate, for workers aged 18 and older, for inflation each year. The Department has authority to establish the minimum wage rate for minors in rule. The rules require that those under the age of 16 must be paid at least 85 percent of the minimum wage rate and those aged 16 or 17 years of age must be paid at least the same minimum wage rate as adults.

In order to prevent curtailment of opportunities for employment, the Department also has authority to issue special certificates to employers to pay wages lower than the minimum wage for a fixed period of time. The Department has adopted rules for issuance of special certificates to handicapped workers, adult learners, student learners, and student workers.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Summary of Bill:**

The Department is required to establish a special training certificate that allows employers to pay new employees 75 percent of the state minimum wage or the federal minimum wage, whichever is greater, during a training period. The following restrictions apply to the use of the special training certificate:

- the training period lasts for a maximum of 680 hours;
- employers may only use the certificate once per employee;
- only employers with fewer than 50 employees may use the certificate;
- employees working under the certificate may not constitute more than 10 percent of an employer's workforce, except that employers with fewer than 10 employees may employ one employee at a time using the certificate; and
- if an employer discharges an employee prior to the completion of 680 hours, the employer must notify the Department, and the employer may not replace the discharged employee with another employee working under a certificate for one year.

**Appropriation:** None.

**Fiscal Note:** Requested on 1/18/2011.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.