ADMINISTRATIVE POLICY

STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES
EMPLOYMENT STANDARDS

TITLE:	**RECORDKEEPING AND ACCESS TO PAYROLL RECORDS (NON-AGRICULTURAL EMPLOYMENT)**	**NUMBER:**	**ES.D.1**
CHAPTER:	**RCW 49.12.050**	**ISSUED:**	**1/2/2002**
	RCW 49.46.040 and .070	**REVISED:**	**5/7/2004**
	WAC 296-126	**REVISED:**	**4/6/2023**
	WAC 296-128	**REVISED:**	**9/8/2025**

ADMINISTRATIVE POLICY DISCLAIMER

This policy provides the current interpretations of the Department of Labor & Industries. It guides the department's application of the relevant statutes (RCW) and rules (WACs). It also does not replace current standards provided by the relevant laws.

This policy is effective as of the date of print, but may be impacted by new legislation, changes to the department's rules, or later court decisions. The Director or designee may update this guidance as necessary.

This policy addresses non-agricultural employer recordkeeping responsibilities under the Industrial Welfare Act (IWA) and the Minimum Wage Act (MWA) and associated rules. For information about the recordkeeping requirements for agricultural employers under the MWA and Agricultural Labor Act and associated rules, see Administrative Policy ES.D.2 "Recordkeeping and Access to payroll Records (Agricultural Employment)". For information about the requirements for maintaining and producing personnel records for non-agricultural employers, see Administrative Policy ES.C.7 "Employee Access to Personnel File."

1. Recordkeeping Requirements of the Industrial Welfare Act.

Employers covered by RCW 49.12 and applicable rules must keep the records of the names of all employees, the address and occupation of each employee, dates of employment, rate or rates of pay, amount paid each pay period, and the hours worked for each employee for at least three years. *See* RCW 49.12.050 and WAC 296-126-050. These records must be provided to employees within a reasonable time when requested. See section 2 below for guidance.

Employers must also provide employees with itemized statements of pay at the time of payment of wages showing the pay basis (hours or days worked), the rate or rates of pay, the gross wages, and the deductions taken from their pay. *See* WAC 296-126-040. Employers can meet this obligation by making these statements accessible by electronic means, such as by email or through a web portal. "An itemized statement" means a separate statement issued to an employee on each payday. Pay periods must be identified by month, day, year, and payment date. Employers providing pay by direct deposit or by a payroll debit card must also provide a pay statement or access to pay statements by either paper or electronic means to meet these requirements.

The pay statement must include the total of all actual hours worked, with regular and overtime hours shown separately, and all rates of pay whether paid on hourly, salary, commission, piece rate or other combination or basis during the pay period. Workers paid at rates other than hourly or salary are entitled to a detailed, printed accounting of commissions, piece rate, or other methods of payment earned in the pay period.

2. Employees Protected by the Industrial Welfare Act Have the Right to Examine Records Kept by Their Employers.

Employers must make the records in Section 1 above "available to the employee upon request at a reasonable time." *See* WAC 296-126-050(2).

2.1 "**Available to the employee**" means that the *originals* of the required records (name, address, occupation, dates of employment, rate of pay, amounts paid each pay period) are made available to the employee for inspection, review, transcription, and/or photocopying.

2.2 "**Upon request**" means an oral or written request by the employee.

2.3 "**At any reasonable time**" generally means within 21 business days from the date of request by the employee.

3. Making Records Available to the Department.

The Washington State Department of Labor and Industries (L&I) may access all the records that employers are required to maintain about wages, and conditions of employment, and may also access any physical facilities. *See* RCW 49.12.041; RCW 49.12.050; and RCW 49.46.040.

The department also has the authority to request reasonable production of an employer's records, i.e., the department can request that the employer provides copies, paper or electronically, or can request that the employer allows the department to examine the requested records on the employer's premises, and to copy or have the relevant materials copied.

The department is also entitled to request meetings with employers and employer's agents to obtain statements or other information.

4. Workplace Poster Requirements.

Employers are required to post a copy of the IWA requirements in a poster ("Your Rights as a Worker"), provided by the department, in a readily accessible location within plain view in each work site where one or more employees are located. *See* WAC 296-126-080 and RCW 49.12.275.

5. Records Maintained Under the Minimum Wage Act and Industrial Welfare Act Must be Kept for at Least Three Years.

All records required must be kept by an employer for at least three years. *See* WAC 296-126-050(1) and WAC 296-128-020.

"All records required" for the purposes of the IWA and associated rules, includes the original time records, including dates and hours worked, recorded on time sheets, time clocks, timecards, computer-generated time records, video camera (if used as a means of recordkeeping by the employer), or any other method of recording hours worked.

Upon discharge, an employee or their designee, can submit a written request to receive from their employer within 21 calendar days, a written statement affirming the effective date of discharge, whether the employer had a reason for the discharge, and if so the reason for the discharge. *See* Administrative Policy ES.C.7 "Employee Access to Personnel File" for more details.

