
SENATE BILL 5532

State of Washington

65th Legislature

2017 Regular Session

By Senator Baumgartner

Read first time 01/27/17. Referred to Committee on Commerce, Labor & Sports.

1 AN ACT Relating to labor standards for employees of nonprofit
2 corporations; amending RCW 49.46.020, 49.46.210, and 49.46.800; and
3 adding new sections to chapter 49.46 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 49.46
6 RCW to read as follows:

7 (1) Beginning January 1, 2017, and until January 1, 2018, every
8 nonprofit employer shall pay to each of his or her employees who has
9 reached the age of eighteen years wages at a rate of not less than
10 nine dollars and fifty-three cents per hour.

11 (2)(a) Beginning on January 1, 2018, and each following January
12 1st as set forth under (b) of this subsection, every nonprofit
13 employer shall pay to each of his or her employees who has reached
14 the age of eighteen years wages at a rate not less than the amount
15 established under (b) of this subsection.

16 (b) On September 30, 2017, and on each following September 30th,
17 the department of labor and industries shall calculate an adjusted
18 minimum wage rate to maintain employee purchasing power by increasing
19 the current year's minimum wage rate by the rate of inflation. The
20 adjusted minimum wage rate shall be calculated to the nearest cent
21 using the consumer price index for urban wage earners and clerical

1 workers, CPI-W, or a successor index, for the twelve months prior to
2 each September 1st as calculated by the United States department of
3 labor. Each adjusted minimum wage rate calculated under this
4 subsection (2)(b) takes effect on the following January 1st.

5 (3) The provisions of RCW 49.46.020 (1) through (4), 49.46.210,
6 and 49.46.800 do not apply to employees of a nonprofit employer.

7 (4) For purposes of this section, "nonprofit employer" means any
8 employer who is an organization duly existing under the provisions of
9 chapter 24.03, 24.06, 24.12, 24.20, 24.24, 24.28, 24.34, 24.36, or
10 24.50 RCW.

11 **Sec. 2.** RCW 49.46.020 and 2017 c 2 s 3 (Initiative Measure No.
12 1433) are each amended to read as follows:

13 (1)(a) Beginning January 1, 2017, and until January 1, 2018,
14 every employer shall pay to each of his or her employees who has
15 reached the age of eighteen years wages at a rate of not less than
16 eleven dollars per hour.

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

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

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

29 (2)(a) Beginning on January 1, 2021, and each following January
30 1st as set forth under (b) of this subsection, every employer shall
31 pay to each of his or her employees who has reached the age of
32 eighteen years wages at a rate of not less than the amount
33 established under (b) of this subsection.

34 (b) On September 30, 2020, and on each following September 30th,
35 the department of labor and industries shall calculate an adjusted
36 minimum wage rate to maintain employee purchasing power by increasing
37 the current year's minimum wage rate by the rate of inflation. The
38 adjusted minimum wage rate shall be calculated to the nearest cent
39 using the consumer price index for urban wage earners and clerical

1 workers, CPI-W, or a successor index, for the twelve months prior to
2 each September 1st as calculated by the United States department of
3 labor. Each adjusted minimum wage rate calculated under this
4 subsection (2)(b) takes effect on the following January 1st.

5 (3) An employer must pay to its employees: (a) All tips and
6 gratuities; and (b) all service charges as defined under RCW
7 49.46.160 except those that, pursuant to RCW 49.46.160, are itemized
8 as not being payable to the employee or employees servicing the
9 customer. Tips and service charges paid to an employee are in
10 addition to, and may not count towards, the employee's hourly minimum
11 wage.

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

15 (5) The director shall by regulation establish the minimum wage
16 for employees under the age of eighteen years.

17 (6) Subsections (1) through (4) of this section do not apply to
18 employees of a nonprofit employer, as defined in section 1 of this
19 act.

20 **Sec. 3.** RCW 49.46.210 and 2017 c 2 s 5 (Initiative Measure No.
21 1433) are each amended to read as follows:

22 (1) Beginning January 1, 2018, every employer shall provide each
23 of its employees paid sick leave as follows:

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

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

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

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

1 a mental or physical illness, injury, or health condition; or care
2 for a family member who needs preventive medical care; and

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

7 (c) An employee is authorized to use paid sick leave for absences
8 that qualify for leave under the domestic violence leave act, chapter
9 49.76 RCW.

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

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

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

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

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

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

36 (j) Unused paid sick leave carries over to the following year,
37 except that an employer is not required to allow an employee to carry
38 over paid sick leave in excess of forty hours.

39 (k) This section does not require an employer to provide
40 financial or other reimbursement for accrued and unused paid sick

1 leave to any employee upon the employee's termination, resignation,
2 retirement, or other separation from employment. When there is a
3 separation from employment and the employee is rehired within twelve
4 months of separation by the same employer, whether at the same or a
5 different business location of the employer, previously accrued
6 unused paid sick leave shall be reinstated and the previous period of
7 employment shall be counted for purposes of determining the
8 employee's eligibility to use paid sick leave under subsection (1)(d)
9 of this section.

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

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

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

20 (c) A spouse;

21 (d) A registered domestic partner;

22 (e) A grandparent;

23 (f) A grandchild; or

24 (g) A sibling.

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

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

31 (5) This section does not apply to employees of a nonprofit
32 employer, as defined in section 1 of this act.

33 **Sec. 4.** RCW 49.46.800 and 2017 c 2 s 6 (Initiative Measure No.
34 1433) are each amended to read as follows:

35 (1) Beginning January 1, 2017, all existing rights and remedies
36 available under state or local law for enforcement of the minimum
37 wage shall be applicable to enforce all of the rights established
38 under chapter 2, Laws of 2017.

1 (2) The state shall pay individual providers, as defined in RCW
2 74.39A.240, in accordance with the minimum wage, overtime, and paid
3 sick leave requirements of this chapter.

4 (3) This section does not apply to employees of a nonprofit
5 employer, as defined in section 1 of this act.

6 NEW SECTION. **Sec. 5.** A new section is added to chapter 49.46
7 RCW to read as follows:

8 Chapter . . ., Laws of 2017 (this act) applies retroactively to
9 January 1, 2017.

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