

SENATE BILL REPORT

SB 5893

As Reported by Senate Committee On:
Commerce & Labor, February 18, 2015

Title: An act relating to the nonemployee status of athletes in amateur sports.

Brief Description: Addressing the nonemployee status of athletes in amateur sports.

Sponsors: Senators Fain, Mullet, Litzow, Lias and Hargrove.

Brief History:

Committee Activity: Commerce & Labor: 2/18/15 [DP, w/oRec].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Baumgartner, Chair; Braun, Vice Chair; King and Warnick.

Minority Report: That it be referred without recommendation.

Signed by Senators Hasegawa, Ranking Minority Member; Conway and Keiser.

Staff: Mac Nicholson (786-7445)

Background: Minimum Wage Act (MWA). The MWA establishes a minimum wage that must be paid to all employees in the state. Under the MWA, an employee is any individual employed by an employer except those specifically excluded in statute. An employer under the MWA is 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. Consequently any individual who is engaged or permitted to work for an employer is entitled to the state minimum wage, unless specifically exempt.

Industrial Welfare Act (IWA). The IWA regulates hours and conditions of labor and other wage issues not specifically covered by the MWA. The IWA applies to all employers and employees in the state unless specifically exempt. An employee under the IWA is an employee who is employed in the business of the employee's employer, whether by manual labor or otherwise. An employer under the IWA includes any person, firm, corporation, partnership, business trust, legal representative, or other business entity which engages in any business, industry, profession, or activity in the state and employs one or more employees.

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.

Washington Industrial Safety and Health Act (WISHA). WISHA authorizes the Department of Labor and Industries (L&I) to establish safety and health standards for work environments. L&I may issue citations and other orders to employers that violate safety standards.

Washington's industrial insurance laws do not cover amateur athletes.

Summary of Bill: For the purposes of the MWA, IWA, and WISHA, the term employee does not include an individual who is an athlete playing in an amateur sports league, club, or association, whether or not the individual receives a stipend, educational scholarship, or other benefits for playing.

Amateur sports league, club, or association means a nonprofit corporation, limited liability company, association, or other group that sponsors or arranges amateur athletic contests, games, meets, matches, tournaments, regattas, or other events in which amateur athletes compete, and which supports or develops amateur athletes for national or international competition. It does not include private or public educational institutions.

Athlete means a person who meets the eligibility standards established by the national governing body or Paralympic sports organization for the sport in which the athlete competes.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The Thunderbirds have been around since 1977 and have played in the WHL, which is the top level for amateur players. The players are amateur hockey players, not employees. The bill would allow the teams to keep operating; if the teams had to pay the players as employees, the teams couldn't continue to operate. Every player that plays in the WHL earns a year of scholarship at a post-secondary institution. This bill clarifies the status of amateur athletes. The WHL teams play an integral role in the communities in which they operate.

Persons Testifying: PRO: Senator Fain, prime sponsor; Doug Levy, City of Kent; Russ Farwell, Seattle Thunderbirds; Tim Speltz, Spokane Chiefs, Governor & General Manager; Garry Davidson, Everett Silvertips, General Manager; Robert Tory, Tri-City Americans Hockey Club; Ron Robison, Western Hockey League, Commissioner.