

STATE WORK STUDY (SWS) PROGRAM MANUAL

2017-18 UPDATE & GUIDANCE

- **Minimum SWS Wages**

[Initiative 1433](#)'s passage directs new, higher state minimum wages for all employees working in Washington beginning on January 1, 2017 and increasing incrementally as follows:

- \$11.00 per hour as of January 1st, 2017
- \$11.50 per hour as of January 1st, 2018
- \$12.00 per hour as of January 1st, 2019
- \$13.50 per hour as of January 1st, 2020
- Each January 1st thereafter, as adjusted by the rate of inflation

Thank you for ensuring that all SWS student employees' hourly pay rates continue comply with applicable minimum wage requirements.

Please note that localities with higher minimum rates than the state minimum (Seattle, Tacoma, and the City of SeaTac currently) must ensure compliance with the higher, local minimum wage (see below).

- **State Mandated Sick Leave:**

In addition to its state minimum wage provisions, [Initiative 1433](#)'s passage also requires that Washington employers provide all employees with **paid sick leave**.

Beginning **January 1, 2018**, all Washington employers must provide paid sick leave to all their employees, including SWS student employees.

Employees must accrue at least one-hour of paid sick leave for every 40 hours worked.

An employee may use paid sick leave for the following reasons:

- An absence resulting from an employee's mental or physical illness, injury, or health condition; to accommodate the employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or an employee's need for preventive medical care;
- To allow the employee to provide care for a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; or care for a family member who needs preventive medical care;
- When the employee's place of business has been closed by order of a public official for any health-related reason, or when an employee's child's school or place of care has been closed for such a reason; and

- For absences that qualify for leave under the state's existing Domestic Violence Leave Act

Employees are entitled to use accrued paid sick leave beginning on the 90th day after starting their employment. Unused paid sick leave carries over to the following year, however, an employer is not required to allow an employee to carry over more than 40 hours of sick leave.

Because the minimum paid sick leave hours as defined by I-1433 are a required component of state-mandated employee compensation, and not a fringe benefit such as employer-provided health insurance, or a required tax owed to the state or federal government such as Workers Compensation or FICA, the paid sick leave hours required by I-1433 are eligible for SWS reimbursement as hours worked.

SWS employers should document student employee sick leave hours on SWS timesheets as they would any other hours of SWS employment.

Please note that average weekly SWS hour limitations still apply, including any sick leave hours associated with the calculation period.

State-mandated sick leave hours under I-1433 do not impact federal FICA tax exemptions. Student employees who would otherwise be exempt from FICA deductions would retain that exemption regardless of state-mandated sick leave requirements. Please see <https://www.irs.gov/pub/irs-drop/rp-05-11.pdf>, page 12, item 6.04 for more information.

The Department of Labor & Industries is currently writing the rules on I-1433-mandated sick leave benefit implementation. These rules should help clarify many institutional/employer questions but will not be final until fall 2017. WSAC will work to ensure SWS stakeholders are informed on the latest I-1433 developments and we appreciate your patience prior to final rules. In the meantime, the latest information on I-1433 implementation can be found at <http://www.lni.wa.gov/WorkplaceRights/Wages/Minimum/1443.asp>.