
SENATE BILL 6029

State of Washington

64th Legislature

2015 Regular Session

By Senator Miloscia

Read first time 02/18/15. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to establishing a living wage; amending RCW
2 49.46.005, 49.46.020, 49.46.120, 49.78.360, 82.04.250, and 82.32.045;
3 adding a new section to chapter 35.21 RCW; adding a new section to
4 chapter 35A.21 RCW; adding a new section to chapter 36.01 RCW; adding
5 a new section to chapter 53.08 RCW; adding a new chapter to Title 49
6 RCW; and providing for submission of this act to a vote of the
7 people.

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

9 NEW SECTION. **Sec. 1.** (1) The state of Washington hereby
10 occupies and preempts the entire field regarding wages, hours of
11 work, employee retention, and leave from employment within the
12 boundaries of the state. A city, town, county, or port district may
13 not require, enforce, or otherwise regulate by means of charter,
14 ordinance, regulation, rule, resolution, or contract, including
15 purchase agreement, any of the following for private employers:
16 Payment of wages, hours of work, employee retention, or leave from
17 employment. Any such provisions or terms may not be adopted or agreed
18 to and are preempted and unenforceable. The state preemption created
19 in this section applies to all charters, ordinances, regulations,
20 rules, and resolutions regulating payment of wages, hours of work,
21 employee retention, or leave from employment for private employers

1 adopted by a city, town, county, or port district before or after the
2 effective date of this section. Any term in a contract or purchase
3 agreement regarding payment of wages, hours of work, employee
4 retention, or leave from employment entered into after the effective
5 date of this section is void and unenforceable.

6 (2) For purposes of this section:

7 (a) "Leave from employment" means sick leave, vacation leave,
8 holiday leave, leave when an employee's place of business or child's
9 school or place of care has been closed by order of a public
10 official, and any other type of employee leave except leave for
11 domestic violence, sexual assault, or stalking; and

12 (b) "Employee retention" means offering work to or retaining
13 employees following a business succession.

14 (3) Subsection (1) of this section does not apply to any local
15 laws, ordinances, administrative directives, contracts, or policies
16 that affect only the employees of the city, town, county, or port
17 district.

18 (4) This section does not impair any provision of a collective
19 bargaining agreement in effect on the effective date of this section.

20 (5) The preemption created in this section must be broadly
21 construed.

22 NEW SECTION. **Sec. 2.** Section 1 of this act constitutes a new
23 chapter in Title 49 RCW.

24 NEW SECTION. **Sec. 3.** A new section is added to chapter 35.21
25 RCW to read as follows:

26 Section 1 of this act governs the authority of a city or town to
27 regulate private employers and to contract regarding wages, hours of
28 work, employee retention, or leave from employment.

29 NEW SECTION. **Sec. 4.** A new section is added to chapter 35A.21
30 RCW to read as follows:

31 Section 1 of this act governs the authority of a code city to
32 regulate private employers and to contract regarding wages, hours of
33 work, employee retention, or leave from employment.

34 NEW SECTION. **Sec. 5.** A new section is added to chapter 36.01
35 RCW to read as follows:

1 Section 1 of this act governs the authority of a county to
2 regulate private employers and to contract regarding wages, hours of
3 work, employee retention, or leave from employment.

4 NEW SECTION. **Sec. 6.** A new section is added to chapter 53.08
5 RCW to read as follows:

6 Section 1 of this act governs the authority of a port district to
7 regulate private employers and to contract regarding wages, hours of
8 work, employee retention, or leave from employment.

9 **Sec. 7.** RCW 49.46.005 and 1961 ex.s. c 18 s 1 are each amended
10 to read as follows:

11 Whereas the establishment of a minimum wage for employees is a
12 subject of vital and imminent concern to the people of this state and
13 requires appropriate action by the legislature to establish minimum
14 standards of employment within the state of Washington, therefore the
15 legislature declares that in its considered judgment the health,
16 safety, and the general welfare of the citizens of this state require
17 the enactment of this measure, and exercising its police power, the
18 legislature endeavors by this chapter to establish a minimum wage for
19 employees of this state to encourage employment opportunities within
20 the state and to allow employees to support themselves and their
21 families with dignity. The legislature seeks to establish a minimum
22 wage that enables employees to provide for the basic needs of their
23 families and, therefore, not rely on social services provided by the
24 state and paid for by state taxpayers. The provisions of this chapter
25 are enacted in the exercise of the police power of the state for the
26 purpose of protecting the immediate and future health, safety, and
27 welfare of the people of this state.

