INDEPENDENT BUSINESS ASSOCIATION

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IBA Small Business Report - May 17, 2018

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New Employment Law Starts June 7th

Starting on June 7th, employers are **prohibited** from asking if a job applicant has a criminal record, which includes any record about a citation or arrest for criminal conduct, before making a conditional job offer. In most cases, your small business will have to change its hiring practices or the business may be found guilty of discrimination. IBA opposed this legislation and this legislation is an unfortunate example of what happens when the Legislature shifts from a pro-business majority to a more socially-progressive majority. Read on and we will explain more about this very challenging new law.

The new law, HB 1298 states that: **"A*n employer may not implement any policy or practice that automatically or categorically excludes individuals with a criminal record from consideration prior to an initial determination that the applicant is otherwise qualified for the position. Prohibited policies and practices include rejecting an applicant for failure to disclose a criminal record prior to initially determining the applicant is otherwise qualified for the position."***

The law goes on to say: ***"The state attorney general's office shall enforce this chapter. Its powers to enforce this chapter include the authority to: (a) Investigate violations of this chapter on its own initiative; (b) Investigate violations of this chapter in response to complaints and seek remedial relief for the complainant; (c) Educate the public about how to comply with this chapter; (d) Issue written civil investigative demands for pertinent documents, answers to written interrogatories, or oral testimony as required to enforce this chapter; (e) Adopt rules implementing this chapter including rules specifying applicable penalties; and (f) Pursue administrative sanctions or a lawsuit in the courts for penalties, costs, and attorneys' fees."***

This means the state's Attorney General, the largest law firm in the state with a huge amount of power, can initiate employer compliance with this law on its own, or investigate based on complaints from job applicants. The AG may pursue administrative sanctions or file a lawsuit for penalties, costs, and attorneys' fees to the AG from employers who violate this law.

The law also has exemptions for:

- Employers hiring a person who will or may have unsupervised access to children under 18 years of age, a vulnerable adult, or a vulnerable person;
- Any employer, including a financial institution, who is expressly permitted or required under federal or state law to inquire into or consider information about an applicant's criminal record for employment purposes;
- Employment by a general or limited authority law enforcement agency or by certain criminal justice agencies;
- Employers seeking nonemployee volunteers; or
- Any entity required to comply with the regulations of self-regulatory organizations under the Securities and Exchange Act.

What You Should Do

Disclaimer: The following information is general business advice to alert the reader of major business issues in Washington State affecting small employers and does not include every requirement of every law or rule. This presentation is not legal advice and should not be used as legal advice and does not assure compliance. The reader should contact a qualified attorney for legal advice and for legal advice on how to comply with these state laws and rules.

You must carefully consider changing your hiring process to not accidently screen applicants up front for criminal for arrest status change before you make a conditional job offer.

- Eliminate any language in any advertising for workers that says anything like "those with criminal records or arrests need not apply."
- Eliminate any question on your job application that asks about criminal record or arrests.
- Consider changing your job descriptions to include any issues such as access to and protections of:
    - Client ID
    - Client financial information
    - Client facilities
    - Client monies
    - Workplace safety
    - Etc.
- A fair, accurate and reasonable job description based on business necessity (legal term) and legitimate business reasons (legal term) will

help you protect your interests upfront.

- Consider changing your interview process to ensure there is no inquiry about criminal records, arrests, or anything related to criminal records or arrests.
- Consider creating a "conditional job offer" (CJO) process.
- Consider creating a background check process after a "CJO."
- In other cities and states with this same type of law, attorneys often recommend their employer clients write down everything when hiring but not anywhere on the employment application form as the employment application form becomes an employment record,

You should check with your own legal counsel about these items first.

Be aware that applicants with criminal records or arrests can apply for employment at your business and later complain to AG that you that did not hire them and discriminated against them based of their criminal or arrest history. You must be prepared to defend such claims.

