SUBSTITUTE HOUSE BILL 1354

State of Washington 64th Legislature 2015 Regular Session

By House Labor (originally sponsored by Representatives Ryu, Goodman, S. Hunt, Riccelli, Farrell, Cody, Tharinger, Ortiz-Self, Sullivan, Bergquist, Pollet, Dunshee, Fitzgibbon, Moscoso, Appleton, Sells, Robinson, Reykdal, Walkinshaw, Wylie, Gregory, Moeller, Gregerson, Stanford, and Ormsby)

AN ACT Relating to the employment antiretaliation act; amending RCW 49.46.100 and 39.12.010; reenacting and amending RCW 49.46.010 and 49.48.082; adding new sections to chapter 49.46 RCW; adding a new section to chapter 49.12 RCW; adding new sections to chapter 49.48 RCW; adding new sections to chapter 39.12 RCW; adding new sections to chapter 49.52 RCW; creating a new section; and prescribing penalties.

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

The legislature finds that many workers 8 NEW SECTION. Sec. 1. are unable to exercise their wage and hour rights because of fear of 9 10 adverse action or actual adverse action by unscrupulous employers. 11 Employers should not gain a competitive advantage against law abiding 12 business by retaliating or discriminating against their employees. No 13 employee should have to fear adverse action simply for engaging in 14 rights the state of Washington has deemed so important that they are protected by law. It is in the public interest of the state of 15 16 Washington that employees be able to report concerns to their 17 without fear of retaliation or discrimination. employers The legislature finds that strong, clear, and effective protections for 18 employees will help address the problems of employer retaliation. 19

MINIMUM WAGE ACT

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1 Sec. 2. RCW 49.46.010 and 2013 c 141 s 1 are each reenacted and 2 amended to read as follows:

3 As used in this chapter:

4 (1) "Director" means the director of labor and industries or the
5 <u>director's authorized representative</u>;

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(2) "Employ" includes to permit to work;

7 (3) "Employee" includes any individual employed by an employer8 but shall not include:

9 (a) Any individual (i) employed as a hand harvest laborer and 10 paid on a piece rate basis in an operation which has been, and is 11 generally and customarily recognized as having been, paid on a piece 12 rate basis in the region of employment; (ii) who commutes daily from 13 his or her permanent residence to the farm on which he or she is 14 employed; and (iii) who has been employed in agriculture less than 15 thirteen weeks during the preceding calendar year;

(b) Any individual employed in casual labor in or about a private home, unless performed in the course of the employer's trade, business, or profession;

19 (c) Any individual employed in a bona fide executive, 20 administrative, or professional capacity or in the capacity of 21 outside salesperson as those terms are defined and delimited by rules 22 of the director. However, those terms shall be defined and delimited 23 by the human resources director pursuant to chapter 41.06 RCW for 24 employees employed under the director of personnel's jurisdiction;

25 (d) Any individual engaged in the activities of an educational, 26 charitable, religious, state or local governmental body or agency, or nonprofit organization where the employer-employee relationship does 27 28 not in fact exist or where the services are rendered to such organizations gratuitously. If the individual receives reimbursement 29 in lieu of compensation for normally incurred out-of-pocket expenses 30 31 or receives a nominal amount of compensation per unit of voluntary service rendered, an employer-employee relationship is deemed not to 32 exist for the purpose of this section or for purposes of membership 33 or qualification in any state, local government, or publicly 34 supported retirement system other than that provided under chapter 35 36 41.24 RCW;

37 (e) Any individual employed full time by any state or local 38 governmental body or agency who provides voluntary services but only 39 with regard to the provision of the voluntary services. The voluntary 40 services and any compensation therefor shall not affect or add to 1 qualification, entitlement, or benefit rights under any state, local 2 government, or publicly supported retirement system other than that 3 provided under chapter 41.24 RCW;

4 (f) Any newspaper vendor, carrier, or delivery person selling or 5 distributing newspapers on the street, to offices, to businesses, or 6 from house to house and any freelance news correspondent or 7 "stringer" who, using his or her own equipment, chooses to submit 8 material for publication for free or a fee when such material is 9 published;

10 (g) Any carrier subject to regulation by Part 1 of the Interstate
11 Commerce Act;

12 (h) Any individual engaged in forest protection and fire 13 prevention activities;

(i) Any individual employed by any charitable institution charged
with child care responsibilities engaged primarily in the development
of character or citizenship or promoting health or physical fitness
or providing or sponsoring recreational opportunities or facilities
for young people or members of the armed forces of the United States;

(j) Any individual whose duties require that he or she reside or sleep at the place of his or her employment or who otherwise spends a substantial portion of his or her work time subject to call, and not engaged in the performance of active duties;

(k) Any resident, inmate, or patient of a state, county, or municipal correctional, detention, treatment or rehabilitative institution;

(1) Any individual who holds a public elective or appointive office of the state, any county, city, town, municipal corporation or quasi municipal corporation, political subdivision, or any instrumentality thereof, or any employee of the state legislature;

30 (m) All vessel operating crews of the Washington state ferries31 operated by the department of transportation;

32 (n) Any individual employed as a seaman on a vessel other than an33 American vessel;

34 (4) "Employer" includes any individual, partnership, association, 35 corporation, business trust, or any person or group of persons acting 36 directly or indirectly in the interest of an employer in relation to 37 an employee;

(5) "Occupation" means any occupation, service, trade, business,
 industry, or branch or group of industries or employment or class of
 employment in which employees are gainfully employed;

1 (6) "Retail or service establishment" means an establishment 2 seventy-five percent of whose annual dollar volume of sales of goods 3 or services, or both, is not for resale and is recognized as retail 4 sales or services in the particular industry;

5 (7) "Wage" means compensation due to an employee by reason of 6 employment, payable in legal tender of the United States or checks on 7 banks convertible into cash on demand at full face value, subject to 8 such deductions, charges, or allowances as may be permitted by rules 9 of the director<u>i</u>

10 (8) "Adverse action" means discharging, denying a promotion, demoting, failing to rehire after a seasonal interruption of work, 11 12 threatening, penalizing, retaliating, engaging in unfair immigrationrelated practices, filing a false report with a government agency, 13 changing an employee's status to a nonemployee, or otherwise 14 discriminating against an employee. "Adverse action" may involve any 15 aspect of employment, including pay, work hours, responsibilities, or 16 17 other material change in the terms and condition of employment;

