PROPOSED RULE MAKING



CR-102 (June 2024) (Implements RCW 34.05.320)

Do **NOT** use for expedited rule making

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER STATE OF WASHINGTON FILED

DATE: January 21, 2025

TIME: 3:58 PM

WSR 25-03-133

Agency: Department of Labor and Industries (L&I)						
☐ Supplemental Not	ice to WSR					
□ Continuance of W	'SR					
• •	-	uiry was filed as WSR <u>24-1</u>				
		osed notice was filed as W				
□ Proposal is exemple	ot under RC\	W 34.05.310(4) or 34.05.330	O(1); c	or		
☐ Proposal is exemple						
				Chapter 296-123 WAC, Equal Pay and Opportunities		
Hearing location(s):	er title 296 vv.	AC, Department of Labor ar	ia iriat	ustries.		
• , ,	Time: L	ocation: (be specific)	С	omment:		
	3:30 p.m.	Virtual/telephonic hearing: Join electronically: https://lni-wa- gov.zoom.us/j/8240565236 wd=iSmCMZae4zCuHOIW gO1grTKich.1 Passcode: EPOA2025! Or join by phone (audio of US: 253-205-0468 Meeting ID: 824 0565 2366 Passcode:746514953 In-person: Department of Labor & Industries 7273 Linderson Way SW	66?p /AKvf only):	A pre-hearing overview will begin at 3:00 p.m. The hearing will start at 3:30 p.m. and will continue until all oral comments are received. A pre-hearing overview will begin at 10:00 a.m. The hearing will start at 10:30 a.m. and will continue until all oral comments are received		
		Tumwater, WA 98501				
Date of intended adoption: May 21, 2025 (Note: This is NOT the effective date)						
			Assistance for persons with disabilities:			
			Contact Reed Simock Phone 360-480-3237			
Address Department of Labor & Industries Fraud Prevention & Labor Standards/Employment Standards PO Box 44510 Olympia, WA 98504-4510			PHONE	e 360-460-323 <i>1</i>		
				Fax 360-902-5300		
_				TTY		
				Email <u>ESRules@Lni.wa.gov</u>		
Beginning (date and time) January 21, 2025, at 8am				Other		
By (date and time) March 19, 2025, at 5pm				By (date) February 27, 2025, at 5pm		

Purpose of the proposal and its anticipated effects, including any changes in existing rules: L&I is proposing rules to implement Substitute House Bill 1905 (SHB 1905), Chapter 353, Laws of 2024. The bill expands existing protections against pay and promotion discrimination based on gender found in Chapter 49.58 RCW, the Equal Pay and Opportunities Act. SHB 1905 extends the protections to additional protected classes including but not limited to age, race, and sexual orientation. L&I is proposing rules to clarify and implement the provisions of SHB 1905.

The free diProtectionWage and	ng rules to clarify other requirem iscussion of wages and salary; against retaliation; salary history privacy; and of wage scale, salary range, an	nents created by Chapter 49.58 RCW, including: d benefits on a job posting.				
	e proposed rules explain L&I's enforcement of Chapter 49.58 RCW. The proposed rules also describe L&I's complaint restigation and resolution processes.					
		es not currently have rules under Chapter 49.58 RC				
requirements of SH	HB 1905.	sary to clarify and enforce Chapter 49.58 RCW and	implement the			
	ty for adoption: RCW 49.58.09		50.000			
<u></u>		0.58.020, 49.58.030, 49.58.040, 49.58.050, and 49.58.050	58.U6U 			
Is rule necessary						
Federal Law			☐ Yes ☒ No			
Federal Cou			☐ Yes ☒ No			
State Court I If yes, CITATION:	Decision?		☐ Yes ⊠ No			
	s or recommendations if any	, as to statutory language, implementation, enfo	ercoment and fiscal			
matters:	s of recommendations, if any	, as to statutory language, implementation, emo	Tocincin, and notal			
		epartment of Labor and Industries				
	at: ☐ Private. ☐ Public. ☒ Go	verninental.				
Name of agency p	personnel responsible for:					
	Name	Office Location	Phone			
Drafting	Reed Simock	Tumwater, WA	360-480-3237			
Implementation	Bryan Templeton	Tumwater, WA	360-902-5310			
Enforcement	Bryan Templeton	Tumwater, WA	360-902-5310			
Is a school distric If yes, insert staten	-	lired under <u>RCW 28A.305.135</u> ?	□ Yes ⊠ No			
Name Address Phone Fax TTY Email Other		rict fiscal impact statement by contacting:				
	nalysis required under <u>RCW</u>					
-	liminary cost-benefit analysis ma	ay be obtained by contacting:				
	eed Simock Department of Labor & Industr	ios				
	Fraud Prevention & Labor Star PO Box 44510 Olympia, WA 98504-4510					
	60-480-3237 -902-5300					
TTY	-802-0300					
	SRules@Lni.wa.gov					
Other						
	e explain:					