28 **Sec. 8.** RCW 49.46.020 and 1999 c 1 s 1 are each amended to read
29 as follows:

30 (1) ~~((Until January 1, 1999, every employer shall pay to each of~~
31 ~~his or her employees who has reached the age of eighteen years wages~~
32 ~~at a rate of not less than four dollars and ninety cents per hour.~~

33 (2) ~~Beginning January 1, 1999, and until January 1, 2000, every~~
34 ~~employer shall pay to each of his or her employees who has reached~~
35 ~~the age of eighteen years wages at a rate of not less than five~~
36 ~~dollars and seventy cents per hour.~~

1 ~~(3) Beginning January 1, 2000, and until January 1, 2001, every~~
2 ~~employer shall pay to each of his or her employees who has reached~~
3 ~~the age of eighteen years wages at a rate of not less than six~~
4 ~~dollars and fifty cents per hour.~~

5 ~~(4))~~(a) Beginning ~~((~~on~~))~~ January 1, 2001, and each following
6 January 1st until January 1, 2016, as set forth under (b) of this
7 subsection, every employer shall pay to each of his or her employees
8 who has reached the age of eighteen years wages at a rate of not less
9 than the amount established under (b) of this subsection.

10 (b) On September 30, 2000, and on each following September 30th
11 until September 30, 2016, the department of labor and industries
12 shall calculate an adjusted minimum wage rate to maintain employee
13 purchasing power by increasing the current year's minimum wage rate
14 by the rate of inflation. The adjusted minimum wage rate shall be
15 calculated to the nearest cent using the consumer price index for
16 urban wage earners and clerical workers, CPI-W, or a successor index,
17 for the twelve months prior to each September 1st as calculated by
18 the United States department of labor. Each adjusted minimum wage
19 rate calculated under this subsection ~~((+4))~~ (1)(b) takes effect on
20 the following January 1st.

21 ~~((+5))~~ (2)(a) Beginning January 1, 2016, and each following
22 January 1st as set forth under (b) of this subsection, every employer
23 shall pay to each of his or her employees who has reached the age of
24 eighteen years wages at a rate of not less than the amount
25 established under (b) of this subsection.

26 (b) On September 30, 2016, and on each following September 30th,
27 the department of labor and industries shall calculate an adjusted
28 minimum wage rate to maintain employee purchasing power by increasing
29 the current year's minimum wage rate by the rate of inflation. Each
30 adjusted minimum wage rate calculated under this subsection (2)(b)
31 takes effect on the following January 1st.

32 (i) Except as provided in (b)(ii) of this subsection, the
33 adjusted minimum wage rate must be calculated to the nearest cent
34 using the percentage increase in the consumer price index for urban
35 wage earners and clerical workers, CPI-W, or a successor index, for
36 the twelve months prior to each September 1st as calculated by the
37 United States department of labor.

38 (ii) If the per capita personal income for the preceding calendar
39 year for Washington is greater than: (A) The per capita personal
40 income for the second preceding calendar year for Washington; and (B)

1 the per capita personal income for the preceding calendar year for
2 the United States, the adjusted minimum wage rate must be calculated
3 to the nearest cent using the percentage increase in the consumer
4 price index for urban wage earners and clerical workers, CPI-W, or a
5 successor index, for the twelve months prior to each September 1st as
6 calculated by the United States department of labor plus three
7 percent.

8 (3) The director shall by ~~((regulation))~~ rule establish the
9 minimum wage for employees under the age of eighteen years.

10 **Sec. 9.** RCW 49.46.120 and 1961 ex.s. c 18 s 4 are each amended
11 to read as follows:

12 This chapter establishes a minimum standard for wages and working
13 conditions of all employees in this state, unless exempted herefrom,
14 and is in addition to and supplementary to any other federal~~((τ))~~ or
15 state~~((τ, or local))~~ law ~~((or ordinance))~~, or any rule or regulation
16 issued thereunder. Any standards relating to wages, hours, or other
17 working conditions established by any applicable federal~~((τ))~~ or
18 state~~((τ, or local))~~ law ~~((or ordinance))~~, or any rule or regulation
19 issued thereunder, which are more favorable to employees than the
20 minimum standards applicable under this chapter, or any rule or
21 regulation issued hereunder, shall not be affected by this chapter
22 and such other laws, or rules or regulations, shall be in full force
23 and effect and may be enforced as provided by law.

24 **Sec. 10.** RCW 49.78.360 and 2006 c 59 s 17 are each amended to
25 read as follows:

26 ~~((Nothing in))~~ This chapter ~~((shall be construed: (1) To))~~ does
27 not modify or affect any state or local law prohibiting
28 discrimination on the basis of race, religion, color, national
29 origin, sex, age, or disability~~((; or (2) to supersede any provision~~
30 ~~of any local law that provides greater family or medical leave rights~~
31 ~~than the rights established under this chapter))~~.