(9) "Department" means the department of labor and industries;

19 (10) "Front pay" means the compensation the employee would earn 20 if reinstated to his or her former position;

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21 (11) "Interested party" includes: A contractor or subcontractor
22 or an employee of a contractor or subcontractor; the director or the
23 director's designee; an organization whose members' wages, benefits,
24 and conditions of employment are affected by this chapter, including
25 a labor union; or any other organization of workers that exists for
26 the purpose, in whole or in part, of interacting with employers;

27 (12)(a) "Pattern or practice" means that, in addition to the 28 current violation, within the previous ten years the employer was:

29 <u>(i) Convicted of a criminal violation of a state or local law</u> 30 <u>concerning retaliation;</u>

31 (ii) Subject to a court order entering final judgment for a 32 violation of section 3, 9, 14, or 19 of this act, and the judgment 33 was not satisfied or current within thirty days of the later of:

34 (A) The expiration of the time for appealing the order; or

35 <u>(B) If a timely appeal was made, the date of the final resolution</u> 36 <u>of the appeal; or</u>

37 (iii) Subject to a final and binding citation and notice of 38 assessment from the department for a violation of section 3, 9, 14, 39 or 19 of this act, and the citation and penalty were not satisfied or

1 current within thirty days of the date the citation became final and 2 binding. (b) For the purposes of this subsection (12), an employer 3 includes a successor employer, as defined in RCW 49.48.082; 4 (13)(a) "Unfair immigration-related practice" includes any of the 5 б following practices: 7 (i) Requesting more or different documents than are required under 8 U.S.C. Sec. 1324a(b), or a refusal to honor documents 8 tendered pursuant to that section that on their face reasonably 9 appear to be genuine; 10 (ii) Using the federal E-Verify system to check the employment 11 12 authorization status of a person at a time or in a manner not required under 8 U.S.C. Sec. 1324a(b), or not authorized under any 13 memorandum of understanding governing the use of the federal E-Verify 14 15 system; 16 (iii) Threatening to file or the filing of a false police report; 17 (iv) Threatening to contact or contacting immigration 18 authorities; 19 (v) Withholding or threatening to destroy documents related to a 20 person's immigration status. (b) "Unfair immigration-related practice" does not include 21 22 conduct undertaken at the express and specific direction or request 23 of the federal government. 24 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 49.46 25 RCW to read as follows: 26 (1) An employer, any of its agents, or any person acting on 27 behalf of the employer may not take adverse action against any 28 individual or individuals because: (a) An employee or former employee has informed any other person 29 30 or made a complaint, or the employer believes an employee has informed any other person or made a complaint, including to the 31 employer, the department, the attorney general, or any other person 32 that the employer engaged in conduct that an employee reasonably 33 believes violates this chapter; 34 35 (b) An employee or former employee demands from the employee's employer a lawful claim under this chapter; 36 37 (c) An employee or former employee has caused to be instituted, 38 or is about to cause to be instituted, a proceeding under or related to this chapter; 39

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(d) An employee or former employee has testified or is about to
 testify in a proceeding under or related to this chapter;

3 (e) An employee has refused to participate in an activity that 4 would result in a violation of state or federal wage and hour law;

5 (f) An employee or former employee has sought information about 6 his or her rights under this chapter or informed others about their 7 rights under this chapter;

8 (g) An employee or former employee has, or the employer believes 9 an employee has, otherwise exercised rights protected by this 10 chapter; or

(h) An employee or former employee filed a complaint with the department or brought suit in court where the employer was determined to have violated this chapter.

(2) If an employer takes adverse action against an employee or 14 former employee within ninety days of an activity described in 15 16 subsection (1) of this section, the employer is presumed to have acted in retaliation in violation of subsection (1) of this section. 17 However, in the case of seasonal work that ended before the close of 18 the ninety day period, the presumption also applies if the employer 19 fails to rehire a former employee at the next opportunity for work in 20 21 the same position. The employer may rebut the presumption with clear and convincing evidence that the adverse action was taken for a 22 23 permissible purpose.

(3) A complaint or other communication by an employee triggers
 the protections of this section regardless of whether the complaint
 or communication is in writing or makes explicit reference to this
 chapter.

(4) A violation of this section is a gross misdemeanor. The
 presumption created in subsection (2) of this section does not apply
 to this subsection.

31 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 49.46 32 RCW to read as follows:

33 (1) An individual aggrieved or an interested party filing on 34 behalf of an individual aggrieved by section 3 of this act may file a 35 complaint with the director.

36 (2) If an individual aggrieved or an interested party filing on 37 behalf of an individual aggrieved files a complaint with the 38 department, the director may investigate the complaint. If, following 39 an investigation, the director determines that an employer violated

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1 section 3 of this act, the director may order the employer to comply 2 with any one or more of the following, unless prohibited by federal 3 law:

4 (a) Pay a civil penalty of not less than one thousand dollars and
5 not more than ten thousand dollars per individual aggrieved. The
6 department must deposit civil penalties under this section in the
7 supplemental pension fund established under RCW 51.44.033.

8 (b)(i) Subject to (b)(ii) of this subsection, pay any aggrieved 9 individual not less than one thousand dollars and not more than ten 10 thousand dollars.

11 (ii) If an employee or former employee is the aggrieved 12 individual, pay the individual the greater of:

(A) The amount of any civil penalty imposed under (a) of thissubsection; or

(B) Three times the amount of any wages, salary, and employment benefits unlawfully denied or withheld, except benefits under Title 50 or 51 RCW.

18 (c) If the aggrieved individual is a former employee of the 19 violating employer, reinstate the aggrieved individual as an employee 20 at not less than the most recent rate of pay received by the 21 employee. The director may award front pay in lieu of reinstatement.

(3) An appeal from the director's determination may be taken in
 accordance with chapter 34.05 RCW, with the prevailing party entitled
 to recover reasonable costs and attorneys' fees.

(4) The director may not investigate any alleged violation under this section that occurred more than three years before the date that the employee filed the complaint. This period is tolled during any period of time that an employer, any of its agents, or any person acting on behalf of the employer deters an individual from filing a complaint.

31 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 49.46 32 RCW to read as follows:

33 (1) An individual aggrieved by a violation of section 3 of this 34 act may bring suit on behalf of himself or herself or on behalf of 35 any other individuals similarly situated.

