



## **Increased Minimum Wage and Paid Sick Leave:**

### **It's Not Just for Cities Anymore**

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In recent years, a wave of new laws has been seen in cities across the country increasing the minimum wage for workers in each locality as well as requiring employers to provide workers with paid sick leave. A number of cities in Washington State joined in this trend. For example, existing Seattle law provides for an increase in the applicable local minimum wage—phased in over time—to \$15.00 an hour, while Seattle, Tacoma and Spokane are among the cities that require employers to provide employees with paid sick leave.

Notably, in late 2016 Washington State followed suit at the state level when voters approved Initiative Measure No. 1433 subjecting all Washington employers to an increased minimum wage requirement and requiring employers to provide paid sick leave to employees across the state. As a result, Washington employers in all localities—not just in those with previously enacted local ordinances—are now subject to increased minimum wage and paid sick leave law requirements.

#### **Washington's Minimum Wage Increases.**

Under the newly passed Initiative Measure No. 1433, incremental increases of the Washington State minimum wage began on January 1, 2017. As of that date, employers—regardless of size or the number of individuals employed—were required to increase the minimum wage that they pay employees from the previously established rate of \$9.47 per hour to \$11.00 per hour. Thereafter, Washington's minimum wage will increase during the following three years until it reaches \$13.50 on January 1, 2020 as follows:

<b>DATE</b>	<b>REQUIRED MINIMUM WAGE</b>
January 1, 2017	\$11.00
January 1, 2018	\$11.50
January 1, 2019	\$12.00
January 1, 2020	\$13.50

After January 1, 2020, annual adjustments to the established minimum wage will be made for inflation, beginning on January 1, 2021.

The new law requires that any/all tips and gratuities be paid *in addition* to the employee's hourly minimum wage and, thus, cannot be counted toward the employee's minimum hourly wage. Notably, the newly established state minimum wage requirements will not supersede any local laws that may provide greater minimum wage rights than those provided under the new state requirements (such as the existing Seattle law referred to above establishing a \$15.00 per hour minimum wage requirement).

#### **Washington's Mandatory Paid Sick Leave.**

Under the newly passed Initiative Measure No. 1433, beginning January 1, 2018, all Washington employers must provide employees with the accrual of one (1) hour of paid sick

leave for every forty (40) hours of work beginning on the employee's first day of employment (although leave time may be frontloaded so long as the frontloaded amount meets or exceeds the established accrual, use and carryover requirements). The new law entitles employees to begin using such accrued sick leave on the ninetieth (90<sup>th</sup>) calendar day after the commencement of their employment. Any unused sick leave may be carried over to the following year; however, employers may limit employees to a maximum of forty (40) hours of such carry-over leave time.

Employees must be permitted to use accrued paid sick leave in hourly increments for any of the following reasons:

- An employee's illness, injury, or health condition, including diagnosis, treatment, care, and preventive care;
- To care for a family member's illness, injury, or health condition, including diagnosis, treatment, care, and preventive care;
- When an employee's place of business or an employee's child's school or place of care is closed by a public health official for any health-related reason; or
- For employee absences for qualified leave under the domestic violence leave act.

Employers are prohibited from implementing or enforcing any policy or practice disciplining employees for using paid sick leave time under the newly established law. Employers are similarly prohibited from discriminating or retaliating against any employee for exercising his or her right to use paid sick leave.

Employers must provide regular notification to employees about the amount of accrued/unused paid sick leave time available to them for use. The new law does not require an employer to pay out an employee's accrued/unused leave at the time of termination; however, when an employee is rehired within twelve (12) months of his or her termination date, the previously accrued sick leave must be reinstated and the previous period of employment is counted when determining the employee's eligibility to use paid sick leave.