The Washington State Attorney General is expected to start proposing new rules for employers to comply with this new law. IBA will participate in any such rulemaking and represent the interests of small businesses.

IBA will keep you informed about this new law, any rules adopted to implement this new law, and any other information we receive on how to comply with this new law.

More Laws Take Effect On June 7th

The 2018 Legislature passed 307 new laws. Many take effect on June 7, 2018. You can review a list of the 307 laws via the Internet at: www.ibaw.net/2018laws.pdf

IBA Overtime Exemption Comments

As the Department of Labor and Industries proceeds to update the state's Executive, Administrative, and Professional (EAP) salaried employee overtime exemption rules, the Department held a meeting of stakeholders on April 11th and asked for comments and suggestions about the "scope" of the Executive, Administrative, and Professional (EAP) salaried employee overtime exemption rulemaking. IBA was there. Those comments were due by May 1st and IBA responded on April 12, 2018 with the comments below.

At the Department's stakeholder meeting, the Department stated that the EAP qualifying wage for the EAP overtime exemption may be increased from $155 per week to $1,100 per week ($57,000 per year), a 700+% increase.

IBA Comments: On behalf of Independent Business Association and its small business members, we offer the following comments on the Department of Labor and Industries' rulemaking for Executive, Administrative and Professional (EAP) employees paid a salary and being exempt from overtime pay requirements of the state's minimum wage act.

- The Department must meet the requirements of the state's Regulatory Fairness Act: ***" the agency shall, where legal and feasible in meeting the stated objectives of the statutes upon which the rule is based, reduce the costs imposed by the rule on small businesses."*** RCW 19.85.030(2). More legislation that IBA developed and successfully lobbied into law in 1982.
- Small businesses are defined by the Regulatory Fairness Act as businesses ***"that have fifty or fewer employees."***
- According to the U.S. Small Business Administration, **small businesses in Washington state employ about 50% of all private sector workers** in Washington State. https://www.sba.gov/sites/default/files/advocacy/Washington.pdf
- Studies find that **large businesses pay 50% higher salaries than do small businesses** – you can access those studies via the internet at: www.ibaw.net/sbpay.pdf
- Given that county wage data is available, the Department's proposed and final EAP weekly wage rate rule for small businesses should be 65% lower as compared to larger businesses for the Department to comply with the state's Regulatory Fairness Act, RCW 19.85 and to accommodate business size as required by the Regulatory Fairness Act.
- Given that data is available, unless the Department uses the lowest county average weekly wage for the EAP rule, the Department must set EAP wage requirement by county as most counties pay an average wage much lower than the average state wage (ranging from 39% to 92%) in order to facilitate the regional wage differences in Washington State. It would be totally unfair to set a statewide EAP weekly wage unless it is based on the lowest county weekly wage.
- The Independent Business Association implores the Department to not increase the weekly salary requirement to qualify for an EAP overtime pay exemption for small businesses by more than 67% of the weekly pay requirement for larger business in the EAP rules. This must be incorporated into the rulemaking to comply with the state's Regu**latory Fairness Act. It is both legal and feasible and required by the Regulatory Fairness Act for the agency to set a lower qualifying salary for smaller businesses than larger busi-**

nesses.