36 (2) If a court determines that an employer violated section 3 of37 this act, the court, unless prohibited by federal law:

38 (a)(i) Shall award statutory damages for each individual39 aggrieved by the violation. Subject to (a)(ii) of this subsection,

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statutory damages must not be less than one thousand dollars and not more than ten thousand dollars per individual, unless the employer engaged in a pattern or practice of violations, in which case the statutory damages must be not less than ten thousand dollars and not more than twenty-five thousand dollars per individual;

6 (ii) If an employee or former employee is the individual subject 7 to adverse action, the court shall award the greater of:

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(A) The amounts specified in (a)(i) of this subsection; or

9 (B) Three times the amount of any wages, salary, and employment 10 benefits unlawfully denied or withheld, except benefits under Title 11 50 or 51 RCW;

12 (b) May award actual damages sustained by the individual;

13 (c) May order injunctive or other equitable relief if the 14 aggrieved individual is an employee or former employee of the 15 violating employer. The relief may include:

16 (i) Reinstatement of the former employee as an employee to his or 17 her former position at not less than the most recent rate of 18 compensation received by the employee, including the value of any 19 benefits; or

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(ii) Front pay in lieu of reinstatement;

(d)(i) For a first violation, may order the appropriate government agencies to suspend all licenses that are held by the violating party for a period of up to fourteen days. The licenses that are subject to suspension are all licenses, certifications, or registrations held by the violating party specific to the business location or locations where the adverse action occurred;

(ii) For a second violation, the court may order the appropriate government agencies to suspend all licenses that are held by the violating party for a period of up to thirty days. The licenses that are subject to suspension are all licenses held by the violating party specific to the business location or locations where the adverse action occurred;

(iii) For a third violation, the court may order the appropriate government agencies to suspend all licenses that are held by the violating party for a period of up to ninety days. The licenses that are subject to suspension are all licenses held by the violating party specific to the business location or locations where the adverse action occurred.

39 (e) Shall award attorneys' fees and costs.

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1 (3) A civil action under this section must be brought no later 2 than three years after the violation occurred. This period is tolled 3 during any period of time that an employer, any of its agents, or any 4 person acting on behalf of the employer deters an individual from 5 bringing an action under this section.

6 **Sec. 6.** RCW 49.46.100 and 2010 c 8 s 12044 are each amended to 7 read as follows:

(((1))) Any employer who hinders or delays the director or his or 8 her authorized representatives in the performance of his or her 9 duties in the enforcement of this chapter, or refuses to admit the 10 11 director or his or her authorized representatives to any place of employment, or fails to make, keep, and preserve any records as 12 required under the provisions of this chapter, or falsifies any such 13 record, or refuses to make any record accessible to the director or 14 15 his or her authorized representatives upon demand, or refuses to 16 furnish a sworn statement of such record or any other information 17 required for the proper enforcement of this chapter to the director or his or her authorized representatives upon demand, or pays or 18 agrees to pay wages at a rate less than the rate applicable under 19 20 this chapter, or otherwise violates any provision of this chapter or of any regulation issued under this chapter shall be deemed in 21 violation of this chapter and shall, upon conviction therefor, be 22 23 guilty of a gross misdemeanor.

24 (((2) Any employer who discharges or in any other manner 25 discriminates against any employee because such employee has made any complaint to his or her employer, to the director, or his or her 26 27 authorized representatives that he or she has not been paid wages in 28 accordance with the provisions of this chapter, or that the employer has violated any provision of this chapter, or because such employee 29 30 has caused to be instituted or is about to cause to be instituted any 31 proceeding under or related to this chapter, or because such employee 32 has testified or is about to testify in any such proceeding shall be deemed in violation of this chapter and shall, upon conviction 33 therefor, be guilty of a gross misdemeanor.)) 34

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INDUSTRIAL WELFARE ACT

36 <u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 49.12 37 RCW to read as follows:

1 (1) An employer, any of its agents, or any person acting on 2 behalf of the employer may not take adverse action against any 3 individual or individuals because an employee has updated or 4 attempted to update his or her personal information, unless the 5 change is directly related to the skill set or knowledge required for 6 the job.

7 (2) If an employer takes adverse action against an employee or former employee within ninety days of an activity described in 8 subsection (1) of this section, the employer is presumed to have 9 acted in retaliation in violation of subsection (1) of this section. 10 However, in the case of seasonal work that ended before the close of 11 the ninety day period, the presumption also applies if the employer 12 13 fails to rehire a former employee at the next opportunity for work in 14 the same position. The employer may rebut the presumption with clear and convincing evidence that the adverse action was taken for a 15 16 permissible purpose.

17 (3) For the purposes of this section, "adverse action" has the 18 same meaning as in RCW 49.46.010.

(4) An interested party or individual aggrieved by this sectionmay file a complaint under section 4 of this act.

(5) An individual aggrieved by a violation of this section may
also bring suit on behalf of himself or herself or on behalf of any
other individuals similarly situated under section 5 of this act.

(6) A violation of this section is a gross misdemeanor. The
presumption created in subsection (2) of this section does not apply
to this subsection.

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WAGE PAYMENT ACT

28 Sec. 8. RCW 49.48.082 and 2010 c 42 s 1 are each reenacted and 29 amended to read as follows:

The definitions in this section apply throughout this section and RCW 49.48.083 through 49.48.086:

(1) "Citation" means a written determination by the departmentthat a wage payment requirement has been violated.

34 (2) "Department" means the department of labor and industries.

35 (3) "Determination of compliance" means a written determination 36 by the department that wage payment requirements have not been 37 violated. 1 (4) "Director" means the director of the department of labor and 2 industries, or the director's authorized representative.

3 (5) "Employee" has the meaning provided in: (a) RCW 49.46.010 for 4 purposes of a wage payment requirement set forth in RCW 49.46.020 or 5 49.46.130; and (b) RCW 49.12.005 for purposes of a wage payment 6 requirement set forth in RCW 49.48.010, 49.52.050, or 49.52.060.

7 (6) "Employer" has the meaning provided in RCW 49.46.010 for
8 purposes of a wage payment requirement set forth in RCW 49.46.020,
9 49.46.130, 49.48.010, 49.52.050, or 49.52.060.