32 **Sec. 11.** RCW 82.04.250 and 2014 c 97 s 402 are each amended to
33 read as follows:

34 (1) Upon every person engaging within this state in the business
35 of making sales at retail, except persons taxable as retailers under
36 other provisions of this chapter, as to such persons, the amount of

1 tax with respect to such business is equal to the gross proceeds of
2 sales of the business, multiplied by the rate of (~~0.471~~):

3 (a) Until June 30, 2023, 0.471 percent;

4 (b) Beginning July 1, 2025, 0.424 percent;

5 (c) Beginning July 1, 2027, 0.377 percent;

6 (d) Beginning July 1, 2029, 0.330 percent; and

7 (e) Beginning July 1, 2030, and thereafter 0.2904 percent.

8 (2) Upon every person engaging within this state in the business
9 of making sales at retail that are exempt from the tax imposed under
10 chapter 82.08 RCW by reason of RCW 82.08.0261, 82.08.0262, or
11 82.08.0263, except persons taxable under RCW 82.04.260(11) or
12 subsection (3) of this section, as to such persons, the amount of tax
13 with respect to such business is equal to the gross proceeds of sales
14 of the business, multiplied by the rate of 0.484 percent.

15 (3)(a) Until July 1, 2040, upon every person classified by the
16 federal aviation administration as a federal aviation regulation part
17 145 certificated repair station and that is engaging within this
18 state in the business of making sales at retail that are exempt from
19 the tax imposed under chapter 82.08 RCW by reason of RCW 82.08.0261,
20 82.08.0262, or 82.08.0263, as to such persons, the amount of tax with
21 respect to such business is equal to the gross proceeds of sales of
22 the business, multiplied by the rate of .2904 percent.

23 (b) A person reporting under the tax rate provided in this
24 subsection (3) must file a complete annual report with the department
25 under RCW 82.32.534.

26 **Sec. 12.** RCW 82.32.045 and 2010 1st sp.s. c 23 s 1103 are each
27 amended to read as follows:

28 (1) Except as otherwise provided in this chapter, payments of the
29 taxes imposed under chapters 82.04, 82.08, 82.12, 82.14, and 82.16
30 RCW, along with reports and returns on forms prescribed by the
31 department, are due monthly within twenty-five days after the end of
32 the month in which the taxable activities occur.

33 (2) The department of revenue may relieve any taxpayer or class
34 of taxpayers from the obligation of remitting monthly and may require
35 the return to cover other longer reporting periods, but in no event
36 may returns be filed for a period greater than one year. For these
37 taxpayers, tax payments are due on or before the last day of the
38 month next succeeding the end of the period covered by the return.

1 (3) The department of revenue may also require verified annual
2 returns from any taxpayer, setting forth such additional information
3 as it may deem necessary to correctly determine tax liability.

4 (4) Notwithstanding subsections (1) and (2) of this section, the
5 department may relieve any person of the requirement to file returns
6 if the following conditions are met:

7 (a) The person's value of products, gross proceeds of sales, or
8 gross income of the business, from all business activities taxable
9 under chapters 82.04 and 82.16 RCW, is less than:

10 (i) Until December 31, 2018, twenty-eight thousand dollars per
11 year; ((e))

12 (ii) Until December 31, 2018, forty-six thousand six hundred
13 sixty-seven dollars per year for persons generating at least fifty
14 percent of their taxable amount from activities taxable under RCW
15 82.04.255, 82.04.290(2)(a), and 82.04.285;

16 ~~((b) The person's gross income of the business from all~~
17 ~~activities taxable under chapter 82.16 RCW is less than twenty-four~~
18 ~~thousand dollars per year; and~~

19 ~~(e))~~ (iii) Beginning January 1, 2019, one hundred thousand
20 dollars per year;

21 (iv) Beginning January 1, 2020, one hundred fifty thousand
22 dollars per year;

23 (v) Beginning January 1, 2021, two hundred thousand dollars per
24 year; and

25 (vi) Beginning January 1, 2022, two hundred fifty thousand
26 dollars per year; and

27 (b) The person is not required to collect or pay to the
28 department of revenue any other tax or fee which the department is
29 authorized to collect.

30 NEW SECTION. Sec. 13. The secretary of state shall submit this
31 act to the people for their adoption and ratification, or rejection,
32 at the next general election to be held in this state, in accordance
33 with Article II, section 1 of the state Constitution and the laws
34 adopted to facilitate its operation.

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