- The Department must carefully plan **the implementation date** of any changes to qualify for the overtime pay exemption contained in the EAP rules. Most businesses operate on a calendar basis as does the Washington State minimum wage law. Implementing changes to qualify for the overtime pay exemption contained in the EAP rules for salaried workers at some other time during the year will be extremely costly and disruptive to small businesses. The Department should only consider an implementation date effective on January 1st and not at some other time in the year. The state's Regulatory Fairness Act directs the Department to "***consider, without limitation, each of the following methods of reducing the impact of the proposed rule on small businesses: "*** Those include but are not limited to: ***"(d) Delaying compliance timetables; (e) Reducing or modifying fine schedules for noncompliance; or (f) Any other mitigation techniques including those suggested by small businesses or small business advocates."*** It is both legal and feasible for the agency to set an implementation date of January 1.
- The Department must plan to **phase-in any increase** in the weekly wage that must be paid by a small business to a salaried worker to qualify for the overtime pay exemption contained in the EAP rules affecting small businesses in Washington State. The Department's presentation at its EAP meeting on April 11, 2018 suggested that the salary for the overtime exemption for EAP workers may increase from $155 per week to $1,100 per week, which is over a 700% increase. A cost increase of 700% will be devastating to many affected small businesses. Consistent with the 2016 minimum wage increase that was phased-in. By "phase-in" the Independent Business Association means that any increase, such as from $155 to $1,000 in the weekly pay to quality for overtime pay exemption for salaried EAP workers must be phased in for small businesses by not more than 25% per year on January 1 of subsequent years after the rule changes. An increase like from $155 to $1,100 in the weekly pay requirements to qualify for the overtime pay exemption for salaried EAP workers should phase in over time for small businesses by $236 per year, each year, over four years. The state's Regulatory Fairness Act directs the Department to "***consider, without limitation, each of the following methods of reducing the impact of the proposed rule on small businesses: "*** Those include but are not limited to: ***"(d) Delaying compliance timetables; (e) Reducing or modifying fine schedules for noncompliance; or (f) Any other mitigation techniques including those suggested by small businesses or small business advocates."*** It is both legal and feasible for the agency to phase-in any increase of the weekly pay requirements for small businesses to qualify for the overtime pay exemption in the EAP rules.

BIG Differences Between Leave Laws

We already have the Washington State **Paid Sick Leave** Law and soon, 2019, we will have the Washington State **Paid Family and Medical Leave** Law. Below we explain some major differences between these two laws.

- First the employer is totally responsible for the administrative cost of paying the **Paid sick leave** benefit to a worker taking **Paid sick leave**. Under the new Washington State **Paid Family and Medical Leave** law, a small employer with fewer than 50 employees pays nothing for the cost of the **Paid Family and Medical Leave** benefits, the worker pays the full cost of the program. The small employer needs to only deduct the premium for the **Paid Family and Medical Leave** from the worker's pay and send it to the Employment Security Department. A small employer may opt to pay part of the Paid **Family and Medical** Leave benefit cost if the small employer also wants the benefit to be compensated $3,000 for the cost of hiring a replacement worker for a worker taking **Paid Family and Medical Leave.**
- Second, as IBA reported in early 2018, a worker claimed **paid sick leave** to take his girlfriend to a ultrasound maternity exam. The employer asked IBA if he had to pay paid sick leave to the worker. IBA responded, "no" because the girlfriend is not considered a Family member under the paid sick leave law. But, IBA then explained that the worker can file a complaint against the employer for **paid sick leave** benefits and trigger a full wage and hour inspection of the employer; and the worker could also file a retaliation complaint against the employer if the employer took some negative employment action and potentially cost the employer $40,000 in penalties. Clearly, there are two very serious down side risks for the employer for not paying **Paid sick leave** in this situation. Under the new Washington State **Paid Family and Medical Leave** law, the employer does not face these same down side risks, because the employer does not make the decision about whether the **Family and Medical Leave** benefits are paid to the worker. Instead, under the new **Paid Family and Medical Leave** law, the Washington State Employment Security Department makes the decision if the worker is eligible for **Paid Family and Medical Leave** benefits, and if the Department decides if the worker quali-

fies for the leave benefits, the Department determines the benefit amount, the Department pays the benefits, not the employer. The employer is not involved in the benefit decision, the administration or the leave benefit payment as under the **Paid sick leave** law.

You're Spending More For Public Schools – What Are YOU Getting?

YOU are spending $1,000's each year to fund K-12 public schools in Washington State. The amount you spend has nearly doubled partly due to increases in property taxes. What are you getting for this new K-12 public school spending?