6. Recordkeeping Requirements of the Minimum Wage Act.

The recordkeeping requirements of the MWA are similar to those under the IWA. Employers subject to the MWA must keep a record of each employee's name, address, occupation, rate of pay, amount paid in each pay period, and hours worked each day and each workweek. *See* RCW 49.46.070 and WAC 296-128-010.

Under the provisions of the MWA and the record keeping regulations in WAC 296-128-010, employers must also keep the following records:

- Employee name
- Home address
- Occupation
- Employee's date of birth, if under the age of 18
- Time of day and day of the week that each employee's workweek begins.
- Total daily or weekly earnings at straight-time rate.
- Total overtime earnings for weeks in which overtime was worked.
- Date of the wage payment and the dates of pay period covered.
- Total wages paid for each pay period.
- All additions or deductions to or from the wages for each pay period and a record of the additions or deductions from pay.

6.1 Recordkeeping of Tips, Gratuities, and Service Charges. The MWA requires employers to keep records of the amount paid each pay period to each such employee, which includes tips, gratuities, and the employee portion of service charges. Federal tax

requirements of recordkeeping related to tips, gratuities, and service charges are enforced by the Internal Revenue Service.

6.2 Recordkeeping of Paid Sick Leave. Employers must keep records of all applicable employees' paid sick leave accruals each month, any unused paid sick leave available for use, the date of commencement of employment, paid sick leave used, paid sick leave donated to a co-worker through a shared leave program, and paid sick leave not carried over at the end of the "year" (as defined in WAC 296-128-620(6)). *See* WAC 296-128-010(12)-(16).

7. Definitions of Terms for the Recordkeeping Requirements of the Minimum Wage Act.

7.1 Employee's Name. The "employee's name" is the employee's full name as used for Social Security purposes.

7.2 Employee's Address. The employee's address is the employee's home address. Occupation is the occupation in which the employee is presently employed. An employer may use symbols or employee numbers in place of names, but they must be uniform and defined.

7.3 Workweek. A workweek is "a fixed and regularly recurring period of 168 hours or seven consecutive 24-hour periods." It can begin on any day of the week at any hour of the day and need not coincide with the calendar week.

If all, or a defined group of employees, have a workweek which begins on the same day, a single notation of the time of day and day of the week that each workweek begins is sufficient. Separate notations must be made for employees or groups of employees who have a workweek beginning and ending at a different time.

7.4 Workday. A "workday" is a fixed and regularly recurring period of 24 hours. It can begin at any hour of the day but must begin at the same time each day.

7.5 Place for Keeping Required Records. A "place for keeping required records" means the records must be kept on the premises where the employee is employed or at a central location and must be made available for inspection by an authorized representative of the department within a reasonable time.

Upon request from the department, employers subject to the MWA must provide the above information to the department. *See* RCW 49.46.070.

7.6 Year. A **"**year" for the purposes of paid sick leave accrual is a calendar year, unless a different fixed consecutive 12-month period is established by an employer's policy or a collective bargaining agreement. Other definitions of "year" may include, but are not limited to a fiscal year, a benefit year, or an employment year.

7.7 Date of Commencement of Employment. The "Date of commencement of his or her employment" means no later than the beginning of the first day on which the

employee is authorized or required by the employer to be on duty on the employer's premises or at a prescribed workplace.

7.8 Date of Separation of Employment. The "Separation" and "separates from employment" mean the end of the last day an employee is authorized or required by the employer to be on duty on the employer's premises or at a prescribed workplace.

8. Required Records Must Also Be Accessible to Employees.

An employee who is entitled to the protections of the MWA who requests their work record may inspect the records that the employer is required to keep "at any reasonable time." *See* WAC 296-128-025.

"Employee work record" means the original records and must include the name, address, and occupation of each employee; dates of employment; rate or rates of pay including regular and overtime rates; amount paid each pay period to each employee; all deductions from or additions to wages; and the hours and dates worked including regular and overtime hours

9. Inspection of Records.

Every employer shall, upon the request of an employee, permit that employee to inspect all the employee's own records. Such records shall be open upon request to inspect, review, transcription, and/or photocopying by the employee.

9.1 Upon Request. "Upon request" shall mean an oral or written request by the employee.

9.2 At Any Reasonable Time. "At any reasonable time" generally means within 21 business days from date of request by employee.

10. All Records Required Must be Kept for at Least Three Years.

"All records required" shall include the original time records, including dates and hours worked, recorded on time sheets, time clocks, timecards, computer-generated time records, video camera (if used as a means of record keeping by the employer), or any other method of recording hours worked. *See* WAC 296-128-020.

11. Time Clocks and Rounding Practices.

Employers may use time clocks, sign-in/out sheets, electronic swipe cards, timecards, or other methods of keeping track of employee's dates and hours worked. Employees must be paid for all time worked, which includes all preparatory and concluding activities. Employers may pay for all minutes on the timecard or may use the rounding practices described below.

