## FINAL BILL REPORT ESSB 6261

## C 205 L 20

Synopsis as Enacted

**Brief Description**: Strengthening the farm labor contractor system by removing an exemption for nonprofits.

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

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

**Background**: Farm Labor Contractors. The Department of Labor and Industries (L&I) licenses and regulates farm labor contractors. To be eligible for a farm labor contractor license, applicants must meet certain surety bond and insurance requirements. A farm labor contractor is any person who, for a fee, performs any farm labor contracting activity. Farm labor contracting activity includes:

- recruiting;
- soliciting;
- employing;
- supplying;
- transporting; and
- hiring agricultural workers.

<u>Retaliation Prohibited.</u> No farm labor contractor or agricultural employer may discharge or in any other manner discriminate against any employee because the employee has:

- made a claim against the farm labor contractor or agricultural employer for compensation for the employee's personal services;
- caused to be instituted certain proceedings related to the farm labor contractor laws;
- has testified or is about to testify in any such proceedings; or
- discussed or consulted with anyone concerning the employee's rights.

Joint Liability for Unlicensed Farm Labor Contractors. Any person who knowingly uses the services of an unlicensed farm labor contractor is personally, jointly, and severally liable with the person acting as a farm labor contractor to the same extent and in the same manner as provided under the law. Any user may rely upon either the license issued by L&I to the farm labor contractor or L&I's representation that such contractor is licensed as required.

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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.

<u>Nonprofit Exemption.</u> The farm labor contractor laws do not apply to a nonprofit corporation or organization which performs certain functions for its members where:

- none of its directors, officers, or employees are deriving any profit beyond a reasonable salary; and
- membership dues and fees are used solely for the maintenance of the association or corporation.

<u>Agricultural Employee.</u> Agricultural employee means any person who renders personal services to, or under the direction of, an agricultural employer in connection with the employer's agricultural activity.

**Summary**: Nonprofit Exemption Removed. The nonprofit exemption is removed.

Agricultural Employee. The definition of agricultural employee also includes any person who has rendered personal services to an agricultural employer in connection with the employer's agricultural activity.

## **Votes on Final Passage:**

Senate 32 16 House 57 39

Effective: June 11, 2020