The Washington State Legislature's Joint Task Force On Education Funding released its 2018 latest report to the Washington State Supreme Court. You can view that report via the Internet at: **www.ibaw.net/schools2018.pdf**

The report goes on to explain that since the 2012 decision, the state has increased K-12 spending from $13.4 billion to $22.9 billion. Its share of the state's general fund expenditures has increased from 43 percent to 49 percent of the state's total general fund budget, and by 2021 it's expected to be 53 percent. By then, the state will have increased K-12 spending by almost 100 percent in a decade.

Now the Washington State Supreme Court will decide if the Legislature has finally achieved the Court's order that the Legislature, Governor and taxpayers full fund K-12 public education as the court ruled in 2012. The Court said that the Legislature, Governor and taxpayers were failing to do as required by the Washington State constitution that states, ***"It is the paramount duty of the state to make ample provision for the education of all children residing within its borders…"*** Article IX.

The Court will review the Legislature's report and determine if it agrees that the Legislature, Governor, and taxpayers are fully funding K-12 public education in Washington State. We should hear the court's decision by early summer of 2018.

Our friends at the Lens report: "*However, the new spending has yet to translate into overall improved student achievement. On one hand, graduation rates have increased from 76 percent in 2011 to nearly 80 percent last year. Yet, average student proficiency in reading and math has either stagnated or fallen."*

The Lens report also states that the National Assessment of Educational Progress (NAEP), a.k.a. the "nation's report card," tests a sample of students in fourth and eighth grade on math, reading and science. Its latest reports for 2017 show the only area with improvement was eighth grade reading proficiency. Fourth grade reading and math proficiency as well as eighth grade math proficiency have both garnered lower or the same scores since 2011.

The Lens report goes on to say that however, it's worth noting that in each grade on both subjects Washington students outperformed the national average as well as the majority of states. Also, Washington eighth grade reading scores were second only to Massachusetts.

The Lens report also states that in a tweet, Superintendent of Public Instruction Chris Reykdal acknowledged persistent achievement gaps between different students, but added "Good news: we remain in the top 7 of all states in 8th grade math and ELA (English Language Arts)."

New Pay-Per-Mile Gas Tax Alternative Being Tested

The Washington State Transportation Commission is currently testing a Pay - Per-Mile alternative to the state's gas tax.

This proposal could have HUGE effect on you and your small business in the future.

Starting in 2017, the Washington State Transportation Commission was authorized by the Washington State Legislature to test a new Pay-Per-Mile Gas Tax Alternative in Washington State. That test is now underway.

Washington state has joined California, Delaware, Hawaii, Oregon, Minnesota, and Missouri to test this new Pay-Per-Mile concept. All received a federal grant to do this testing as the federal government is also interested in this concept.

There are over 2000 drivers who have volunteered to participate in this statewide Pay-Per-Mile gas tax alternative in Washington State. This test will track drivers' vehicle miles traveled and apply a 2.4-cents per mile mock (no money paid) charge on the vehicles in the test, which is equivalent to what the average car with a 20.5 mpg currently pays in our state under the 49.4-cents per gallon gas tax. No real payments will be made by drivers in the pilot.

The reason for this new Pay-Per-Mile approach is due to many reasons including but not limited to:

- Increased MPG of vehicles is reducing the amount of gas taxes being collected by the state of Washington. Vehicles used to get about 12 MPG. Newer vehicles now get more than 20 MPG, a 35% reduction in fuel usage and a 35% reduction in state fuel taxes col-

lected.

- The State of Washington already has one of the highest fuel taxes in the nation. Voters are likely to rebel if the fuel taxes are increased more.
- There are more and more hybrid and electric vehicles that pay little to no road use fees and pay little to no gas tax. There will be an increasing number of hybrid and electric vehicles on the road that use no or very little fuel so less money for road maintenance.
- The State can no longer maintain its freeways, highways, and roads within the transportation funds now available.