11.1 Differences between clock records and actual hours worked when rounding is not used. Time clocks are not required. When employers use the time clock method, minor differences between the clock records and actual hours worked cannot ordinarily be avoided, but major discrepancies should be discouraged since they raise a doubt as

to the accuracy of the records of the hours actually worked. The employer controls the workplace and to avoid potential pay issues surrounding time clock punches should not allow employees to arrive and clock in early for their own convenience. Should employees arrive before their scheduled starting time and begin their work, or continue to work after their closing time, they must be paid for that time unless as described in the following paragraphs.

When a time clock is used, an employee must be allowed to punch in at the time they are required to report for work and must be allowed to punch out only when they are finished performing tasks at the end of their shift. If a written timecard is used, an employee or their supervisor must be allowed to record the actual time they are required to report for work and the time when they are finished performing tasks at the end of their shift.

11.2 Rounding practices. In some industries, particularly where time clocks are used, employers record their employees' starting time and stopping time by rounding the time to the nearest 5 minutes, or to the nearest one-tenth or quarter of an hour. Employers may not utilize recordkeeping systems in which 15-minute segments of work time are not recorded or paid. When rounding to the nearest quarter-hour, employers must round based on the 7-minute rule, i.e., when employees are 1 to 7 minutes late, they must be paid for the entire quarter-hour; if they are 8 to 14 minutes late, payment may begin at the nearest quarter-hour. If they clock out 7 minutes before the end of their shift, they must be paid to the end of that shift; if they clock out 8 minutes prior to the end of their shift, their payment may stop at the nearest quarter-hour.

A system where time is always rounded down is not appropriate. The rounding practice must work both ways so that sometimes it is rounded up and sometimes it is rounded down. Presumably, this arrangement averages out so that the employees are fairly compensated for all the time they actually work. For enforcement purposes, the department will accept this practice of computing working time provided that it is used in such a manner that it will not result, over a period of time, in failure to compensate the employees properly for all the time they have actually worked.

Rounding practices may be used only with a time clock recordkeeping system or when a written record keeping system accurately reflects the actual time the employee signed in before and after the scheduled shift.

EXAMPLE 11.2-1: **Time clock rounding**: The following chart is provided as an example of rounding practices based on the 7-minute rule:

CLOCK IN TIME	**=**	7:52 a.m.	/ PAY AS	7:45 a.m.
		7:55 a.m.	/ PAY AS	8:00 a.m.
		8:07 a.m.	/ PAY AS	8:00 a.m.
		8:09 a.m.	/ PAY AS	8:15 a.m.
		8:21 a.m.	/ PAY AS	8:15 a.m.
		8:23 a.m.	/ PAY AS	8:30 a.m.
CLOCK OUT TIME	**=**	4:51 p.m.	/ PAY AS	4:45 p.m.
		4:54 p.m.	/ PAY AS	5:00 p.m.

5:07 p.m.	/	PAY AS	5:00 p.m.
5:09 p.m.	/	PAY AS	5:15 p.m.
5:22 p.m.	/	PAY AS	5:15 p.m.
5:24 p.m.	/	PAY AS	5:30 p.m.

11.3 Rounding is Not Permitted for Meal and Rest Periods. The Washington meal and rest period requirements found in WAC 296-126-092 require a 30-minute meal period no later than the end of the fifth working hour, and a 10-minute rest period in each four-hour working period. Employers cannot round**,** deduct, or average any time from a meal or rest period.

EXAMPLE 11.3-1: If the employee works four minutes into an unpaid 30-minute meal period, the employer must start the 30-minute meal period from the time the employee actually stops working.

EXAMPLE 11.3-2: If an employee's meal period is from 12:00 p.m. to 12:30 p.m., and the employee does not start the meal period until 12:04, the employee does not have to return to work until 12:34 p.m. *See* Administrative Policy ES.C.6.1 "Meal and Rest Periods for Non-Agricultural Workers Age 18 and Over" for more information.

12. Employers of Truck and Bus Drivers Subject to the Federal Motor Carrier Act.

In addition to the general recordkeeping requirements under the MWA and rules, employers who employ truck and bus drivers subject to the Federal Motor Carrier Act are required to keep specific, additional records. Those records are described in WAC 296-128-011. Drivers who work for bus and truck employers have a specific right to obtain copies of such records.

13. Failure to Comply with Recordkeeping Requirements.

Compliance with recordkeeping requirements is the responsibility of the employer. In the event of an investigation by the department, an employer's failure to keep and produce the required records may result in the department's acceptance of personal records kept by employees to determine back wages owed. The failure of an employer to comply with the recordkeeping requirements set forth in WAC 296-128-010 may also result in the department assessing a civil penalty against the employer, as detailed at WAC 296-128-830, -840, -850.

For any questions, please contact L&I at ESGeneral@Lni.wa.gov.