			Business Economic Impacatory Innovation and Assista		atement (ORIA) provides support in completing this part.
This cha	s rule pro pter 19.8		formation on exemptions, co		equirements of the Regulatory Fairness Act (see It the exemption guide published by ORIA. Please
ado reg ado	pted soloulation the pted.	ely to conform and/or comp	oly with federal statute or re	gulat	W 19.85.061 because this rule making is being tions. Please cite the specific federal statute or scribe the consequences to the state if the rule is not
	This rule	proposal, or portions of th	e proposal, is exempt beca g the notice of this propose		the agency has completed the pilot rule process
	-				provisions of RCW 15.65.570(2) because it was
		a referendum.	o proposal, le exempt ande	,	providence of <u>1.000 10.00.010</u> (2) boodedork was
			e proposal, is exempt unde	er <u>RC</u>	W 19.85.025(3). Check all that apply:
		RCW 34.05.310 (4)(b)			RCW 34.05.310 (4)(e)
	_	(Internal government ope	_		(Dictated by statute)
	\boxtimes	RCW 34.05.310 (4)(c)			RCW 34.05.310 (4)(f)
	<u></u>	(Incorporation by referen	_		(Set or adjust fees)
		RCW 34.05.310 (4)(d)			RCW 34.05.310 (4)(g)
	_	(Correct or clarify langua			((i) Relating to agency hearings; or (ii) process
			<i>,</i>		requirements for applying to an agency for a license or permit)
П	This rule	proposal, or portions of th	e proposal, is exempt unde	r RC	W 19.85.025(4). (Does not affect small businesses).
			e proposal, is exempt unde		
			on(s) applies to the propose		
	-	f exemptions: Check one		s ido	entified above apply to all portions of the rule proposal
					kemptions identified above apply to portions of the rule
pro	posal, bu		oroposal. Provide details he		onsider using this template from ORIA): The portions
	·		·		
	The rule	proposal: Is not exempt. (Complete section 3.) No exe	empt	ions were identified above.
(3)	Small bu	ısiness economic impac	t statement: Complete this	sect	tion if any portion is not exempt.
	ny portio business		ot exempt, does it impose r	more	-than-minor costs (as defined by RCW 19.85.020(2))
	⊠ No	Briefly summarize the age	ency's minor cost analysis a	and h	low the agency determined the proposed rule did not
			•		I rules do not impose additional cost on businesses.
			dditional requirements that		
		6-123-010(1), (2), (4), (7), , (12), (13), and (14)		the pr	and provide L&I's interpretation for terms used in chapter oposed rule. The definitions do not independently
	WAC 29	6-123-020(1) and WAC			_&I will enforce the requirements in RCW 49.58.020(1)
	296-123				pyers cannot discriminate based on a person's gender or
					RCW 49.58.010(6) defines "protected class" using ned in RCW 49.60.040. "Perceived" is included in the
			definition of several of the cha	aract	eristics in RCW 49.60.040. By including "perceived" in
			WAC 396-123-020(1), L&I is 49.58.020, RCW 49.58.010, a		ng it easier to follow the requirements of RCW RCW 49.60.040.
			The subsections do not creat	te an	additional cost of compliance for employers. The statute
	prohibits employers from discriminating based on gender or membership in a protected				nating based on gender or membership in a protected
	class. The proposed rule clarifies that employers may not discriminate based on what t believe the employee's gender or protected class to be. As employers are already				
					re is no additional cost of compliance.