10 (7) "Notice of assessment" means a written notice by the 11 department that, based on a citation, the employer shall pay the 12 amounts assessed under RCW 49.48.083.

13 (8) "Repeat willful violator" means any employer that has been 14 the subject of a final and binding citation and notice of assessment 15 for a willful violation of a wage payment requirement within three 16 years of the date of issue of the most recent citation and notice of 17 assessment for a willful violation of a wage payment requirement.

(9) "Successor" means any person to whom an employer quitting, selling out, exchanging, or disposing of a business sells or otherwise conveys in bulk and not in the ordinary course of the employer's business, more than fifty percent of the property, whether real or personal, tangible or intangible, of the employer's business.

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(10) "Wage" has the meaning provided in RCW 49.46.010.

(11) "Wage complaint" means a complaint from an employee to the
department that asserts that an employer has violated one or more
wage payment requirements and that is reduced to writing.

(12) "Wage payment requirement" means a wage payment requirement
set forth in RCW 49.46.020, 49.46.130, 49.48.010, 49.52.050, or
49.52.060, and any related rules adopted by the department.

30 (13) "Willful" means a knowing and intentional action that is 31 neither accidental nor the result of a bona fide dispute, as 32 evaluated under the standards applicable to wage payment violations 33 under RCW 49.52.050(2).

34 <u>(14) "Adverse action" means discharging, denying a promotion,</u> 35 <u>demoting, failing to rehire after a seasonal interruption of work,</u> 36 <u>threatening, penalizing, retaliating, engaging in unfair immigration-</u> 37 <u>related practices, filing a false report with a government agency,</u> 38 <u>changing an employee's status to a nonemployee, or otherwise</u> 39 <u>discriminating against an employee. "Adverse action" may involve any</u>

1 aspect of employment, including pay, work hours, responsibilities, or other material change in the terms and condition of employment. 2 (15) "Front pay" means the compensation the employee would earn 3 if reinstated to his or her former position. 4 (16) "Interested party" includes: A contractor or subcontractor 5 б or an employee of a contractor or subcontractor; the director or the 7 director's designee; an organization whose members' wages, benefits, and conditions of employment are affected by this chapter, including 8 a labor union; or any other organization of workers that exists for 9 the purpose, in whole or in part, of interacting with employers. 10 (17)(a) "Pattern or practice" means that, in addition to the 11 12 current violation, within the previous ten years the employer was: (i) Convicted of a criminal violation of a state or local law 13 14 concerning retaliation; (ii) Subject to a court order entering final judgment for a 15 violation of section 3, 9, 14, or 19 of this act, and the judgment 16 17 was not satisfied or current within thirty days of the later of: (A) The expiration of the time for appealing the order; or 18 19 (B) If a timely appeal was made, the date of the final resolution 20 of the appeal; or (iii) Subject to a final and binding citation and notice of 21 assessment from the department for a violation of section 3, 14, or 22 19 of this act, and the citation and penalty were not satisfied or 23 24 current within thirty days of the date the citation became final and 25 binding. 26 (b) For the purposes of this subsection (17), an employer includes a successor employer, as defined in RCW 49.48.082. 27 28 (18)(a) "Unfair immigration-related practice" includes any of the 29 following practices: (i) Requesting more or different documents than are required 30 under 8 U.S.C. Sec. 1324a(b), or a refusal to honor documents 31 32 tendered pursuant to that section that on their face reasonably 33 appear to be genuine; (ii) Using the federal E-Verify system to check the employment 34 authorization status of a person at a time or in a manner not 35 required under 8 U.S.C. Sec. 1324a(b), or not authorized under any 36 memorandum of understanding governing the use of the federal E-Verify 37 38 system; 39 (iii) Threatening to file or the filing of a false police report;

1 <u>(iv)</u> Threatening to contact or contacting immigration 2 <u>authorities;</u>

3 (v) Withholding or threatening to destroy documents related to a
4 person's immigration status.

5 (b) "Unfair immigration-related practice" does not include 6 conduct undertaken at the express and specific direction or request 7 of the federal government.

8 <u>NEW SECTION.</u> **Sec. 9.** (1) An employer, any of its agents, or any 9 person acting on behalf of the employer may not take adverse action 10 against any individual or individuals because:

(a) An employee or former employee has informed any other person or made a complaint, or the employer believes an employee has informed any other person or made a complaint, including to the employer, the department, the attorney general, or any other person that the employer engaged in conduct that an employee reasonably believes violates this chapter;

(b) An employee or former employee demands from the employee'semployer a lawful claim under this chapter;

19 (c) An employee or former employee has caused to be instituted, 20 or is about to cause to be instituted, a proceeding under or related 21 to this chapter;

(d) An employee or former employee has testified or is about totestify in a proceeding under or related to this chapter;

(e) An employee has refused to participate in an activity thatwould result in a violation of state or federal wage and hour law;

26 (f) An employee or former employee has sought information about 27 his or her rights under this chapter or informed others about their 28 rights under this chapter;

(g) An employee or former employee has, or the employer believes an employee has, otherwise exercised rights protected by this chapter; or

32 (h) An employee or former employee filed a complaint with the 33 department or brought suit in court where the employer was determined 34 to have violated this chapter.

35 (2) If an employer takes adverse action against an employee or 36 former employee within ninety days of an activity described in 37 subsection (1) of this section, the employer is presumed to have 38 acted in retaliation in violation of subsection (1) of this section. 39 However, in the case of seasonal work that ended before the close of

1 the ninety day period, the presumption also applies if the employer 2 fails to rehire a former employee at the next opportunity for work in 3 the same position. The employer may rebut the presumption with clear 4 and convincing evidence that the adverse action was taken for a 5 permissible purpose.

6 (3) A complaint or other communication by an employee triggers 7 the protections of this section regardless of whether the complaint 8 or communication is in writing or makes explicit reference to this 9 chapter.

10 (4) A violation of this section is a gross misdemeanor. The 11 presumption created in subsection (2) of this section does not apply 12 to this subsection.

13 <u>NEW SECTION.</u> Sec. 10. (1) An individual aggrieved or an 14 interested party filing on behalf of an individual aggrieved by 15 section 9 of this act may file a complaint with the director.

