

Chapter 49.84 RCW
WAREHOUSE DISTRIBUTION CENTERS

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RCW 49.84.010 Definitions. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person. For purposes of this subsection, "control" means the possession, directly or indirectly, of more than 50 percent of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise.

(2) "Aggregated data" means information that an employer has combined or collected in summary or other form such that the data cannot be identified with any individual.

(3) "Defined time period" means any unit of time measurement equal to or less than the duration of an employee's shift, and includes hours, minutes, and seconds and any fraction thereof.

(4) "Department" means the department of labor and industries.

(5) "Designated employee representative" means any employee representative, including but not limited to an authorized employee representative that has a collective bargaining relationship with the employer.

(6) "Director" means the director of the department of labor and industries or the director's designee.

(7) "Employee" means an employee who is not exempt under RCW 49.46.010(3)(c) and works at a warehouse distribution center.

(8)(a) "Employee work speed data" means information an employer collects, stores, analyzes, or interprets relating to an individual employee's performance of a quota including, but not limited to, quantities of tasks performed, quantities of items or materials handled or produced, rates or speeds of tasks performed, measurements or metrics of employee performance in relation to a quota, and time categorized as performing tasks or not performing tasks.

(b) Employee work speed data does not include qualitative performance assessments, personnel records, or itemized wage statements pursuant to department rules, except for any content of those records that includes employee work speed data as defined in this subsection.

(9) (a) "Employer" means a person who directly or indirectly, or through an agent or any other person, including through the services of a third-party employer, temporary services, or staffing agency, independent contractor, or any similar entity, at any time, employs or exercises control over the wages, hours, or working conditions of 100 or more employees at a single warehouse distribution center in the state or 1,000 or more employees at one or more warehouse distribution centers in the state.

(b) For the purposes of determining the number of employees employed at a single warehouse distribution center or at one or more warehouse distribution centers, all employees employed directly or indirectly, or through an agency or any other person, and all employees employed by an employer and its affiliates, must be counted.

(c) For the purposes of determining responsible employers, all agents or other persons, and affiliates must be deemed employers and are jointly and severally responsible for compliance with this chapter.

(10) "Person" means an individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, business trust, estate, trust, association, joint venture, agency, instrumentality, or any other legal or commercial entity, whether domestic or foreign.

(11) "Quota" means a work performance standard, whether required or recommended, where: (a) An employee is assigned or required to perform at a specified productivity speed, or perform a quantified number of tasks, or to handle or produce a quantified amount of material, within a defined time period and under which the employee may suffer an adverse employment action if they fail to complete the performance standard; or (b) an employee's actions are categorized between time performing tasks and not performing tasks, if the employee may suffer an adverse employment action if they fail to meet the performance standard.

(12) "Warehouse distribution center" means an establishment engaged in activities as defined by any of the following North American industry classification system codes, however such establishment is denominated:

(a) 493 for warehousing and storage, but does not include 493130 for farm product warehousing and storage;

(b) 423 for merchant wholesalers, durable goods;

(c) 424 for merchant wholesalers, nondurable goods; or

(d) 454110 for electronic shopping and mail-order houses. [2023 c 306 s 1.]

RCW 49.84.020 Warehouse quotas—Written description—Notice to employees. (1) An employer must provide to each employee, upon hire, or within 30 days of July 1, 2024, a written description of:

(a) Each quota to which the employee is subject, including the quantified number of tasks to be performed or materials to be produced or handled within a defined time period;

(b) Any potential adverse employment action that could result from failure to meet each quota; and

(c) Any incentives or bonus programs associated with meeting or exceeding each quota.

(2) Whenever there is a change to the quota that results in a different quota than the most recent written description provided to

the employee, the employer must: (a) Notify the employee verbally or in writing as soon as possible and before the employee is subject to the new quota; and (b) provide the employee with an updated written description of each quota to which the employee is subject within two business days of the quota change.

(3) Whenever an employer takes an adverse action against an employee in whole or in part for failure to meet a quota, the employer must provide that employee with the applicable quota for the employee and the personal work speed data for the employee that was the basis for the adverse action.

