

Brief Summary of H-2965.3/14

AN ACT Relating to paid vacation leave.

ACCRUAL OF LEAVE. Provides that employees are entitled to accrue paid vacation leave as follows:

- No accrual for first six months.
- 40 hours for the subsequent 12 month period (18 months of employment).
- 60 hours for the subsequent 12 month period (30 months of employment).
- 80 hours for each subsequent 12 month period (42 or more months of employment).
- 120 hours/12 months of employment beginning after five years.

Provides that leave accrues on a pro rata basis at each pay period, and also for employees who work part-time.

Provides that an employer with a paid time off or other combined or universal paid leave policy complies if the policy specifically identifies as vacation leave at least as much leave as required by the bill.

COVERAGE/TERMS. Defines terms:

- Employees covered are persons who work an average of 20 or more hours per week.
- Employers covered are all private and public employers with 25 or more employees (in 20 or more workweeks/year).
- Vacation leave means leave from work for vacation, holiday, or for any other purpose.

USE OF LEAVE. Provides that an employee's right to use accrued leave at a particular time, including requests for and approval of leave, is determined by employer policy.

COMPENSATION. Requires an employer to compensate an employee using vacation leave at the same rate of pay and with the same benefits, including health care benefits, as if the employee had not taken leave.

ENFORCEMENT. Provides that upon complaint, the Director of the Department of Labor and Industries (L&I) may investigate and issue a notice of infraction if a violation occurred. The Director may order an employer to credit an employee with accrued leave and may also impose a civil penalty of \$500 for a first violation and \$1,000 for a subsequent violation, as well as require compensation to L&I.

RECORDKEEPING. Requires employers to provide current information to each employee on the accrued amount of leave. Any system may be used, including an online system.

MORE GENEROUS POLICIES. States that the leave requirement is a minimum and is not intended to discourage or prohibit more generous policies or to diminish an employer's obligation to comply with any more generous leave.

RELATIONSHIP TO OTHER LAWS. States that the bill does not preempt any requirements, including local ordinances, that provide for greater leave or other employee protections.

WAIVER. Provides that the leave requirements do not apply if expressly waived in a collective bargaining agreement. Individual employees may not waive their rights.

STUDY. Directs the Washington State Institute for Public Policy (WSIPP) to evaluate the impact of the bill on the state's economy and the health and well-being of employees. The study must include a survey of employers and employees. L&I must cooperate with WSIPP. In addition, WSIPP must study the feasibility of L&I or another agency offering a commercial, nonproprietary online system for tracking vacation leave. WSIPP must submit a report to the Legislature by December 1, 2016 on its evaluation of the bill and recommendations on an online system.

NOTICE. Requires employers to give notice to employees about paid vacation leave by displaying a poster or giving notice to each employee. The notice must be in English and any language spoken by at least 5 percent of the employer's workforce. L&I's next reprinting of employment posters must include paid vacation leave.

RULES. Gives L&I rule-making authority.

EFFECTIVE DATE. Regular (90 days after adjournment).

Prepared For: Representative Gael Tarleton

Prepared By: Joan Elgee, Counsel
House Labor & Workforce Development Committee
360-786-7106

Date: January 7, 2014