16 (2) If an individual aggrieved or an interested party filing on 17 behalf of an individual aggrieved files a complaint with the 18 department, the director may investigate the complaint. If, following 19 an investigation, the director determines that an employer violated 20 section 9 of this act, the director may order the employer to comply 21 with any one or more of the following, unless prohibited by federal 22 law:

(a) Pay a civil penalty of not less than one thousand dollars and
 not more than ten thousand dollars per individual aggrieved. The
 department must deposit civil penalties under this section in the
 supplemental pension fund established under RCW 51.44.033.

(b)(i) Subject to (b)(ii) of this subsection, pay any aggrieved
individual not less than one thousand dollars and not more than ten
thousand dollars.

30 (ii) If an employee or former employee is the aggrieved 31 individual, pay the individual the greater of:

32 (A) The amount of any civil penalty imposed under (a) of this33 subsection; or

(B) Three times the amount of any wages, salary, and employment
 benefits unlawfully denied or withheld, except benefits under Title
 50 or 51 RCW.

37 (c) If the aggrieved individual is a former employee of the38 violating employer, reinstate the aggrieved individual as an employee

at not less than the most recent rate of pay received by the
 employee. The director may award front pay in lieu of reinstatement.

3 (3) An appeal from the director's determination may be taken in
4 accordance with chapter 34.05 RCW, with the prevailing party entitled
5 to recover reasonable costs and attorneys' fees.

6 (4) The director may not investigate any alleged violation under 7 this section that occurred more than three years before the date that 8 the employee filed the complaint. This period is tolled during any 9 period of time that an employer, any of its agents, or any person 10 acting on behalf of the employer deters an individual from filing a 11 complaint.

12 <u>NEW SECTION.</u> Sec. 11. (1) An individual aggrieved by a 13 violation of section 9 of this act may bring suit on behalf of 14 himself or herself or on behalf of any other individuals similarly 15 situated.

16 (2) If a court determines that an employer violated section 9 of 17 this act, the court, unless prohibited by federal law:

(a)(i) Shall award statutory damages for each individual aggrieved by the violation. Subject to (a)(ii) of this subsection, statutory damages must not be less than one thousand dollars and not more ten thousand dollars per individual, unless the employer engaged in a pattern or practice of violations, in which case the statutory damages must be not less than ten thousand dollars and not more than twenty-five thousand dollars per individual;

(ii) If an employee or former employee is the individual subject to adverse action, the court shall award the greater of:

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(A) The amounts specified in (a)(i) of this subsection; or

(B) Three times the amount of any wages, salary, and employment
 benefits unlawfully denied or withheld, except benefits under Title
 50 or 51 RCW;

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(b) May award actual damages sustained by the individual;

32 (c) May order injunctive or other equitable relief if the 33 aggrieved individual is an employee or former employee of the 34 violating employer. The relief may include:

(i) Reinstatement of the former employee as an employee to his or her former position at not less than the most recent rate of compensation received by the employee, including the value of any benefits; or

39 (ii) Front pay in lieu of reinstatement;

1 (d)(i) For a first violation, may order the appropriate 2 government agencies to suspend all licenses that are held by the 3 violating party for a period of up to fourteen days. The licenses 4 that are subject to suspension are all licenses, certifications, or 5 registrations held by the violating party specific to the business 6 location or locations where the adverse action occurred;

7 (ii) For a second violation, the court may order the appropriate 8 government agencies to suspend all licenses that are held by the 9 violating party for a period of up to thirty days. The licenses that 10 are subject to suspension are all licenses held by the violating 11 party specific to the business location or locations where the 12 adverse action occurred;

(iii) For a third violation, the court may order the appropriate government agencies to suspend all licenses that are held by the violating party for a period of up to ninety days. The licenses that are subject to suspension are all licenses held by the violating party specific to the business location or locations where the adverse action occurred.

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(e) Shall award attorneys' fees and costs.

20 (3) A civil action under this section must be brought no later 21 than three years after the violation occurred. This period is tolled 22 during any period of time that an employer, any of its agents, or any 23 person acting on behalf of the employer deters an individual from 24 bringing an action under this section.

25 <u>NEW SECTION.</u> Sec. 12. Sections 9 through 11 of this act are 26 each added to chapter 49.48 RCW.

27

PREVAILING WAGE

28 **Sec. 13.** RCW 39.12.010 and 1989 c 12 s 6 are each amended to 29 read as follows:

30 <u>The definitions in this section apply throughout this chapter</u> 31 <u>unless the context clearly requires otherwise.</u>

(1) The "prevailing rate of wage_"((, for the intents and purposes of this chapter, shall be)) means the rate of hourly wage, usual benefits, and overtime paid in the locality, as ((hereinafter)) defined in this section, to the majority of workers, laborers, or mechanics, in the same trade or occupation. In the event that there is not a majority in the same trade or occupation paid at the same

1 rate, then the average rate of hourly wage and overtime paid to such 2 laborers, workers, or mechanics in the same trade or occupation shall 3 be the prevailing rate. If the wage paid by any contractor or 4 subcontractor to laborers, workers, or mechanics on any public work 5 is based on some period of time other than an hour, the hourly wage 6 for the purposes of this chapter shall be mathematically determined 7 by the number of hours worked in such period of time.

8 (2) The "locality" ((for the purposes of this chapter shall be)) 9 <u>means</u> the largest city in the county wherein the physical work is 10 being performed.

11 (3) The "usual benefits" ((for the purposes of this chapter 12 shall)) includes the amount of:

(a) The rate of contribution irrevocably made by a contractor or
subcontractor to a trustee or to a third person pursuant to a fund,
plan, or program; and

(b) The rate of costs to the contractor or subcontractor which 16 17 may be reasonably anticipated in providing benefits to workers, 18 laborers, and mechanics pursuant to an enforceable commitment to 19 carry out a financially responsible plan or program which was communicated in writing to the workers, laborers, and mechanics 20 affected, for medical or hospital care, pensions on retirement or 21 death, compensation for injuries or illness resulting from 22 occupational activity, or insurance to provide any of the foregoing, 23 for unemployment benefits, life insurance, disability and sickness 24 25 insurance, or accident insurance, for vacation and holiday pay, for 26 defraying costs of apprenticeship or other similar programs, or for other bona fide fringe benefits, but only where the contractor or 27 subcontractor is not required by other federal, state, or local law 28 29 to provide any of such benefits.