There are a number of options to how this Pay-Per-Mile approach might work. The Washington State Transportation Commission is testing the following approaches now:

- Plug-in a GPS vehicle miles monitor into your vehicle that tracks your mileage and where you drive, and reports the information to the state. There are two options available here.
    - Connecting your cellphone to your vehicle's electronic system to report your mileage etc. to the state via your cellphone.
    - Plugging an electronic device into your vehicle that reports your mileage etc. to the state via a state provided cellular signal.
- Reporting of a vehicle's odometer reading to the state periodically.

There are many privacy spin offs from the new Pay-Per-Mile concept including but not limited to:

- Using the cellphone option or electronic GPS plug-in option, Government officials will know how much you have driven under these two of the Pay-Per-Mile options. State officials will know where you are/were and when. (Like having a government official riding in your back seat 24/7 tracking your every move).
- They (government officials) will know what roads, highways, freeways you are/were on if they decide to charge different amounts for different roads, highways or freeways, etc..
- They (government officials) will know where and when you were driving and will be able to impose higher congestion pricing on you.
- They (government officials) will know if you were speeding or committed other hard driving actions per the information below.
- Your driving information may be made available to insurers. If so, you insurer may base your insurance rates on your state reported driving data. Once the insurers know this data is available, they could charge you exorbitant (vehicle, life, health) insurance rates unless you let them have access to this information.

And this list could go on and on.

MARIYA FROST with the Washington Policy Center has joined the Pay-Per-Mile test project. Here are some of her observations.

Mar 8, 2018

Yesterday, I voluntarily installed a state GPS-enabled tracking device into my car.

Although I am excited to be a participant in the state's Road Usage Charge (RUC) Pilot Project, my first long trip with the device in my car produced data that was fairly unsettling. While I was aware of my consent to release personal information about myself, my car, my location, and "vehicle trip patterns," I was unaware exactly what "vehicle trip patterns" would be reviewed and how.

Now I know.

For example, after my first long trip with the device in my car, I immediately received a score on my driving and details about the trip.

My score depends on braking, acceleration, cornering and speed. I received a score of 84 out of 100 due to one incident of "harsh cornering" and 21 incidents of "speeding." I don't know what "harsh cornering" is. ***(IBA Note:*** *Since Ms. Frost installed this device in her vehicle, the device has advised her that she has committed 176 driving violations, mostly for speeding, and if cited, Ms. Frost has calculated that it could result in fines of over $20,240.)*

Each purple mark on the map is where I drove over 60mph.

The app tells me exactly where I drove over the speed limit and for how long. Here are a few examples.

I would like to think I am a good driver who takes seriously the responsibility of owning a vehicle and using it on a public road. I drove with the flow of traffic and passed several law enforcement vehicles, none of whom took issue with my speed.

Needless to say, the results and capabilities of the app were surprising and made me feel uncomfortable, even if this data is collected and displayed solely for my own benefit. Data that is collected by the state is data that can be kept and used.

In Oregon's implementation of a limited mileage tax, lawmakers enacted laws that specifically prevent law enforcement and other state agencies from accessing the travel information that was sent to the Department of Transportation. In Washington state, however, the Washington State Transportation Commission, which is lead-

ing the pilot, lists the Washington State Patrol as an agency that may have an interest in the results of the pilot or a future RUC system. The WSTC states that the Washington State Patrol could provide input on "detecting and deterring vehicle licensing fraud" and "roadside enforcement approaches and activities."

It's not hard to picture how my "vehicle trip patterns" above and the policies that may someday govern this information could easily be used to issue traffic tickets. The WSTC and the service provider I consented to release information to (DriveSync) do state that personal information can be disclosed without consent or knowledge but only when required or permitted by law. The problem is – no one believes it.

Higher Sales Tax to Fund New State Tourism Office

In 2011, due to the Great Recession, the Legislature cut funding for the state's statewide tourism office. The 2018 Legislature has re-established the state tourism program.