(4) The written description must be understandable, in plain language, and in the employee's preferred language. The department may adopt rules regarding the format, plain language, and language access requirements for the written description. [2023 c 306 s 2.]

RCW 49.84.025 Time periods—Requirements. (1) The time period considered in a quota, including time designated as productive time or time on task must include:

(a) Time for rest breaks and reasonable time to travel to designated locations for rest breaks;

(b) Reasonable travel time to on-site designated meal break locations. Meal breaks are not considered time on task or productive time unless the employee is required by the employer to remain on duty on the premises or at a prescribed worksite in the interest of the employer;

(c) Time to perform any activity required by the employer in order to do the work subject to any quota;

(d) Time to use the bathroom, including reasonable travel time; and

(e) Time to take any actions necessary for the employee to exercise the employee's right to a safe and healthful workplace pursuant to chapter 49.17 RCW, including but not limited to time to access tools or safety equipment necessary to perform the employee's duties.

(2) Reasonable travel time must include consideration of the architecture and geography of the facility and the location within the facility that the employee is located at the time. [2023 c 306 s 3.]

RCW 49.84.030 Violations. (1) Except as provided in RCW 49.84.032, a quota violates this chapter if the quota:

(a) Does not provide sufficient time as required under RCW 49.84.025(1) (a) through (c); or

(b) Prevents the performance of any activity required by the employer for the employee to do the work subject to any quota.

(2) An employee is not required to meet a quota that violates this section.

(3) An employer may not take adverse action against an employee for failing to meet a quota that violates this section or that was not disclosed to the employee as required under RCW 49.84.020. [2023 c 306 s 4.]

RCW 49.84.032 Violations of Washington industrial safety and health act. (1) A quota violates chapter 49.17 RCW if the quota:

(a) Does not provide sufficient time as required under RCW 49.84.025(1) (d) and (e);

(b) Prevents the performance of any activity related to occupational safety and health required by the employer for the employee to do the work subject to any quota; or

(c) Exposes an employee to occupational safety and health hazards in violation of the requirements of chapter 49.17 RCW and the applicable rules or regulations.

(2) An employee is not required to meet a quota that violates this section.

(3) An employer may not take adverse action against an employee for failing to meet a quota that violates this section.

(4) All provisions of RCW 49.84.040 apply to any person who complains to the employer, the director, or any local, state, or federal governmental agency or official, related to a quota alleging any violations of this section.

(5) (a) This section must be implemented and enforced, including penalties, violations, citations, and other administrative procedures, pursuant to chapter 49.17 RCW.

(b) An employer who fails to allow adequate inspection of records in an inspection by the department within a reasonable time period may not use such records in any appeal to challenge the correctness of any citation and notice issued by the department. [2023 c 306 s 5.]

RCW 49.84.035 Employer records—Requirements. (1) An employer must establish, maintain, and preserve contemporaneous, true, and accurate records of the following:

(a) Each employee's own personal work speed data;

(b) The aggregated work speed data for similar employees at the same warehouse distribution center; and

(c) The written descriptions of each quota the employee was provided pursuant to RCW 49.84.020.

(2) (a) The required records must be maintained and preserved throughout the duration of each employee's period of employment and for the period required by this subsection.

(b) Except as required under (c) of this subsection, subsequent to an employee's separation from the employer, records relating to the six-month period prior to the date of the employee's separation from the employer must be preserved for at least three years from the date of the employee's separation.

(c) Where an employer has taken adverse action against an employee in whole or in part for failure to meet a quota, the employer must preserve the records relating to the basis for the adverse action for at least three years from the date of the adverse action.

(d) The employer must make records available to the director upon request.

(3) Nothing in this section requires an employer to collect or keep such records if the employer does not use quotas or monitor work speed data.

(4) An employer who fails to allow adequate inspection of records in an inspection by the department within a reasonable time period may not use such records in any appeal to challenge the correctness of any citation and notice issued by the department. [2023 c 306 s 6.]

RCW 49.84.037 Employee right to written description and records.