(4) ((An "interested party" for the purposes of this chapter 30 31 shall include a contractor, subcontractor, an employee of a 32 contractor or subcontractor, an organization whose members' wages, 33 benefits, and conditions of employment are affected by this chapter, and the director of labor and industries or the director's 34 designee.)) "Adverse action" means discharging, denying a promotion, 35 demoting, failing to rehire after a seasonal interruption of work, 36 threatening, penalizing, retaliating, engaging in unfair immigration-37 related practices, filing a false report with a government agency, 38 39 changing an employee's status to a nonemployee, or otherwise 40 discriminating against an employee. "Adverse action" may involve any

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1 aspect of employment, including pay, work hours, responsibilities, or other material change in the terms and condition of employment. 2 (5) "Department" means the department of labor and industries. 3 (6) "Front pay" means the compensation the employee would earn if 4 5 reinstated to his or her former position. б (7) "Interested party" includes: A contractor or subcontractor or 7 an employee of a contractor or subcontractor; the director or the director's designee; an organization whose members' wages, benefits, 8 and conditions of employment are affected by this chapter, including 9 a labor union; or any other organization of workers that exists for 10 the purpose, in whole or in part, of interacting with employers. 11 12 (8)(a) "Pattern or practice" means that, in addition to the 13 current violation, within the previous ten years the employer was: (i) Convicted of a criminal violation of a state or local law 14 15 concerning retaliation; 16 (ii) Subject to a court order entering final judgment for a 17 violation of section 3, 9, 14, or 19 of this act, and the judgment 18 was not satisfied or current within thirty days of the later of: 19 (A) The expiration of the time for appealing the order; or 20 (B) If a timely appeal was made, the date of the final resolution 21 of the appeal; or 22 (iii) Subject to a final and binding citation and notice of assessment from the department for a violation of section 3, 9, or 19 23 of this act, and the citation and penalty were not satisfied or 24 25 current within thirty days of the date the citation became final and 26 binding. (b) For the purposes of this subsection (8), an employer includes 27 a successor employer, as defined in RCW 49.48.082. 28 29 (9)(a) "Unfair immigration-related practice" includes any of the 30 following practices: 31 (i) Requesting more or different documents than are required 32 under 8 U.S.C. Sec. 1324a(b), or a refusal to honor documents tendered pursuant to that section that on their face reasonably 33 34 appear to be genuine; (ii) Using the federal E-Verify system to check the employment 35 36 authorization status of a person at a time or in a manner not required under 8 U.S.C. Sec. 1324a(b), or not authorized under any 37 memorandum of understanding governing the use of the federal E-Verify 38 39 system; 40 (iii) Threatening to file or the filing of a false police report;

1 (iv) Threatening to contact or contacting immigration
2 authorities;

3 <u>(v) Withholding or threatening to destroy documents related to a</u>
4 person's immigration status.

5 (b) "Unfair immigration-related practice" does not include 6 conduct undertaken at the express and specific direction or request 7 of the federal government.

8 <u>NEW SECTION.</u> **Sec. 14.** (1) An employer, any of its agents, or 9 any person acting on behalf of the employer may not take adverse 10 action against any individual or individuals because:

(a) An employee or former employee has informed any other person or made a complaint, or the employer believes an employee has informed any other person or made a complaint, including to the employer, the department, the attorney general, or any other person that the employer engaged in conduct that an employee reasonably believes violates this chapter;

(b) An employee or former employee demands from the employee'semployer a lawful claim under this chapter;

19 (c) An employee or former employee has caused to be instituted, 20 or is about to cause to be instituted, a proceeding under or related 21 to this chapter;

(d) An employee or former employee has testified or is about totestify in a proceeding under or related to this chapter;

(e) An employee has refused to participate in an activity thatwould result in a violation of state or federal wage and hour law;

26 (f) An employee or former employee has sought information about 27 his or her rights under this chapter or informed others about their 28 rights under this chapter;

(g) An employee or former employee has, or the employer believes an employee has, otherwise exercised rights protected by this chapter; or

32 (h) An employee or former employee filed a complaint with the 33 department or brought suit in court where the employer was determined 34 to have violated this chapter.

35 (2) If an employer takes adverse action against an employee or 36 former employee within ninety days of an activity described in 37 subsection (1) of this section, the employer is presumed to have 38 acted in retaliation in violation of subsection (1) of this section. 39 However, in the case of seasonal work that ended before the close of

1 the ninety day period, the presumption also applies if the employer 2 fails to rehire a former employee at the next opportunity for work in 3 the same position. The employer may rebut the presumption with clear 4 and convincing evidence that the adverse action was taken for a 5 permissible purpose.

6 (3) A complaint or other communication by an employee triggers 7 the protections of this section regardless of whether the complaint 8 or communication is in writing or makes explicit reference to this 9 chapter.

10 (4) A violation of this section is a gross misdemeanor. The 11 presumption created in subsection (2) of this section does not apply 12 to this subsection.

13 <u>NEW SECTION.</u> **Sec. 15.** (1) An individual aggrieved or an 14 interested party filing on behalf of an individual aggrieved by 15 section 14 of this act may file a complaint with the director.

16 (2) If an individual aggrieved or an interested party filing on 17 behalf of an individual aggrieved files a complaint with the 18 department, the director may investigate the complaint. If, following 19 an investigation, the director determines that an employer violated 20 section 14 of this act, the director may order the employer to comply 21 with any one or more of the following, unless prohibited by federal 22 law:

(a) Pay a civil penalty of not less than one thousand dollars and
 not more than ten thousand dollars per individual aggrieved. The
 department must deposit civil penalties under this section in the
 supplemental pension fund established under RCW 51.44.033.

(b)(i) Subject to (b)(ii) of this subsection, pay any aggrieved
individual not less than one thousand dollars and not more than ten
thousand dollars.

30 (ii) If an employee or former employee is the aggrieved 31 individual, pay the individual the greater of:

32 (A) The amount of any civil penalty imposed under (a) of this33 subsection; or

(B) Three times the amount of any wages, salary, and employment
 benefits unlawfully denied or withheld, except benefits under Title
 50 or 51 RCW.

37 (c) If the aggrieved individual is a former employee of the38 violating employer, reinstate the aggrieved individual as an employee

at not less than the most recent rate of pay received by the
 employee. The director may award front pay in lieu of reinstatement.

