

HOUSE BILL REPORT

EHB 1706

As Passed Legislature

Title: An act relating to eliminating subminimum wage certificates for persons with disabilities.

Brief Description: Eliminating subminimum wage certificates for persons with disabilities.

Sponsors: Representatives Frame, Sells, Macri, Doglio, Gregerson, Riccelli, Callan, Jinkins, Goodman, Valdez, Bergquist, Kloba and Pollet.

Brief History:

Committee Activity:

Labor & Workplace Standards: 2/14/19, 2/18/19 [DP].

Floor Activity:

Passed House: 3/11/19, 81-17.

Senate Amended.

Passed Senate: 4/17/19, 48-0.

House Concurred.

Passed House: 4/23/19, 90-6.

Passed Legislature.

Brief Summary of Engrossed Bill

- Prohibits state agencies from employing persons with disabilities under subminimum wage certificates beginning July 1, 2020.

HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

Majority Report: Do pass. Signed by 6 members: Representatives Sells, Chair; Chapman, Vice Chair; Mosbrucker, Ranking Minority Member; Gregerson, Hoff and Ormsby.

Minority Report: Do not pass. Signed by 1 member: Representative Chandler, Assistant Ranking Minority Member.

Staff: Trudes Tango (786-7384).

Background:

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.

Special Certificates.

Employers covered under the state Minimum Wage Act are required to pay employees age 18 or older at least the minimum hourly wage. The Department of Labor and Industries (Department) has authority to issue special certificates to employers to pay wages below the minimum wage, in order to prevent curtailment of opportunities for employment.

The Department may issue special certificates applicable to employees who are physically or mentally handicapped and other workers with disabilities. "Worker with a disability" is defined as an individual whose earning capacity is impaired by age or physical or mental deficiency or injury for the work the person is to perform.

In the application for a special certificate, the employer must set forth, among other things, the proposed wage to be paid, the nature of the disability, and how the worker's disability affects the work performed.

Generally, the pay rate may not be less than 75 percent of the applicable minimum wage unless, after investigation, a lower rate appears to be clearly justified. Special certificates are effective for only the period of time designated by the Department, which is typically two years.

Summary of Engrossed Bill:

Beginning July 1, 2020, no state agency may employ an individual under a special subminimum wage certificate issued for persons with disabilities. Any special certificate issued by the Department to a state agency for the employment of a person with a disability at less than the minimum wage must expire by June 30, 2020. "State agency" means any office, department, commission, or other unit of state government.

Appropriation: None.

Fiscal Note: Available. New fiscal note requested on April 2, 2019.

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

Staff Summary of Public Testimony:

(In support) There are practices, other than paying subminimum wages, that help disabled people find employment. Parents of disabled workers are concerned that ending subminimum wages would mean their children would not be able to find jobs. However, this is an arcane practice and to eliminate subminimum wages for these workers is a civil rights issue. There is a national movement to end this practice and disabled people are behind it. Other states are banning the practice. Supportive employment programs that do not pay subminimum wages have high retention rates. These workers should be given the same opportunity to work for the same pay just like everyone else.

(Opposed) None.

Persons Testifying: Representative Frame, prime sponsor; Ramona Hattendorf and Shaun Bickley, The Arc of King County; Adrienne Stuart, Community Employment Alliance; Jim Larson; Hugh Bertolin; Amelia Gross; Ivanova Smith, AtWork and People First of Washington; David Lord, Disability Rights Washington; and Robert Wardell.

Persons Signed In To Testify But Not Testifying: None.