

FINAL BILL REPORT

ESSB 6217

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Synopsis as Enacted

Brief Description: Concerning minimum labor standards for certain employees working at an airport or air navigation facility.

Sponsors: Senate Committee on Labor & Commerce (originally sponsored by Senators Keiser, Saldaña, Nguyen, Hasegawa, Conway and Wilson, C.).

Senate Committee on Labor & Commerce
House Committee on Labor & Workplace Standards

Background: Minimum Wage Act. Employers covered under the state Minimum Wage Act are required to pay employees age 18 or older at least the minimum hourly wage. Under Initiative 1433, passed by the voters in 2016, the state minimum wage is set in statute until January 1, 2021, when the Department of Labor and Industries (L&I) must adjust the minimum wage by the rate of inflation. The Minimum Wage Act sets the minimum standards for wages. Local jurisdictions are authorized to pass more favorable regulations. The current state minimum wage is \$13.50 per hour.

In 2013, Proposition 1 was approved by voters in the city of SeaTac. Proposition 1 established a variety of requirements for hospitality and transportation businesses in SeaTac, including a minimum wage standard of \$15 per hour, adjusted for inflation. Businesses that prepare food or beverages to be served in-flight by an airline are excluded from the requirements of Proposition 1.

Revised Airports Act. The Revised Airports Act of 1945 (RAA) grants municipalities the authority to establish, operate, and regulate municipal airports and other air navigational facilities. The RAA gives municipalities that establish airports a list of specific powers, including the ability to adopt rules and regulations, provide fire protection, create a special airport fund, lease airport and air navigation facilities, and sell or lease property for airport purposes. The RAA also provides that airports, subject to state and federal law, are under the exclusive jurisdiction and control of the municipality controlling or operating the airport and that no other municipality in which the airport is located has police jurisdiction of the same or any authority to charge any license fee or occupation taxes for the operations.

Filo Foods, LLC v. City of SeaTac. After passage of Proposition 1, a lawsuit was filed challenging the validity of SeaTac's Proposition 1 on several grounds, including that the proposition violated the RAA's provisions governing jurisdiction over airports. The King

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County Superior Court held that the proposition violated the RAA and could not be enforced at SeaTac Airport. In 2015, that decision was overturned by the Washington State Supreme Court, which held that the proposition could be enforced at SeaTac Airport so long as it did not interfere with airport operations.

Summary: A municipality that controls or operates an airport with more than 20 million annual commercial passenger boardings may enact a minimum labor standard for employees at the airport when all of the following conditions apply:

- the minimum labor standard meets, but does not exceed, those enacted by any other municipality in which the airport or other property is located;
- the airport is located within a city having a local minimum labor standard that applies to certain employers at the airport;
- the labor standard only applies to employers expressly excluded from the existing local minimum wage standard due to their goods or service type; and
- the employers are both on the municipal property and within the city having a local standard.

The requirement that charges for the use of airport property be reasonable and uniform does not include any labor standard enacted under the bill.

Votes on Final Passage:

Senate	33	15
House	58	39

Effective: June 11, 2020