

SENATE BILL REPORT

SB 6377

As of February 5, 2020

Title: An act relating to employment opportunity training programs in restaurants.

Brief Description: Concerning employment opportunity training programs in restaurants.

Sponsors: Senators Zeiger, Becker, Holy, Schoesler, Ericksen, Warnick, Fortunato, Walsh, O'Ban, Rivers and Wilson, L.

Brief History:

Committee Activity: Higher Education & Workforce Development: 2/06/20.

Brief Summary of Bill

- Permits the issuance of special training certificates with wage rates at 75 percent of minimum wage in restaurants.
- Sets limitations on the use of special training certificates in restaurants.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Staff: Alicia Kinne-Clawson (786-7407)

Background: Fair Labor Standards Act. The Fair Labor Standards Act (FLSA) provides for the employment of certain individuals at wage rates below the minimum wage. These individuals include student-learners—vocational education students—and full-time students employed by retail or service establishments, agriculture, or higher education institutions.

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

Summary of Bill: The Department of Labor and Industries is permitted to issue special training certificates to employers to pay wages to new employees during a training period. The wage rate is 75 percent of the minimum wage rate required under state law, or 75 percent

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of the minimum wage rate required under federal law, whichever is greater. The following restrictions apply to the use of training certificates:

- the training period may not exceed 680 hours;
- employers may only use the certificate once per employee;
- only employers licensed to operate as a restaurant may use the certificate;
- qualified employees must be 25 years or younger or reentering the workforce after 5 years of unemployment; and
- employees working under this certificate may not constitute more than 10 percent of an employers workforce unless the employer has fewer than ten employees, a maximum of one may use the certificate.

If an employer discharges an employee working under the certificate prior to the completion of 680 hours, the director of the Department of Labor and Industries must be notified and the employer is prohibited from replacing the employee with another employee certificate for a period of one year.

This act may be known and cited as the Employment Opportunity Act.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.