Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Labor & Workplace Standards Committee

HB 2830

Brief Description: Concerning employment opportunity training programs in restaurants and grocery stores.

Sponsors: Representatives Eslick, Pike, Griffey and Van Werven.

Brief Summary of Bill

• Requires the Director of Labor and Industries to establish procedures that allow qualified employers to be issued a special training certificate to pay a new employee during his or her training period 75 percent of the state or federal minimum wage, whichever is greater.

Hearing Date: 1/29/18

Staff: Sydney Sullivan (786-7291) and Trudes Tango (786-7384).

Background:

Minimum Wage.

Washington's minimum wage for persons 16 and over is \$11.50 per hour. Minimum wage for persons 14 and 15 years of age is 85 percent of the state minimum wage at \$9.78 per hour. Although the state mandates a minimum wage, a minimum amount of paid sick leave, and a minimum standard of working conditions for employees by statute, these laws are supplementary to any other federal, state, local law or ordinance. Thus, the most favorable law for an employee will be controlling law.

Training Periods.

When a new employee is hired he or she can be placed into a training period. A training period is generally when a new employee attends lectures, meetings, employee trial periods and similar

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activities required by the employer, or such activities required by state regulations, and shall be considered "hours worked."

During a training period an employee is considered to have not spent "hours worked" and does not have to be paid a wage by his or her employer in a limited number of circumstances when the following four conditions are met:

- 1. attendance to training events are voluntary;
- 2. the employee performs no productive work during a meeting lecture;
- 3. the meeting takes place outside of regular working hours; and
- 4. a meeting or lecture is not directly related to the employee's current work, as distinguished from teaching the employee another job, or a new additional skill that is outside of the skills necessary to perform the employee's job.

Summary of Bill:

The Director of Labor and Industries (Director) is required to establish procedures that allow for the issuance of special training certificates. The Director is to a create a special training certificate, which is 75 percent of the state or federal minimum wage, whichever wage is greater, to pay wages to a new employee during his or her training period.

The Director may issue a special training certificate to an employer that is licensed to operate as a restaurant or grocery store. The following apply to the use of a training certificate:

- 1. a training period lasts for a maximum of 680 hours of work for an employee;
- 2. an employer may use a special training certificate only once for an employee;
- 3. only an employee who is 25 years of age or younger, or is reentering the workforce after five years of unemployment, may work under a special training certificate;
- 4. an employer may not have more than 10 percent of his or her workforce working under special training certificates; however, an employer with fewer than 10 employees may have one employee working under a special training certificate;
- 5. if an employer discharges an employee working under a special training certificate before the employee has completed 680 hours of work, an employer is required to notify the Director of the discharge and provide an explanation for the discharge; and
- 6. an employer may not replace the discharged employee with another employee working under a special training certificate until one year from the previous employee's discharge date.

This act is to be called the Employment Opportunity Act.

Appropriation: None.

Fiscal Note: Requested on January 24, 2018.

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