(1) An employee has the right to request, at any time, a written description of each quota to which the employee is subject, a copy of the employee's own personal work speed data for the prior six months, and a copy of the prior six months of aggregated work speed data for similar employees at the same warehouse distribution center.

(2) A former employee has the right to request, within three years subsequent to the date of their separation from the employer, a written description of the quota to which they were subject as of the date of their separation, a copy of the employee's own personal work speed data for the six months prior to their date of separation, and a copy of aggregated work speed data for similar employees at the same warehouse distribution center for the six months prior to their date of separation.

(3) An employer must provide records requested under this section at no cost to the employee or former employee.

(4) An employer must provide records requested under this section as soon as practicable and subject to the following:

(a) Requested records of written descriptions of a quota must be provided no later than two business days following the date of the receipt of the request; and

(b) Requested personal work speed data and aggregated work speed data must be provided no later than seven business days following the date of the receipt of the request.

(5) Nothing in this section requires an employer to use quotas or monitor work speed data. An employer that does not use quotas or monitor work speed data has no obligation to provide records under this section. [2023 c 306 s 7.]

RCW 49.84.040 Adverse action—Presumption of retaliation.

(1) A person, including but not limited to an employer, his or her agent, or person acting as or on behalf of a hiring entity, or the officer or agent of any entity, business, corporation, partnership, or limited liability company, may not discharge or in any way retaliate, discriminate, or take adverse action against an employee or former employee for exercising any rights established in this chapter, or for being perceived as exercising rights established in this chapter including, but not limited to:

(a) Initiating a request for information about a quota or personal work speed data pursuant to RCW 49.84.037; and

(b) Making a complaint to the employer, the director, or any local, state, or federal governmental agency or official, related to a quota that is allegedly in violation of this chapter or chapter 49.17 RCW.

(2) An employee or former employee need not explicitly refer to this section or the rights established in this chapter to be protected from an adverse action. The protection provided in this section applies to former employees and to employees who mistakenly but in good faith allege violations of this chapter.

(3) (a) If a person takes adverse action against an employee or former employee within 90 days of the employee engaging or attempting to engage in activities protected by this chapter, there is a rebuttable presumption that the adverse action is a retaliatory action in violation of this section.

(b) The presumption may be rebutted by a preponderance of the evidence that: (i) The action was taken for other permissible reasons; and (ii) the engaging or attempting to engage in activities protected by this chapter was not a motivating factor in the adverse action.

(4) Except as provided for in RCW 49.84.032, the department must carry out and enforce the provisions of this section and RCW 49.84.030(3) pursuant to procedures established under chapter 49.46 RCW and any applicable rules. The department may adopt new rules to implement or enforce this subsection. [2023 c 306 s 8.]

RCW 49.84.045 Employee complaint—Department investigation.

(1)(a) An employee may file a complaint with the department alleging a violation under this chapter or applicable rules, except for violations and enforcement of RCW 49.84.032 and 49.84.040. The department must investigate the complaint.

(b) The department may not investigate any such alleged violation of rights that occurred more than three years before the date that the employee filed the complaint.

(c) If an employee files a timely complaint with the department, the department must investigate the complaint and issue either a citation and notice of assessment or a determination of compliance within 90 days after the date on which the department received the complaint, unless the complaint is otherwise resolved. The department may extend the period by providing advance written notice to the employee and the employer setting forth good cause for an extension of the period and specifying the duration of the extension.

(d) The department must send the citation and notice of assessment or the determination of compliance to both the employer and the employee by service of process or using a method by which the mailing can be tracked or the delivery can be confirmed to their last known addresses.

(2) If the department's investigation finds that the employee's allegation cannot be substantiated, the department must issue a determination of compliance to the employee and the employer detailing such finding.

(3) The director may initiate an investigation without an employee's complaint to ensure compliance with this chapter.

(4) The department may request an employer perform a self-audit of any records relating to chapter 306, Laws of 2023, which must be provided within a reasonable time. Reasonable timelines will be specified in the self-audit request. The department must determine reasonable time based on the number of affected employees and the period of time covered by the self-audit. The records examined by the employer in order to perform the self-audit must be made available to the department upon request.