Lawmakers and tourism stakeholders explained that the measure will encourage more tourism and additional spending in rural areas of the state.

SB 5251 passed the 2018 Legislature unanimously and was signed by the Governor to create the Washington Tourism Marketing Authority to oversee the statewide tourism marketing plan.

Beginning July 1, 2018, the bill will require an additional 0.2 percent of retail sales tax collected on restaurants, lodging and car rentals to be used to fund the implementation of the authority's statewide marketing plan. The funding is capped at $1.5 million for fiscal year 2019 and up to $3 million for each biennium thereafter.

Senator Takko, prime sponsor of the legislation stated that "We need to do some tourism promotions statewide, and it's been kind of frustrating to me when I sit and watch TV and I see these ads that say: 'come to beautiful Michigan' or 'spend your time in Utah and ride your bike'…but I don't think they are saying these kinds of things about Washington."

Takko, from the Renton area, voiced his excitement that the bill targets rural areas of the state, as people may know about Seattle but not necessarily what Long Beach or Walla Walla have to offer.

"What we need to do is get that message out that when you come to rural Washington there's a lot of interesting things to see."

SB 5251 created the Washington Tourism Marketing Authority (Authority) to manage the new tourism program.

The funding can only be used for implementation of the statewide tourism program. The account is subject to appropriation by the Legislature. Allowable expenses include contracting with a statewide nonprofit organization, to develop a statewide tourism marketing plan which must focus on:

(1) Rural tourism-dependent counties,

(2) Natural wonders and outdoor recreation opportunities of the state,

(3) Attraction of international tourists,

(4) Identification of local offerings for tourists, and

(5) Assistance for tourism areas adversely impacted by natural disasters;

(6) Contracting for the evaluation of the impact of the statewide tourism marketing program.

A two-to-one match from an outside source must be provided before an expenditures is made from this new program.

The Legislative JLARC Committee must evaluate the performance of the Authority and report to the Governor and the Legislature by December 1, 2021 and 2023 to determine the extent to which the Authority contributed to the growth of the tourism industry and economic development of the state, and progress in implementing a statewide tourism marketing program.

Don Malatesta representing his rural bed and breakfast business, and the Washington Bed and Breakfast Guild stated, "I have personally suffered with the lack of a state tourism program."

Sales Tax On Internet Purchases?

If your business must collect Washington State and local sales tax, this is a BIG issue for you.

Online retailers have been killing local small businesses retailers by using the "sales tax advantage" where the online retailer sells merchandise to customers in sales tax states and does not collect any sales tax while the local retailer must collect the sales tax. The sales tax often approaches 10% of the total sale amount so the online retailer has a built in 10% discount on the sale as comparted to the local retailer.

On April 17, 2018 "business tax day," the U.S. Supreme Court heard the South Dakota v. Wayfair case regarding whether internet sellers (Wayfair) must collect local sales taxes on sales they make into states they have no stores or physical presence.

This is a long-time battle, long before the Internet was ever around.

In 1967 and 1992 the U.S. Supreme Court issued landmark rulings in Bellas Hess v. Illinois Department of Revenue and Quill v. North Dakota. Quill has been the leading decision that found Quill (a catalog company) was not required to collect and remit sales tax to North Dakota on sales Quill made in North Dakota. The basis of that decision is that Quill did not have a physical presence or "nexus" in North Dakota. Quill was located in Delaware and had no operations in North Dakota. The definition of "Nexus" is the key issue here.

That has been the law since 1992 but states have been very creative in trying to get around the "Quill" decision. Washington State may be one of the

more creative.

The Quill decision actually expanded a 1967 Supreme Court decision Bellas Hess v. Illinois Department of Revenue. Bella Hess was a catalog seller and the State of Illinois claimed it had to collect sales tax on catalog sales it made in Illinois. The U.S. Supreme Court ruled that because the State had not shown that it had spent tax revenues for the benefit of the mail order business (Bella Hess), Bella Hess had no sales tax "nexus" in Illinois and the state could not impose sales tax on Bella Hess's sales.