3 (3) An appeal from the director's determination may be taken in
4 accordance with chapter 34.05 RCW, with the prevailing party entitled
5 to recover reasonable costs and attorneys' fees.

6 (4) The director may not investigate any alleged violation under 7 this section that occurred more than three years before the date that 8 the employee filed the complaint. This period is tolled during any 9 period of time that an employer, any of its agents, or any person 10 acting on behalf of the employer deters an individual from filing a 11 complaint.

12 <u>NEW SECTION.</u> Sec. 16. (1) An individual aggrieved by a 13 violation of section 14 of this act may bring suit on behalf of 14 himself or herself or on behalf of any other individuals similarly 15 situated.

16 (2) If a court determines that an employer violated section 14 of 17 this act, the court, unless prohibited by federal law:

(a)(i) Shall award statutory damages for each individual aggrieved by the violation. Subject to (a)(ii) of this subsection, statutory damages must not be less than one thousand dollars and not more ten thousand dollars per individual, unless the employer engaged in a pattern or practice of violations, in which case the statutory damages must be not less than ten thousand dollars and not more than twenty-five thousand dollars per individual;

(ii) If an employee or former employee is the individual subject to adverse action, the court shall award the greater of:

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(A) The amounts specified in (a)(i) of this subsection; or

(B) Three times the amount of any wages, salary, and employment
 benefits unlawfully denied or withheld, except benefits under Title
 50 or 51 RCW;

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(b) May award actual damages sustained by the individual;

32 (c) May order injunctive or other equitable relief if the 33 aggrieved individual is an employee or former employee of the 34 violating employer. The relief may include:

(i) Reinstatement of the former employee as an employee to his or her former position at not less than the most recent rate of compensation received by the employee, including the value of any benefits; or

39 (ii) Front pay in lieu of reinstatement;

1 (d)(i) For a first violation, may order the appropriate 2 government agencies to suspend all licenses that are held by the 3 violating party for a period of up to fourteen days. The licenses 4 that are subject to suspension are all licenses, certifications, or 5 registrations held by the violating party specific to the business 6 location or locations where the adverse action occurred;

7 (ii) For a second violation, the court may order the appropriate 8 government agencies to suspend all licenses that are held by the 9 violating party for a period of up to thirty days. The licenses that 10 are subject to suspension are all licenses held by the violating 11 party specific to the business location or locations where the 12 adverse action occurred;

(iii) For a third violation, the court may order the appropriate government agencies to suspend all licenses that are held by the violating party for a period of up to ninety days. The licenses that are subject to suspension are all licenses held by the violating party specific to the business location or locations where the adverse action occurred.

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(e) Shall award attorneys' fees and costs.

20 (3) A civil action under this section must be brought no later 21 than three years after the violation occurred. This period is tolled 22 during any period of time that an employer, any of its agents, or any 23 person acting on behalf of the employer deters an individual from 24 bringing an action under this section.

25 <u>NEW SECTION.</u> Sec. 17. Sections 14 through 16 of this act are 26 each added as new sections to chapter 39.12 RCW.

27

WAGE DEDUCTIONS

28 <u>NEW SECTION.</u> **Sec. 18.** The definitions in this section apply 29 throughout this chapter unless the context clearly requires 30 otherwise.

(1) "Adverse action" means discharging, denying a promotion, demoting, failing to rehire after a seasonal interruption of work, threatening, penalizing, retaliating, engaging in unfair immigrationrelated practices, filing a false report with a government agency, changing an employee's status to a nonemployee, or otherwise discriminating against an employee. "Adverse action" may involve any

aspect of employment, including pay, work hours, responsibilities, or 1 2 other material change in the terms and condition of employment.

(2) "Department" means the department of labor and industries.

(3) "Director" means the director of the department of labor and 4 industries. 5

6 (4) "Front pay" means the compensation the employee would earn if 7 reinstated to his or her former position.

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(5) "Interested party" includes: A contractor or subcontractor or an employee of a contractor or subcontractor; the director or the 9 director's designee; an organization whose members' wages, benefits, 10 11 and conditions of employment are affected by this chapter, including a labor union; or any other organization of workers that exists for 12 13 the purpose, in whole or in part, of interacting with employers.

(6)(a) "Pattern or practice" means that, in addition to the 14 15 current violation, within the previous ten years the employer was:

(i) Convicted of a criminal violation of a state or local law 16 17 concerning retaliation;

(ii) Subject to a court order entering final judgment for a 18 violation of section 3, 9, 14, or 19 of this act, and the judgment 19 was not satisfied or current within thirty days of the later of: 20

(A) The expiration of the time for appealing the order; or

(B) If a timely appeal was made, the date of the final resolution 22 23 of the appeal; or

24 (iii) Subject to a final and binding citation and notice of assessment from the department for a violation of section 3, 9, or 15 25 26 of this act, and the citation and penalty were not satisfied or 27 current within thirty days of the date the citation became final and binding. 28

(b) For the purposes of this subsection (6), an employer includes 29 30 a successor employer, as defined in RCW 49.48.082.

31 (7)(a) "Unfair immigration-related practice" means any of the following practices: 32

33 (i) Requesting more or different documents than are required 34 under 8 U.S.C. Sec. 1324a(b), or a refusal to honor documents 35 tendered pursuant to that section that on their face reasonably 36 appear to be genuine;

37 (ii) Using the federal E-Verify system to check the employment authorization status of a person at a time or in a manner not 38 required under 8 U.S.C. Sec. 1324a(b), or not authorized under any 39

1 memorandum of understanding governing the use of the federal E-Verify
2 system;

3 (iii) Threatening to file or the filing of a false police report;

4 (iv) Threatening to contact or contacting immigration 5 authorities;

6 (v) Withholding or threatening to destroy documents related to a 7 person's immigration status.

8 (b) "Unfair immigration-related practice" does not include 9 conduct undertaken at the express and specific direction or request 10 of the federal government.