(5) Upon the department's request, an employer must notify affected employees in writing that the department is conducting an investigation. The department may require the employer to include a general description of each investigation as part of the notification, including the allegations and whether the notified employee may be affected. The employer may consult with the department to provide the information for the description of the notification or investigation.

(6) If the department determines that the employer has violated a requirement of this chapter or any rule adopted under this chapter, the department also may order the employer to pay the department a

civil penalty of not less than \$1,000. The first violation may not exceed \$1,000. The department may, at any time, waive or reduce any civil penalty assessed against an employer under this section if the department determines that the employer has taken corrective action to remedy a violation. The department must adopt rules creating a schedule to enhance penalties, not to exceed \$10,000 per violation, based on repeat violations by the employer. Civil penalties must be collected by the department and deposited into the supplemental pension fund established under RCW 51.44.033.

(7) Except as provided under subsection (1) of this section, an employer who is found to have violated a requirement of this chapter and the rules adopted under this chapter resulting in a rest or meal period violation, must pay the employee one additional hour of pay at the employee's regular rate of pay for each day there is a violation.

(8) Upon receiving a complaint, the department may request or subpoena the records of the warehouse distribution center.

(9) For enforcement actions under this section, if any person fails to pay an assessment under this chapter, or under any rule under this chapter, after it has become a final and unappealable order, or after the court has entered final judgment in favor of the agency, the director may initiate collection procedures in accordance with the collection procedures under RCW 49.48.086.

(10) If the department finds that a quota violates chapter 306, Laws of 2023, the department may order the employer to review and provide a corrected written quota to the affected employee or employees within 15 calendar days and place a letter in the employee's personnel file to acknowledge the correction. If the employer fails to do so, the employer may be subject to the penalties under subsection (6) of this section and associated rules.

(11) In addition to any enforcement authority provided in this chapter or applicable rules, the department may enforce any violation under this chapter or applicable rules, except for violations and enforcement of RCW 49.84.032, by filing an action in the superior court for the county in which the violation is alleged to have occurred. If the department prevails, it is entitled to reasonable attorneys' fees and costs, in the amount to be determined by the court. [2023 c 306 s 9.]

RCW 49.84.050 Appeal. (1) For enforcement actions under RCW 49.84.045, a person, firm, or corporation aggrieved by a citation and notice of assessment or determination of compliance by the department or any rules adopted under this chapter may appeal the citation and notice of assessment or determination of compliance to the director by filing a notice of appeal with the director within 15 calendar days of the department's issuance of the citation and notice of assessment or determination of compliance. A citation and notice of assessment or determination of compliance not appealed within 15 calendar days is final and binding, and not subject to further appeal.

(2) A notice of appeal filed with the director under this section stays the effectiveness of the citation and notice of assessment or determination of compliance pending final review of the appeal by the director as provided in chapter 34.05 RCW.

(3) Upon receipt of a notice of appeal, the director must assign the hearing to an administrative law judge of the office of administrative hearings to conduct the hearing and issue an initial order. The hearing and review procedures must be conducted in

accordance with chapter 34.05 RCW, and the standard of review by the administrative law judge of an appealed citation and notice of assessment must be de novo. Any party who seeks to challenge an initial order must file a petition for administrative review with the director within 30 days after service of the initial order. The director must conduct an administrative review in accordance with chapter 34.05 RCW.

(4) The director must issue all final orders after appeal of the initial order. The final order of the director is subject to judicial review in accordance with chapter 34.05 RCW.

(5) Orders that are not appealed within the time period specified in this section and chapter 34.05 RCW are final and binding, and not subject to further appeal.

(6) An employer who fails to allow adequate inspection of records in an investigation by the department under this chapter within a reasonable time period may not use such records in any appeal under this section to challenge the correctness of any determination by the department of the penalty assessed. [2023 c 306 s 10.]

RCW 49.84.060 Rules. The department may adopt and implement rules to carry out and enforce the provisions of this chapter. [2023 c 306 s 11.]

RCW 49.84.900 Effective date—2023 c 306. This act takes effect July 1, 2024. [2023 c 306 s 14.]