WAC 200 422 020(E)	This subsection provides a definition for the town "nettern of violations" found in DCM
WAC 296-123-030(5)	This subsection provides a definition for the term "pattern of violations" found in RCW 49.58.030(4)(a). The section is explanatory and has limited impact beyond providing L&I's interpretation of the statute. The subsection does not independently impose a penalty or
	sanction on a person or entity.
WAC 296-123-040(2)	This subsection provides L&I's interpretation of 49.58.040(2). The section further clarifies the statute by providing examples of protected activities. The subsection does not independently impose a penalty or sanction on a person or entity.
WAC 296-123-050(1)	This subsection provides L&I's interpretation of RCW 49.58.100(1). The subsection clarifies that the prohibition against employer inquiry into wage or salary history includes optional questions. The subsection does not independently impose a penalty or sanction on a person or entity.
WAC 296-123-050(3)	This subsection provides L&I's interpretation of RCW 49.58.100(2). This provision of the rule does not independently impose a penalty or sanction on a person or entity.
	The subsection does not create an additional cost of compliance for employers, as employers do not have to take additional action to comply with the rule.
WAC 296-123-060(2), (3), and (5)	The subsections are interpretive and provide L&I's definitions for terms used in the statute. The definitions do not independently impose a penalty or sanction an employer
WAC 296-123-070(2)	This subsection provides L&I's interpretation of RCW 49.58.050. The rule could impose a penalty on an establishment. RCW 49.58.060 allows the department to enforce retaliation violations under the provisions of the chapter and any applicable rules.
	The section does not create an additional cost of compliance for employers, as payments are only required in the event of a violation. The employer also does not have to take additional action to comply with the rule.
WAC 296-123-090(1), (4), and (7)	These subsections provide L&I's interpretation of RCW 49.58.060. These subsections do not independently impose a penalty or sanction on a person or entity.
WAC 296-123-090(3)	This subsection provides L&l's interpretation of RCW 49.58.060. The subsection does not independently impose a penalty or sanction on a person or entity, as payments are only required in the event of a violation.
WAC 296-123-090(5)	This section provides L&I's interpretation of RCW 49.58.060. The section does not independently impose a penalty or sanction on a person or entity.
	The section does not create an additional cost of compliance for employers. Employers are not required to create or retain additional records and must simply provide records they already created to L&I when requested.
WAC 296-123-090(6)	This subsection provides L&I's interpretation of RCW 49.58.060. The subsection does not come with a corresponding obligation to perform the self-audit, and since there's no certainty that it will be requested, there's no continuous demand placed on impacted employers. As a result, there's no on-going associated costs with the proposed rule. Consequently, self-audits are intended to be a less burdensome and less costly alternative to extensive document production during investigations.
WAC 296-123-100(1)	This subsection provides L&I's interpretation of RCW 49.58.060(2). The section further clarifies the actions L&I may order in the event the agency issues a notice of assessment. The rule does not independently impose a penalty or sanction on a person or entity
WAC 296-123-100(2)	This subsection provides L&I's interpretation of RCW 49.58.060. The subsection clarifies the enforcement methods L&I will pursue for violations of WAC 296-123-060.
	The subsection does not create an additional cost of compliance for employers, as payments are only required in the event of a violation. The subsection clarifies L&I enforcement of the chapter and does not create an additional requirement employers must meet.
WAC 296-123-100(5)	This subsection provides L&I's interpretation of RCW 49.58.060. This rule clarifies the methods L&I may use to collect on unpaid assessments.
	The subsection does not create an additional cost of compliance for employers, as payments are only required in the event of a violation. The subsection clarifies L&I enforcement of the chapter and does not create an additional requirement employers must meet.
WAC 296-123-120(1)	This section describes L&I's ability to enforce the rules if a portion of the rules is found to be invalid and does not impose any requirements.

 \square Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name Reed Simock

Address Department of Labor & Industries

Fraud Prevention & Labor Standards/Employment Standards

PO Box 44510

Olympia, WA 98504-4510

Phone 360-480-3237 Fax 360-902-5300

TTY

Email ESRules@Lni.wa.gov

Other

Date: January 21, 2025

Name: Joel Sacks

Title: Director