11 <u>NEW SECTION.</u> **Sec. 19.** (1) An employer, any of its agents, or 12 any person acting on behalf of the employer may not take adverse 13 action against any individual or individuals because:

(a) An employee or former employee has informed any other person or made a complaint, or the employer believes an employee has informed any other person or made a complaint, including to the employer, the department, the attorney general, or any other person that the employer engaged in conduct that an employee reasonably believes violates this chapter;

(b) An employee or former employee demands from the employee'semployer a lawful claim under this chapter;

(c) An employee or former employee has caused to be instituted,
or is about to cause to be instituted, a proceeding under or related
to this chapter;

(d) An employee or former employee has testified or is about totestify in a proceeding under or related to this chapter;

(e) An employee has refused to participate in an activity that
 would result in a violation of state or federal wage and hour law;

(f) An employee or former employee has sought information about his or her rights under this chapter or informed others about their rights under this chapter;

32 (g) An employee or former employee has, or the employer believes 33 an employee has, otherwise exercised rights protected by this 34 chapter; or

35 (h) An employee or former employee filed a complaint with the 36 department or brought suit in court where the employer was determined 37 to have violated this chapter.

38 (2) If an employer takes adverse action against an employee or39 former employee within ninety days of an activity described in

1 subsection (1) of this section, the employer is presumed to have acted in retaliation in violation of subsection (1) of this section. 2 However, in the case of seasonal work that ended before the close of 3 the ninety day period, the presumption also applies if the employer 4 fails to rehire a former employee at the next opportunity for work in 5 б the same position. The employer may rebut the presumption with clear 7 and convincing evidence that the adverse action was taken for a 8 permissible purpose.

9 (3) A complaint or other communication by an employee triggers 10 the protections of this section regardless of whether the complaint 11 or communication is in writing or makes explicit reference to this 12 chapter.

13 (4) A violation of this section is a gross misdemeanor. The 14 presumption created in subsection (2) of this section does not apply 15 to this subsection.

16 <u>NEW SECTION.</u> Sec. 20. (1) An individual aggrieved or an 17 interested party filing on behalf of an individual aggrieved by 18 section 19 of this act may file a complaint with the director.

19 (2) If an individual aggrieved or an interested party filing on 20 behalf of an individual aggrieved files a complaint with the 21 department, the director may investigate the complaint. If, following 22 an investigation, the director determines that an employer violated 23 section 19 of this act, the director may order the employer to comply 24 with any one or more of the following, unless prohibited by federal 25 law:

(a) Pay a civil penalty of not less than one thousand dollars and
 not more than ten thousand dollars per individual aggrieved. The
 department must deposit civil penalties under this section in the
 supplemental pension fund established under RCW 51.44.033.

30 (b)(i) Subject to (b)(ii) of this subsection, pay any aggrieved 31 individual not less than one thousand dollars and not more than ten 32 thousand dollars.

33 (ii) If an employee or former employee is the aggrieved 34 individual, pay the individual the greater of:

35 (A) The amount of any civil penalty imposed under (a) of this36 subsection; or

(B) Three times the amount of any wages, salary, and employment
 benefits unlawfully denied or withheld, except benefits under Title
 50 or 51 RCW.

1 (c) If the aggrieved individual is a former employee of the 2 violating employer, reinstate the aggrieved individual as an employee 3 at not less than the most recent rate of pay received by the 4 employee. The director may award front pay in lieu of reinstatement.

5 (3) An appeal from the director's determination may be taken in 6 accordance with chapter 34.05 RCW, with the prevailing party entitled 7 to recover reasonable costs and attorneys' fees.

8 (4) The director may not investigate any alleged violation under 9 this section that occurred more than three years before the date that 10 the employee filed the complaint. This period is tolled during any 11 period of time that an employer, any of its agents, or any person 12 acting on behalf of the employer deters an individual from filing a 13 complaint.

14 <u>NEW SECTION.</u> Sec. 21. (1) An individual aggrieved by a 15 violation of section 19 of this act may bring suit on behalf of 16 himself or herself or on behalf of any other individuals similarly 17 situated.

18 (2) If a court determines that an employer violated section 19 of19 this act, the court, unless prohibited by federal law:

(a)(i) Shall award statutory damages for each individual aggrieved by the violation. Subject to (a)(ii) of this subsection, statutory damages must not be less than one thousand dollars and not more than ten thousand dollars per individual, unless the employer engaged in a pattern or practice of violations, in which case the statutory damages must be not less than ten thousand dollars and not more than twenty-five thousand dollars per individual;

(ii) If an employee or former employee is the individual subjectto adverse action, the court shall award the greater of:

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(A) The amounts specified in (a)(i) of this subsection; or

(B) Three times the amount of any wages, salary, and employment
 benefits unlawfully denied or withheld, except benefits under Title
 50 or 51 RCW;

33 (b) May award actual damages sustained by the individual;

34 (c) May order injunctive or other equitable relief if the 35 aggrieved individual is an employee or former employee of the 36 violating employer. The relief may include:

37 (i) Reinstatement of the former employee as an employee to his or38 her former position at not less than the most recent rate of

1 compensation received by the employee, including the value of any 2 benefits; or

3 (ii) Front pay in lieu of reinstatement;

4 (d)(i) For a first violation, may order the appropriate 5 government agencies to suspend all licenses that are held by the 6 violating party for a period of up to fourteen days. The licenses 7 that are subject to suspension are all licenses, certifications, or 8 registrations held by the violating party specific to the business 9 location or locations where the adverse action occurred;

10 (ii) For a second violation, the court may order the appropriate 11 government agencies to suspend all licenses that are held by the 12 violating party for a period of up to thirty days. The licenses that 13 are subject to suspension are all licenses held by the violating 14 party specific to the business location or locations where the 15 adverse action occurred;

16 (iii) For a third violation, the court may order the appropriate 17 government agencies to suspend all licenses that are held by the 18 violating party for a period of up to ninety days. The licenses that 19 are subject to suspension are all licenses held by the violating 20 party specific to the business location or locations where the 21 adverse action occurred.

22

(e) Shall award attorneys' fees and costs.

(3) A civil action under this section must be brought no later than three years after the violation occurred. This period is tolled during any period of time that an employer, any of its agents, or any person acting on behalf of the employer deters an individual from bringing an action under this section.

28 <u>NEW SECTION.</u> **Sec. 22.** Sections 18 through 21 of this act are 29 each added as new sections to chapter 49.52 RCW.

30 <u>NEW SECTION.</u> Sec. 23. If any provision of this act or its 31 application to any person or circumstance is held invalid, the 32 remainder of the act or the application of the provision to other 33 persons or circumstances is not affected.

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