Now the U.S. Supreme Court is again hearing this extremely contentious issue in South Dakota v. Wayfair that is literally worth $ Billions to the states, ***"Do online retailers have to collect state and local sales taxes on their sales, or not?"***

We won't know the Court's decision for some months, probably not until late 2018.

Congress is also considering this issue as it is now seriously discussing H. R. 2193 which will allow states to impose their sales tax on e-commerce sales. Congress may settle this issue before the U.S. Supreme Court makes its decision. Four of the nine Supreme Court justices asked, why shouldn't Congress address this issue instead of this Court? Congress has the authority to do so.

Clearly, the world has changed dramatically since 1967 and 1992 with the Internet and the computing capability to determine sales tax rates by the customer's address that dramatically changes major elements of the basis for the Quill decision.

IBA expects that the Court will overturn Quill and require online retailers to collect state and local sales taxes on their sales into sales tax states.

Governor Signs Ugly Pro Union Legislation

Governor Inslee signed extremely controversial pro-union legislation, SB 6199, which will require all home-health-care-workers to pay union dues to care for disabled clients, including a disabled family member. This legislation was so controversial that all Washington State House Republicans refused to vote on the legislation because of how the legislation was handled.

In 2014, a majority of U.S. Supreme Court justices ruled in Harris vs Quinn, that unions could only get union dues to cover the costs of collective bargaining from fully fledged state employees. The ruling split off a whole class of workers – in this case home-health-care-workers who are paid by the state but, in the court's view, are still essentially employed by the individual(s) they care for – and ordered that in these cases, mandatory union dues were a violation of their free speech rights.

For forty years the law and courts accepted a "fair-share agreements" in which public sector unions collect a portion of union dues from all workers covered by contracts the union negotiated, even those workers that refuse to belong to the union, on grounds that every worker should pay a fair share of the costs incurred by the union for collective bargaining.

In his 2014 39-page majority opinion, Justice Samuel Alito, did not destroy the "fair-share agreements", but he did hack into it, by exempting home-health-care-workers hired by the state from having to pay union dues.

Since the Harris v. Quinn ruling, the Evergreen Freedom Foundation has been contacting home-health-care-workers in Washington State and explaining that they no longer needed to belong to the Service Employees International Union SEIU. This has significantly reduced their SEIU's home-health-care-worker membership and their union dues.

The SEIU fought back via SB 6199.

SB 6199 changed the law in Washington State by establishing a private contractor to contract with the Washington State Department of Social and Health Services (DSHS) to manage the home-health-care-workers and thus separated the home-health-care-workers from working for the state. The home-health-care-workers must now work for the private contractor to get paid by the DSHS and must join the union representing the employees of that private contractor, the SEIU. By inserting this private contractor into the home-health-care worker system, it effectively gets around the 2014 Harris v. Quinn U.S. Supreme Court decision. To get paid by the Department of Social and Health Care Services, the home health care workers will now have be hired by the private contactor that has a union contract with the SEIU and pay union dues to the SEIU. The DSHS is no longer their employer, the private contractor is. Most of these workers are paid about $30,000 per year for caring for their disabled client or a disabled family member and will have to pay the SEIU about $1,000 a year in union dues.

SB 6199 is another stunning and unfortunate example of what happens when the Legislature shifts from a pro-business majority to a more socially-progressive majority as it did in 2018.

There are now 35,000 home-health-care workers in Washington State. That's $35 million for the SEIU.

Seattle's "Head Tax?"

Amazon and others in the Seattle business and labor communities have been fighting a HUGE battle over another new Seattle City Council tax. Space does not allow us to share our thoughts and observations. You can find IBA's thoughts and observations via the Internet at:
www.ibaw.net/seattleheadtax.pdf